AMARA RAJA
Gotta be a better way

energy & MOBILITY

AMARA RAJA BATTERIES LIMITED
ANNUAL REPORT 2020-21

Contents

At Amara Raja, we are passionate about the **New.**

New objectives that push us to identify market trends and innovate accordingly.

New opportunities that mandates us to imbibe new technologies and master them.

New demands that drive us to rejuvenate our offering with renewed vigour.

New zeal that demands us to imbibe fresh intellectual capital to deliver better and faster than we have done before.

New aspirations that requests a new guard to steer the organisation to a new orbit.

This New Energy is the foundation of our 'Energy & Mobility' theme which will drive us to ensure that we continue to remain at the forefront of what we do.

VISION

Through **The Amara Raja Way**® and through enduring progressive partnerships we will be a Global Leader in Batteries and Battery Technologies and a dominant player in the Indian Ocean Rim

CORE PURPOSE

To transform our increasing spheres of influence and to improve the quality of life by building institutions that provide better access to better opportunities to more people… *all the time*

CORE VALUES

INNOVATION

Innovation to us is proactively rebelling for better ways of doing things leading to newer possibilities

EXCELLENCE

Excellence to us is continually enhancing our performance to consistently produce outstanding results with lasting impact

ENTREPRENEURSHIP

Entrepreneurship to us is leading with courage and conviction to convert gaps into opportunities, create wealth and contribute to growth

EXPERIENCES

Experiences to us are what we create for our stakeholders, which makes them feel part of something special, leading to endearing relationships

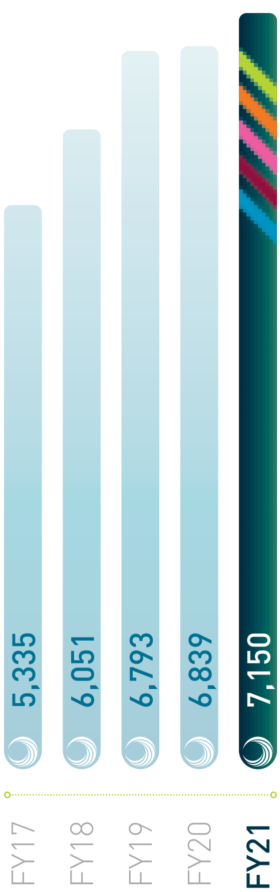
RESPONSIBILITY

Responsibility to us is the total ownership of our thoughts and actions in every situation to achieve maximum common good in the best interest of Environment, Society, Customer, Supplier, Employee and Shareholders

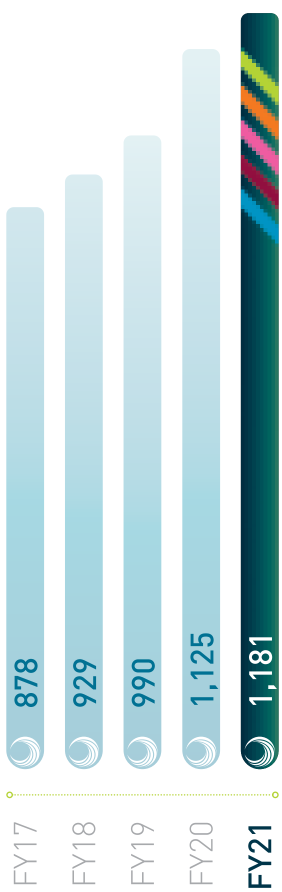
Key Performance Indicators

AMARA RAJA, turned headwinds into tailwinds to enable it to rise above the prevailing challenges. A comparative, five-year summary of key financial performance indicators highlights the Company's ability to sustain its momentum. It's the inherent energy within the organisation that keep its performance upwardly mobile.

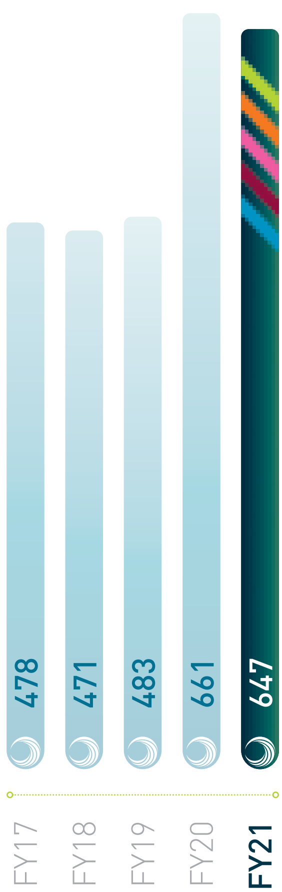
Revenue
(₹ crore)
7.6% CAGR



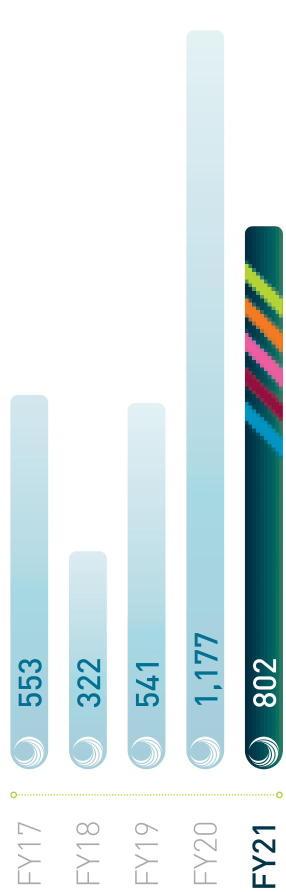
EBITDA
(₹ crore)
7.7% CAGR



Profit after Tax
(₹ crore)
7.8% CAGR



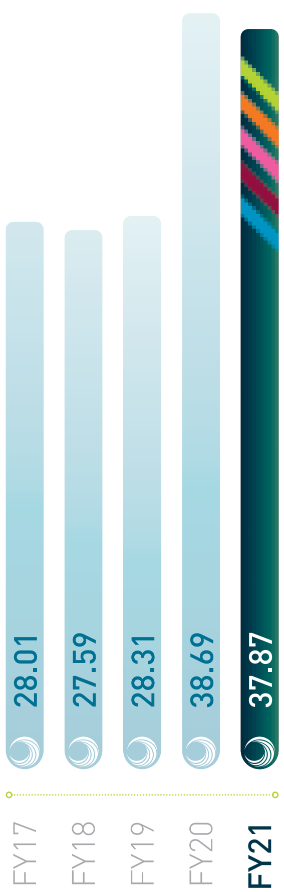
Net Cash from Operations
(₹ crore)
9.7% CAGR



Earnings per share

(₹)

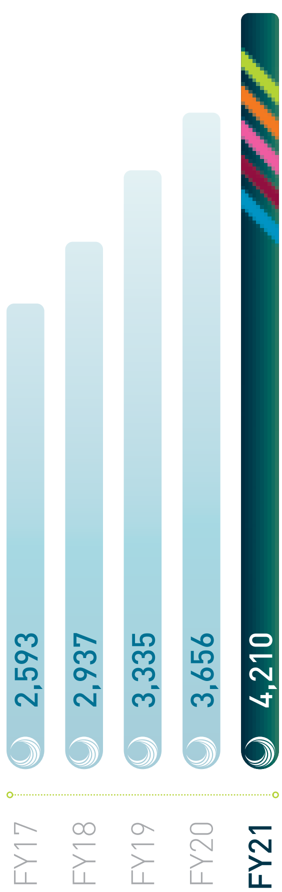
7.8% CAGR



Networth

(₹ crore)

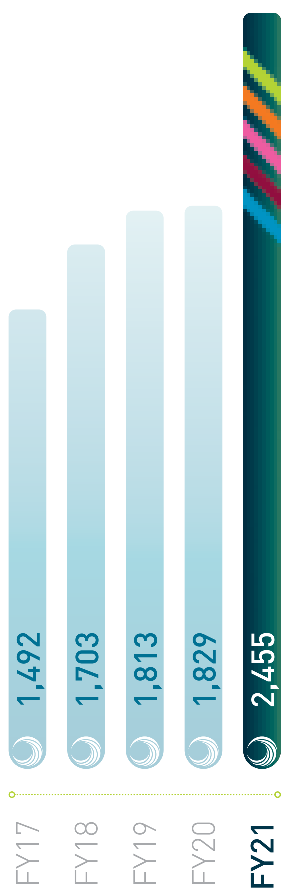
12.9% CAGR



Net Fixed Assets

(₹ crore)

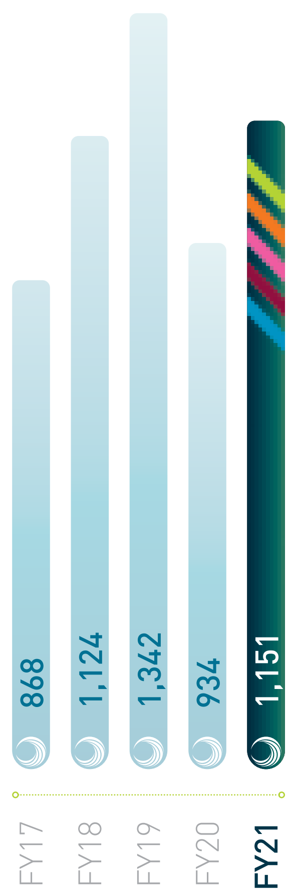
13.3% CAGR



Net Current Assets

(₹ crores)

7.3% CAGR



'The pandemic period gave us, **the leadership team,** an opportunity to deliberate upon evolving trends in key segments that we operate in; ideate on new opportunities in segments that never existed before or are appearing on the horizon.

After intense deliberations, the team zeroed in on adopting a transformative approach. We call this narrative as the "**Energy and Mobility Theme**"...'

Mr. Jayadev Galla
Vice Chairman & Managing Director

DEAR SHAREHOLDERS, We are very happy to engage with you through the Annual report to deliberate on the satisfying progress and exciting prospects of your Company. FY21, was unprecedented for the world at large. Lives and livelihoods, enterprises and economies were severely impacted. Moreover, the pain continues as the virus mutants continue to plague nations across the world, in varying proportions.

While the world, in unison, is working towards progressive resurgence, the race between the virus and vaccine will guide the economic journey ahead.

India, too, suffered significantly owing to the pandemic. Thankfully, the segment that we operated in coupled with the resilience and agility of our team ensured that we steered through FY21 relatively unscathed. We reported incremental positive growth both at the top line and the bottom line in FY21.

More importantly, the pandemic period gave us, the leadership team, and an opportunity to deliberate upon evolving trends in key segments that we operate in; ideate on new opportunities in segments that never existed before or are appearing on the horizon. After intense deliberations, the team zeroed in on adopting a transformative approach. We call this narrative as the *"Energy and Mobility Theme".*

Energy & Mobility: in our business space

Our strategic edifice is balanced on two pillars - (1) Value maximisation of our existing Lead Acid Business and (2) New Energy Business, which will be our new growth engines.

The emergence of lithium as an alternative energy storage technology opens up exciting growth opportunities. Hence, we are convinced that the New Energy platform will provide substantial thrust over the coming decade

In addition, there is a strong conviction on the long-term potential of the Lead Acid Batteries business. The vital role played by lead acid technology across a variety of applications provide significant growth opportunity in the domestic and international markets.

Further, we also recognise that there exists synergistic and exciting growth opportunities between these pillars, which widens our opportunity canvass further.

Lead-Acid Value Maximisation: Having worked on and built expertise in the lead-acid battery space for more than three decades, we believe that we are at an opportune position to seek global expansion and value maximisation.

The global market in FY20 was estimated in the range of US$38-42 billion, of which 66% was Automotive and 29% Industrial. In India, the market size is about ₹ 36,500 crore.

Amara Raja enjoys very strong positions in the Automotive (OE and Replacement) and Industrial battery space (UPS and Telecom). In other Industrial battery applications such as Inverter, E-Rickshaw and Motive Power, we realise that we have some headroom for growth. Although we see lithium penetrating in these domains, we are carefully calibrating different options and disruptions to be able to adjust to these trends.

Automotive segment: Global automotive sales, during the pandemic, expectedly nosedived. But are witnessing a V-shaped recovery. Most geographies are expected to be firmly placed on the recovery path by 2023. In India, passenger vehicles sales that dipped in the last two years is expected to witness a strong rebound over the medium term. These trends suggest promising prospects for the Company.

By 2030, India is expected to experience an accelerated adoption of electric mobility at varying degrees across vehicle categories - rising from about 6% of the on-road vehicle population to about 33% in 2040. Even as India transitions to e-mobility, Lead-acid battery demand will continue to grow alongside the ICE vehicle. Moreover, the growing traction of Electric Vehicles (EV) will further enhance volumes for lead-acid batteries. This is because it will have a new application - as an auxiliary battery in the EV.

Industrial segment: Lead-acid will continue to be strong in international industrial markets, despite lithium gaining traction. There are significant opportunities in Europe in UPS and Telecom applications. For Motive Power, lead-acid batteries continue to be the work horse and the preferred choice, a trend that will continue going forward.

In the Indian context, lead-acid battery demand will continue to remain robust in certain segments including telecom which would witness an annual growth rate of 8-10% into FY25.

The Data Center market in India, although currently nascent, promises exciting prospects. Since 2014, India's Data Center market has grown by 520% (against global average growth of 100% over the same period), albeit on a smaller base. Interestingly, this trend is expected to accelerate going forward as leading corporate have announced large investments in Data Center infrastructure over the coming years. Further the government's proposed data centre policy will also augment the growth. To supplement this, UPS volumes are expected to grow at ~7% into FY25.

In closing, we estimate that the demand for Lead-Acid batteries will continue to grow in for the current decade; post which we could see some flattening followed by a gradual decline.

While the word decline would ring 'alarm bells' in the minds of shareholders, the reality is that it provides a window for value maximisation - the numbers highlight our optimism. Amara Raja's current output is about 15GWh; the global demand stands at 490 GWh. We have considerable headroom for sustaining our growth momentum.

Our blueprint: Our roadmap comprises multiple milestones. We will take you through them.

One, the Board has approved the setting up of a lead recycling plant. This investment will partially secure our critical input, optimise costs and strengthen our commitment to evolving environmental regulations.

Two, on the Automotive side, we will launch AGM Batteries for both ICE and Micro Hybrid variants. We plan to introduce Smart batteries for auxiliary applications in EVs with additional features such as predicting battery maintenance and its replacement.

Three, on the Industrial side, we will deploy the Advanced Multi-Stamped Grid technology, a continuous plate making process which will provide higher wattage even as it reduces the battery weight. As a result, our products will gain an edge in the domestic and internationally markets. Further, our digital solutions to remotely monitor battery bank installations and implementing hybrid battery energy systems will help us widen our product and solution portfolio for industrial customers.

Another departure from the way we've traditionally been looking at things is, we feel that there's a vibrant ecosystem of startups coming up in these new energy areas and we will be keen to supplement our own R&D efforts and making investments into very innovative startups that give us an edge into the areas that we wish to focus on.

Four, we will also consider establishing a local presence to strengthen our position in our international destinations. This would help us in entrenching our brand and products in those markets better. After having gained a healthy global presence, we would consider potential inorganic opportunities to accelerate market share acquisition.

Going forward, we expect to achieve a topline growth of 15-17% over the next five years, driven by organic growth in the domestic market and pushing international expansion.

New Energy: In the storage battery space, the focus on e-mobility has put the global spotlight on lithium-ion technology, although lithium-ion batteries have a plethora of other, equally critical, applications.

At Amara Raja, having studied this New Energy piece well, we are establishing a meaningful presence in this space. While lithium-ion cell manufacturing will be a central part of our plan, we have built a blue print to provide integrated solutions to our customers, the largest segments being the electric vehicle sector, renewable energy markets and the energy storage systems.

The expected ecosystem: The overall lithium demand over the next five years, even in a base case scenario, is expected to be about 30 GWh demand coming up by 2025, and close to 150 GWh in 2030. The Government's recent PLI scheme. The Government's recent ACC PLI scheme, with an outlay of Rs 18,100 crore to support setting up 50GWh of domestic manufacturing, appears to be the right policy at the right time. It provides a significant impetus for building a domestic supply chain for lithium and other advanced cell chemistries to serve the fast-growing EV and renewable energy sectors.

When we put this into perspective, we believe that both market and policy drivers have aligned well to create an ideal opportunity to invest behind lithium at this time.

From an EV penetration perspective, the electric two wheelers and three wheelers are seeing a faster surge than other automotive categories. We believe that this definitely has a huge part to play in the decade ahead. Within the four wheeler segment, over a 10-year period, in FY30, we see numbers that we cannot ignore; a pretty sizable opportunity is building up.

At Amara Raja, in addition to pursuing opportunities with the lithium cells and pack products, we are looking at introducing a range of power electronics, such as EV chargers, electronics that go into energy storage systems, to give an integrated solution customised to the Indian context.

Li battery packs: We have started a pilot scale facility for manufacturing of Li battery packs, to support three wheeler and two wheeler customer requirements; this unit can be ramped up to about 200 MWh., because the low hanging fruits of electrification appear to be more visible in two wheelers and three wheelers.

We have done extensive testing of our products for two wheelers and three wheelers in the fleet. Cumulatively, we have half a million miles accumulated on that so far. We also have a technology collaboration agreement from ISRO, who have built the cell technology for space applications to start with.

Li Cells: In December, 2020, we launched the Advanced Lithium-ion Technology Hub, where we are able to simulate the cell making process. We have successfully made 18650 cells and 21700 cells, tested them on the test bench as well as put some other batteries of cells into field applications, getting our hands soiled to see what works best in the Indian condition.

Battery Management systems: In our lithium venture, we have factored in many other aspects as well. Over the past few years Amara Raja Power Systems, our Group Company, has actively developed low and medium voltage battery management systems (BMS) in the application areas like two and three wheelers, telecom and data center.

We have established BMS capability, integrated it with the pack for two wheelers and three wheelers in the

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low voltage category. The BMS plays many roles. It has monitoring and analytics capabilities to look at the health of the battery. But as we look at new business models emerging, the BMS also allows us to add many digital value additions and actually enhance the value that we're able to deliver to the customer.

EV charger portfolio: We realise that India, unlike other developed economies, has not been able to standardise the types of plugs, voltages, etc. In keeping with this reality, we have developed an entire charging portfolio that will be able to deliver charging and swapping solutions as well as AC charging for residential applications.

When looking forward, we will offer a host of charging solutions, the battery management system seamlessly connecting the user to these charging stations, the distribution, transmission, generation of power, with the generational source moving from thermal to renewable energy, (predominantly solar and wind). As we bring in energy storage, we can give round the clock renewable power to charge the electric vehicles.

In a nutshell, many of the market drivers are starting to align and create a great opportunity for us in the great opportunity for us in the new Energy space.

Summarising our business prospects

We are convinced and confident about the future of the lead-acid technology at least for the next couple of decades. Our optimism is based on one reality - as long as there are IC engine cars or electric vehicles on the road, there is going to be a market for lead-acid batteries.

At the same time, the emerging trends in electric vehicles and renewable energy space presents a compelling opportunity for lithium-ion batteries and associated products and solutions. We have laid clear plans to leverage our strengths to tap into these opportunities.

We believe we have a lot of strengths namely knowledge of battery chemistries, segmental applications and evolving trends there in, very strong customer relations and a recognisable brand. We are confident that as we build on these strengths year-on-year, we will achieve our goal of delivering superior value to all our stakeholders.

Energy & Mobility: in the organisation

There is a second narrative, which is our succession planning blueprint. Our Founder-Chairman, who has been at the helm of affairs since founding the Company 36-years ago, has decided that he is ready to retire from active business, to invest his mind, space and energy in Rajanna Trust, our CSR arm.

We, at Amara Raja, take our CSR activities very seriously, since inception of the Group. We have been investing ~2% of our profits in social activities every year for the last two decades even before it was mandated by the Government. That is because our Founder Chairman is a social entrepreneur at heart. He firmly believes that an island of success cannot survive in a matrix of misery. The success needs to be shared with the community for it to be meaningful. Hence, I will be stepping in as the Chairman of the Group, and of Amara Raja Batteries as well.

Our CEO, Mr. Vijayanand who has been with the Group for more than two decades will be moving in as President of New Energy vertical. His rich knowledge and experience will be critical in navigating the Company to greater heights in this challenging new space.

In the promoter family, Harshavardhana Gourineni and Vikramadithya Gourineni, will be assuming leadership roles after having been very well groomed in the Group, across related businesses for them to understand the Group and also our future plans. They have been leading the Company's strategy development of Energy and Mobility for the last several months.

It's a very good alignment of stars, where the next generation will be spearheading these opportunities, giving us the energy and the motivation to take on challenging projects. Our future definitely appears riveting.

As we continue our journey of scaling new peaks, we would like to thank the Board for guiding us to execute our responsibilities in the best possible manner. We would like to extend our gratitude to each and every member of the Amara Raja team for their relentless efforts in making it a positively disruptive brand in the storage battery space.

We would also thank all our stakeholders, bankers and government authorities for the support and assistance they provided throughout our journey.

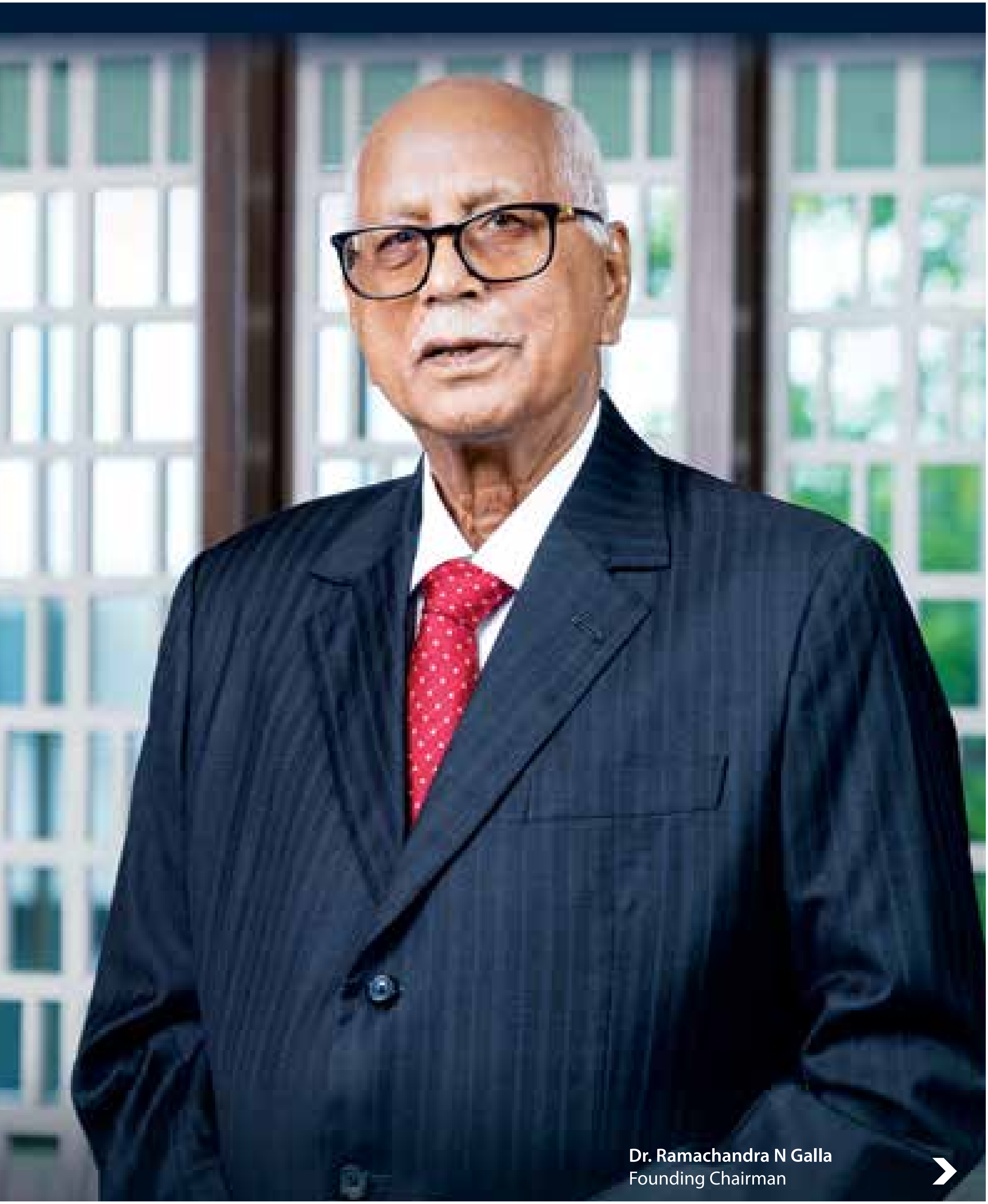
energy&mobility

AMARON™... Yes that is the green battery!

You have known the battery. You have used it. You know the brand. You associate with it.
But do you know the man behind this?

He is Dr. Ramachandra N Galla,

the social entrepreneur



Dr. Ramachandra N Galla
Founding Chairman

A MAN OF MANY VIRTUES. One who put underprivileged Indians before himself. One who uplifted India onto the global storage battery map. One who single-handedly and successfully altered the journey of the Indian storage battery industry.

Man of the soil

SON of farmer, in true intent emerged as Son of Soil. The glamour and success stories of the US has smitten many a youth since decades and still do; they yearn to settle in the 'Land of Opportunities' with the objective of living a life of luxury. But not for Dr. Ramachandra N Galla.

Having worked in the US for more than a decade, the longing for the home town, drew Dr. Ramachandra N Galla back to India. The irresistible urge to participate in India's growth soon seized him. He embarked on the journey of setting up one of India's largest integrated manufacturing location for advanced lead-acid battery systems across the globe. Living upto the ethos… **For India. In India. By India.**

Man of steel

AT 50 year, generally one would be readying himself for retirement (retirement age being 58), and life in the second innings with family and friends. But not for Dr. Galla. At 50, he decided to come back from the US to his agricultural roots in Andhra Pradesh to set up two entities, Amara Raja Power Systems Ltd at a project cost of ₹ 2 crore and Amara Raja Batteries Ltd at ₹ 20 crore, both with just 12 employees. This sure must have needed some strength of conviction.

Intent on making a difference to the underdeveloped area of his home district, Chittoor, Andhra Pradesh, by ushering modern development, he set up the units in this far flung area where there was proper road connectivity, infrastructure or utilities. **He persevered as child to secure his education. He toiled once again to secure the future of other Indians.**

He walked many-a-mile to his school. He laboured to create his units. He has meagre resources then. He did not have the basic infrastructure when he started out on the venture. Yet, he toiled to create factories, start operations and leave a legacy that would hopefully ease the lives of thousands after him. **All of this at 50!**

Man for society

DR. Galla firmly believed entrepreneurs had an underlying responsibility towards empowering underprivileged people and promoting social goals. Accordingly, the first manufacturing facility and office was established in remote Karakambadi village, 12 km from the town of Tirupati. Moreover, he invested in people from the neighbourhood. He handpicked them. Trained them. Introduced them to global technologies. Believed in them. He partnered with local communities. He grew them. They in turn grew the Group. An ₹ 22 crore investment, in less than four decades has become an ₹ 10,000+ crore Group.

He started the food business to support farmers in the area. His electronics venture became a means of empowering women in the area. And through Amara Raja Batteries he trained his people to walk shoulder-to-shoulder with global battery makers. The idea he seeded has, over three decades, transformed the lives of thousands.

The hardships of his childhood kindled the flame within to create communities that are economically and socially vibrant enough to stimulate growth and become self-reliant. To ensure that his dreams saw the light of day, Dr. Galla established the charitable trust Rajanna Trust under the aegis of the Amara Raja Group.

Being very close to his heart, Dr. Galla, worked painstakingly, through the Trust for uplifting neighbouring villages by providing basic amenities such as water for irrigation, road connectivity, other basic infrastructure, educational institutions and healthcare facilities. There is not a single area bereft of his touch. For the neighbouring districts, **Dr. Galla has been, and will always be the provider!**

Dr. Galla, through his life believed and articulated his mind through a single statement "To be an Entrepreneur is to be a social worker first..."

He lived all these years by this ethos.

Now, he has decided to dedicate his life to society. Through his single-minded focus to Rajanna Trust. He will continue to energise people and rekindling their hope for a better life.

Even as he pull out of active business involvement, his ethos will continue to be the beacon for the Group for generations to come. For his belief is enshrined in our Core Purpose.

"To transform our increasing spheres of influence and to improve the quality of life by building institutions that provide better access to better opportunities, goods and services to more people…all the time".

A defining moment

When the old order changeth, yielding place to New.

AMARA RAJA is undergoing a generational change across the entire enterprise - from operatives at the shop floor to the leadership team and the Promoter family at the apex. This marks a defining moment, a new paradigm in the Company's history, as it readies to negotiate a critical turn into the next phase of its growth.

Amara Raja is undergoing a generational change across the entire enterprise –from operatives at the shop floor to the leadership team and the Promoter family at the apex.

This marks a defining moment, a new paradigm in the Company's history, as it readies to negotiate a critical turn into the next phase of its growth.

This is possibly the most difficult transition for many organisations. Some drop from leaders to trailers. Some others simply perish. But not for Amara Raja.

At Amara Raja, the change of guard has been rather seamless. The organisation owes this to its Founder and Chairman, Dr. Ramachandra Galla. His innate ability to spot talent and potential in individuals is what has enabled the organisation to climb to such dizzy heights. His differentiated approach to 'build and buy' talent at all leadership levels infused the prudent mix required for the Enterprise in the long term. These practices have since been embedded into the succession planning framework institutionalised long ago.

The Company's meticulous succession planning mandates the rigour of moving up the hierarchy to gain functional experience and be groomed at every stage to undertake higher responsibility. Today, more than 50% of the leadership team at the Group are those who have joined at front line Executive positions and were groomed along.

The process was not just followed for the professionals in the organisation, it was followed for the members of the promoter's family as well.

Succession within the family

At Amara Raja, succession in the promoter family is not about simply walking in and occupying the top seat. It's a process that requires passionate perseverance to gain adequate exposure within different functions, mandates disciplined determination to take risks, make mistakes and overcome them. It necessitates years of investment before one can eventually earn the Amara Raja colours.

Jayadev Galla, the current Vice Chairman & Managing Director, went through the ranks before occupying the top seat. His first responsibility in the Group was taking up the role as a Transport In-Charge in the Administration department. Later he was entrusted with the project of establishing the Company's first Sales & Marketing office in Hyderabad which was done successfully. After years of resolute grit, he took on the mantle as Amara Raja's Managing Director.

While Jay Galla was a successful start, grooming of other family members continued, more silently and systematically.

Welcome Harshavardhana Gourineni and Vikramadithya Gourineni, young, energetic and experienced members who have taken the responsibility, along with other members of the leadership team to drive the organisation into a new orbit.

i) **Vikramadithya Gourineni**

Vikram started his journey in Amara Raja in 2013 as a Management Executive handling various functional responsibilities relating to supply chain management, procurement, marketing and sales etc. while steadily moving up the ranks. He has been a driving force behind the design and implementation of key strategies in the group. He was subsequently appointed as a Director in many Group entities. He held the top spot in Amara Raja Power Systems Ltd as its Managing Director & CEO and Amara Raja Electronics Ltd as its Managing Director. He was instrumental in shaping the operational policies, growth strategy and future vision for the firm. He now takes on a larger role as the Executive Director in Amara Raja Batteries Ltd responsible for New Energy strategy apart from other key initiatives.

ii) **Harshavardhana Gourineni**

Harsha started his career in 2013 at the Milwaukee, Wisconsin based Johnson Controls, one of the largest battery manufacturers in the world, initially as an Operations Supervisor and later on went on to managing the demand planning function.

Subsequently, he joined Amara Raja as a Management Executive with functional responsibilities in Supply Chain, Sales & Marketing, Manufacturing and other functional responsibilities within the group before being inducted into the board of different group entities.

Until recently, he was the Managing Director & CEO of Mangal Industries Ltd. (MIL) a leading manufacturer of auto and battery components in the Amara Raja Group. In this role, he demonstrated a proven record of managing different business verticals. Under his leadership, MIL successfully executed numerous mission critical projects in a time-bound manner. He joins Amara Raja Batteries Ltd as its Executive Director with the responsibility of driving the Lead acid battery value maximisation strategies apart from other key initiatives.

Both Harsha and Vikram have actively participated in various leadership councils and business forums, gaining industrial expertise necessary for a leader at the helm of India's leading battery manufacturer.

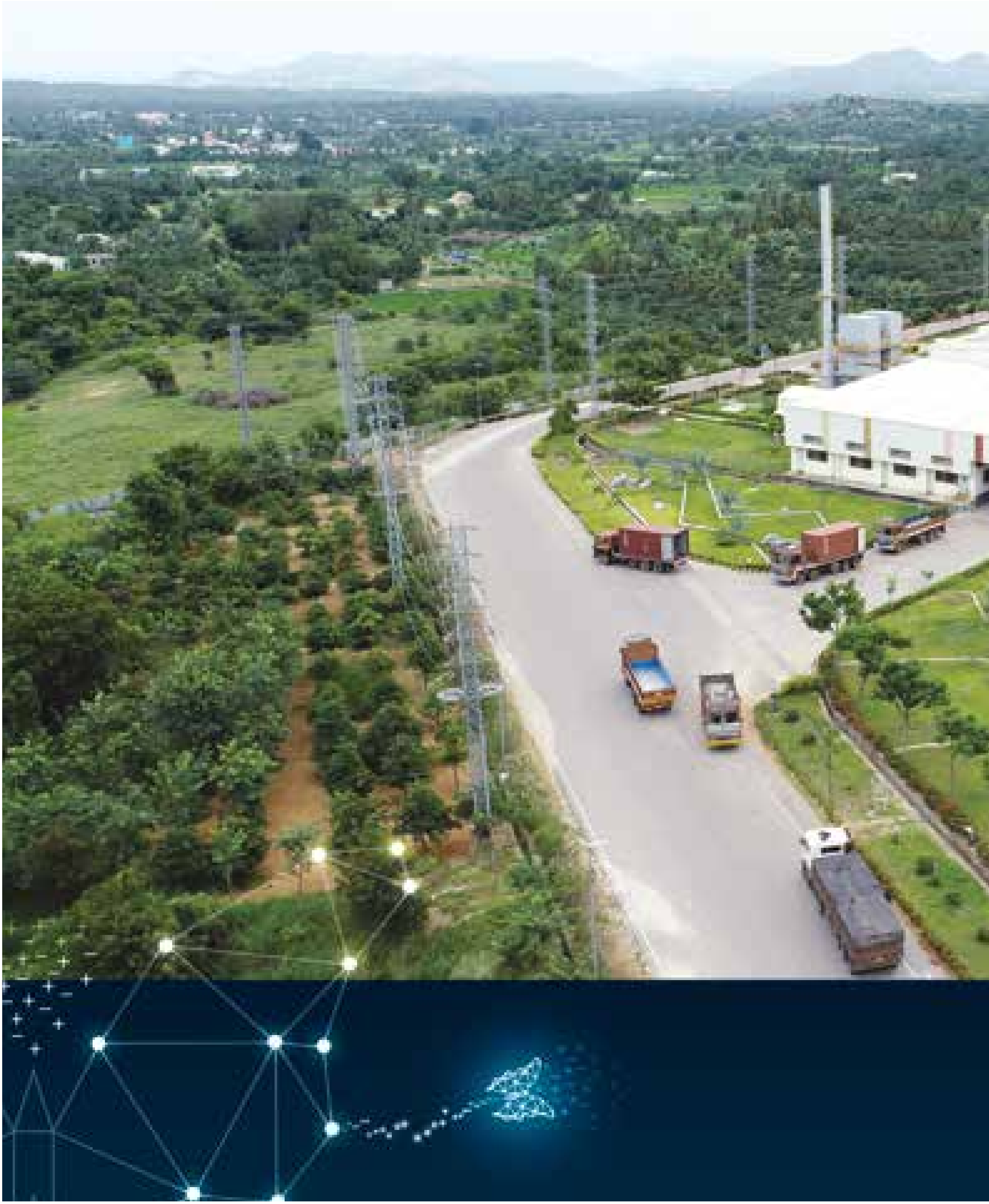
The new-gen leadership team

In the next few years, Amara Raja will be bringing in newgen leaders to the apex level as some of the current members of the leadership team will retire on attaining the age of superannuation. It will again be a mix of both 'build and buy' process.

For this, Amara Raja has initiated the arduous task of identifying potential talent and grooming its intellectual capital. The Group undertook a performance and potential assessment of 100+ leaders to ensure a systematic talent review at the Corporate.

The leadership team continues to encourage team members to participate in the innovative 'Switching Lanes programme', an initiative to nurture, build and grow internal talent - this program is gaining traction among star performers in the entire Group.

The Company through their 'Sukalpa' and 'Navaprathibha' programme is also scouting premier and non-premier educational institutes in India to cherry-pick fresh and smart talent who demonstrate the spark and drive to make a mark for themselves.



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Management Discussion & Analysis

Economic overview

Global economy

A year into the Covid-19 pandemic, the rising economic and personal toll continues to be a matter of concern, even as nations become more aggressive to inoculate its people.

2020 was unprecedented owing to the rapid spread of the virus across the globe and the stringent lockdowns enforced by Governments to contain its spread. As a result, the global GDP contracted by 3.3% - a deceleration far sharper than what the world endured owing to the global financial meltdown in 2009.

Prudent and unprecedented policy responses by nations across the globe helped in flattening the pandemic curve. It built confidence among consumers and enterprises. This helped in a phased unlocking of restrictive measures. International trade in goods registered a V-shaped recovery.

The lockdown instituted across most nations, triggered an unparalleled demand collapse for oil, leading to a sharp decline in prices. This was further accelerated owing to the price war between Saudi Arabia and Russia. In April 2020, WTI crude oil spot prices dipped below zero as oil producers struggled for the fast-depleting oil storage space.

The global oil market attained stability as the OPEC agreed to the single largest output cut in history (at 9.7 million barrels per day). As economic activity and global trade gained steam in the second half of 2020, oil prices climbed northward.

Going forward, the global economy is projected to grow at 6% in 2021, moderating to 4.4% in 2022 as consumption, investment and trade are expected to gradually improve supported by ongoing vaccination across the globe. These estimates depend on future course of the health crisis, the effectiveness of policy actions to limit continuing economic damage, commodity prices, and the adjustment capacity of the economy. Heightened geopolitical tensions and renewed trade wars will continue to be traditional downturn risks as well.

Indian economy

Aligned to the slide in global GDP, India's economic progress was expected to contract. India's GDP contracted by 7.3% in 2020-21 against a growth of 4.0% in 2019-20. This was marginally better than the earlier contraction estimate of 8% plus owing to a sharp V-shaped recovery by a resurgent India.

After a contraction in GDP for the first half of FY21 (a negative growth of 24.4% in Q1 and 7.4% in Q2), India recovered to post a positive GDP growth in Q3 at 0.5%, one of the few nations globally to emerge out of recession in such a short time period. As resurgence gained momentum, India's GDP growth for Q4 of 2020-21 stood at 1.6%.

Among the sectors that comprise economic activity, the agriculture sector, which largely supports the rural economy, remained robust - it registered a growth of 3.6% in 2020-21 (lower than 4.3% growth recorded in 2019-20).

After the expected de-growth in the manufacturing sector in the Q1 of 2020-21, the rebound was sharp as business activity and demand gained traction. Aligned to this trend, GST collections crossed the ₹ 1 lakh crore mark during the second half of 2020-21 - it was ₹ 1.23 lakh crore in March 2021, the highest collection since the launch of GST. Also, provisional net indirect tax collection in 2020-21 grew 12.3% annually to ₹10.71 lakh crore, exceeding the previous year collection of ₹ 9.54 lakh crore.

In view of the economic momentum in Q4 of 2020-21, leading opinion makers had estimated a sharp growth in India GDP for 2021-22. But owing to the outbreak of the second wave of Covid-19 in India, these estimates have been revised downwards.

Business operations

AMARA RAJA Batteries Limited is one of the largest manufacturers of lead-acid batteries for industrial and automotive applications in the Indian storage battery industry. Headquartered at Hyderabad, India, the Company has two large manufacturing facilities at Karakambadi, Tirupati and Amara Raja Growth Corridor (ARGC) in Chittoor District, Andhra Pradesh, India. The Tirupati and Chittoor manufacturing facilities are benchmarked to the ISO/IATF16949, ISO 14001, OHSAS 18001 and EnMS 50001 standards. Business operations are managed by a team comprising a prudent mix of energy and experience.

01

Automotive battery **division**

The Company's automotive batteries and home UPS/ Inverter battery brands AMARON™ and PowerZone™ respectively are distributed through its pan-India sales & service retail network. Amara Raja enjoys healthy OE relationships with all leading automobile manufacturers. It is also a leading private label supplier to prominent brands.

Amara Raja's entrenched pan-India distribution network comprising 30,000-plus AMARON™ and PowerZone™ retailers has helped the Company sustain its competitive dominance in the aftermarket segment.

Performance in FY21

For Amara Raja, a fiscal which started with considerable uncertainty, ended on a high as it posted its best ever performance.

Amara Raja was among the first to commence supplying batteries to its customers, from its multiple warehouses across India as demand trickled in. Volumes upped towards the close of the first quarter as OE operations commenced.

From the second quarter onward, demand continued northward owing to pent-up demand, pipeline filling by dealers and the festive season. The demand acceleration enabled the Company to operate its manufacturing infrastructure at peak utilisation.

Demand from the agricultural sector remained steady right through the year owing to a normal monsoon and a good harvest prior to the monsoon.

Key Highlights for FY21

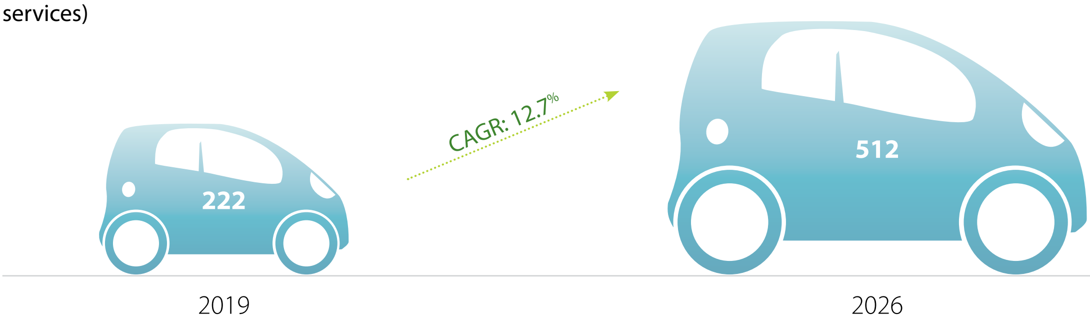
OE market	Private	Aftermarket	Exports
Enhanced business volumes with leading 2-wheeler manufacturers **Started** business with new 2-wheeler brands **Secured** 100% volumes for some fast moving 4-Wheeler brands **Initiated** business with leading tractor brands	**Initiated** supply of automotive batteries to Schneider **Received** the license to market the ACDelco brand in India	**Undertook** registration of all partners in pollution control board, in accordance to BMHR rules **Ran** a jump start campaign across India on FOC basis to support customers whose vehicles remained unused during the lockdown **Introduced** a new range of tubular batteries for Inverter and E-rickshaw applications	**Increased** market share in focused countries like Malaysia, Thailand, Saudi Arabia & Sri Lanka **Introduced** new warranty model in the Malaysian market **Opened** 2 more Pitstop, thus taking the tally of international Pitstop counts to 17 **Introduced** new private label brands **Gained** initial entry in Tubular Batteries business **Continued** programs like service Training and Dealer meets

Optimism and opportunities

Automobile industry* in India is poised to grow at 12.7% CAGR between 2019-2026 to reach USD 512 billion by 2026.

Automobile industry market in India (in USD billion)[2]

(Includes new, used vehicles and associated services)



THE YEAR MENTIONED ABOVE IS FISCAL YEAR APRIL-MARCH

*THE AUTOMOBILE MARKET DISCLOSED ABOVE INCLUDES NEW VEHICLES (2019 DEPARTMENT OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (GOI), USED CAR MARKET (MORDOR INTELLIGENCE REPORT), USED TWO WHEELERS MARKET (KEN RESEARCH REPORT) AND AUTO SERVICES MARKET THAT INCLUDES AUTO LOANS, AUTO INSURANCE, AUTOMOTIVE TYRE AND AUTOMOTIVE AFTERMARKET (RBI, ALLIED MARKET RESEARCH REPORT, MARKELINE RESEARCH REPORT AND GRANT THORNTON ANALYSIS)

Key growth drivers

Rising middle class and young population coupled with increasing disposable incomes and urbanisation is driving the growth of new vehicles sales in India.

Transparency, convenience and ease of transactions, digital banking and payments, certified quality of vehicles is driving the growth for used vehicles sales in India.

The average duration of ownership across cars and two-wheelers is reducing due to increasing disposable income among consumers, introduction of new models in a shorter period, trade in benefits and buyback guarantees being offered by dealers.

The Indian auto industry will be driven by changing preference of consumers for personal mobility, increased disposable income and favourable government initiatives.

1) Passenger vehicles

The passenger vehicle (PV) segment in India is expected to grow up to 25% in 2021-22, even as shortage of semiconductors will continue to remain a key challenge for the industry.

Though industry volume will be impacted during Q1 FY2022, some normalcy is expected from June 2021 onwards, India's dependency on overseas suppliers for semiconductor is likely to pose a challenge for the next 3-5 years.

As for capex, the industry's total investment outlay is estimated at ₹ 28,000-33,000 crore during FY22-FY23; the incremental investments will primarily be for new product/ platforms and emission/safety compliance. Investment could be accelerated depending on the incentive structure under the PLI Scheme.

The aftermarket segment provides a larger and sustained business opportunity. This is owing to important realities:

India has a large and growing passenger vehicle base which requires batteries (see graph below); India has added more than 13 mn passenger vehicles between 2014 and 2018 which represent the immediate aftermarket opportunity

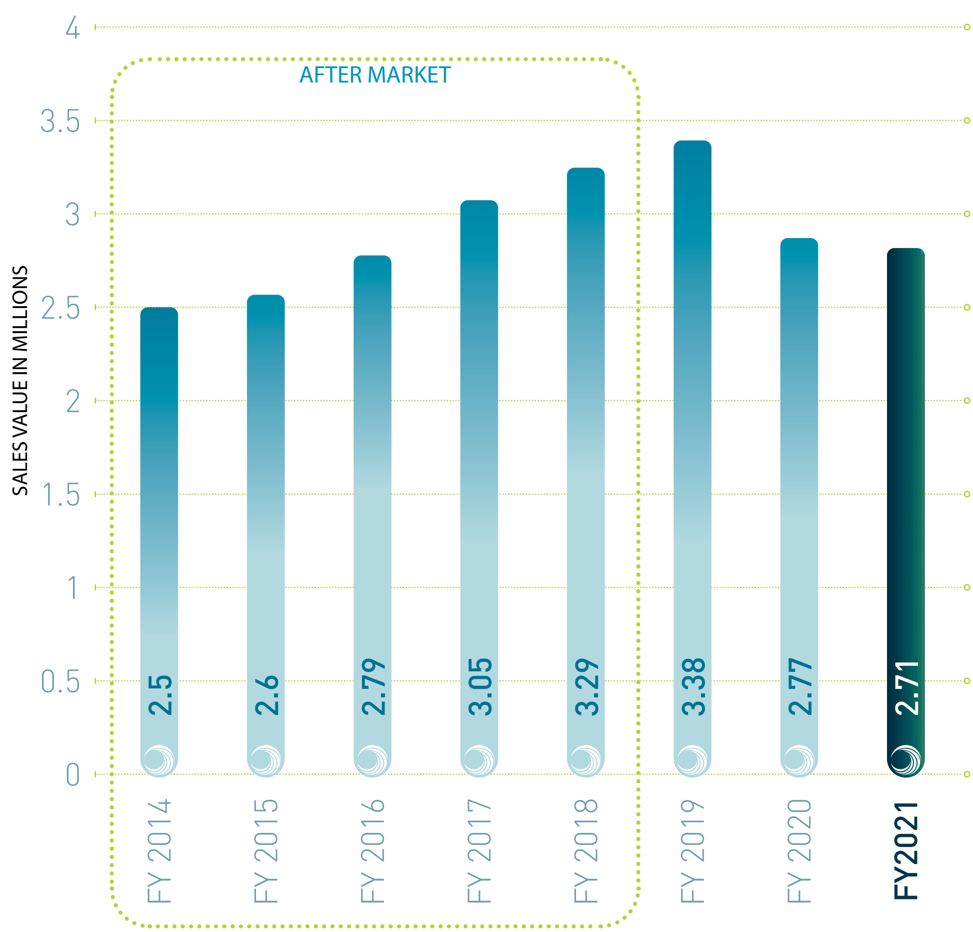
A passenger vehicle, through its useful life, demands about 2-3 battery replacements; it means a 3x larger opportunity than the OE market

The battery life is reducing owing to a) increasing use of the air conditioning in the car and b) more cranking due to road congestion

The growing preference of the millennials to travel by road is also increasing the demand for batteries in the aftermarket segment

Further, passenger vehicle owners are trending towards branded batteries owing to superior battery performance and extended battery life.

Four-wheeler domestic sales in India from financial year 2014 to 2021(in million units)



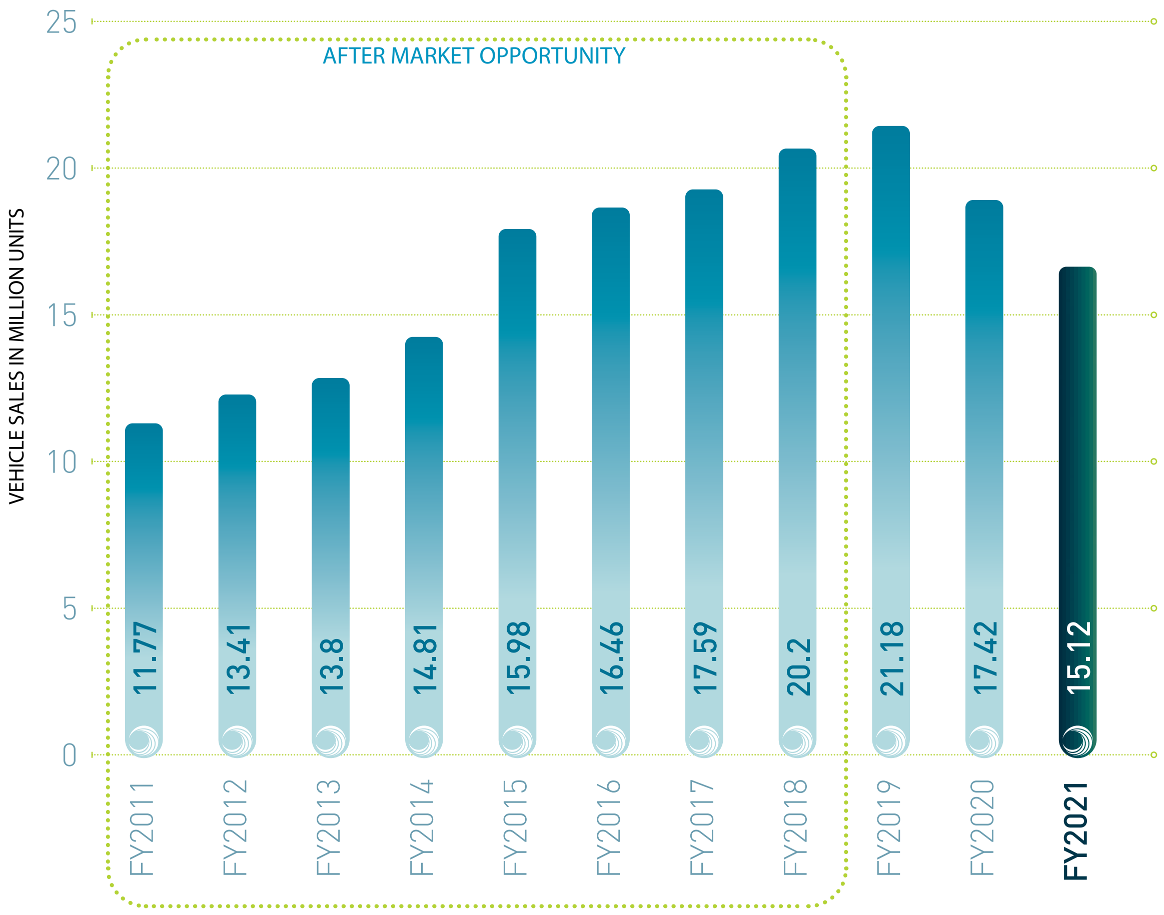
Two-wheelers: Currently, India is the second largest producer of two-wheelers in the world next only to China. One of the chief factors of more 2-wheeler ownership in India is poor public transport facility in many parts of India. Additionally, two-wheelers offer a great deal of convenience and mobility for the Indian family.

Moreover, the pandemic has prompted many individuals to move from shared and public transport to private transport for safety concerns. This trend has increased the demand for 2-wheelers across urban and rural India. Low interest rates are also contributing to a demand spike.

The Indian 2-wheeler market sales stood at 21.2 million units in 2019; it is expected to reach 26.6 million units by 2025 displaying a reasonable CAGR of 2.6% over the forecast period (2020-2025).

Moreover, India offers a huge aftermarket opportunity owing to the large 2-wheeler base of 120 mn vehicles sold between the last decade (2011 and 2018). Further regulatory compulsions from 2018 have increased the use of batteries in 2-wheelers, reducing its life. This has only increased the demand for batteries from the aftermarket segment.

Two-wheeler domestic sales in India from financial year 2011 to 2021(in million units)



2) Commercial vehicles

India is one of the leading manufacturers and exporters of commercial vehicles. Favourable government policies like the Make in India campaign, the Automotive Mission Plan (AMP) and National Electric Mobility Mission Plan (NEMMP) have enabled the country to develop into one of the most important commercial vehicles manufacturing hubs in the world. But dismal economic progress pushed this sector into the red for more than two year.

FY22 could turn the fortunes of the Commercial Vehicle space with India promising to register a high single digit economic resurgence despite the second wave of the Coronavirus. Rating agency Crisil expects Commercial Vehicle volumes to increase by 34-36% year-on-year in FY22 to 7.6-7.8 lakh units. The segment is also expected to benefit from the recently announced Scrapping Policy. But these estimates are subject to economic and industrial revival post the second wave of the pandemic.

Tractors: While every segment of the auto sector felt the pressure due to the Coronavirus pandemic, the tractor segment was the first one to revive; it continues to be the fastest growing in the automotive segment. This was primarily owing to the following factors

1) Rural India and hence agricultural activities were lesser impacted by the first wave of the pandemic.

2) Government stimulus received by rural Indian was ploughed into agricultural activities.

3) A section of the migrant labour opted to remain in villages and focus on agriculture.

Going forward, there is the risk of slowing growth rate for the Indian tractor industry owing to the sporadic lockdowns, supply chain constraints and chances of deteriorating farm income. This is because the second wave of Covid-19 percolated to rural India leading to significant pain and suffering. While the monsoon is expected to be good and crop prices are expected to be stable, credible experts suggest a demand contraction from the 9 lakh unit sales in FY21 (the highest in the last two decades).

E-mobility: According to ICRA, over the next five years, electric vehicles will comprise 3-5% of new vehicle sales in the passenger vehicle segment. The marginal penetration is owing to high prices and lack of direct and indirect fiscal stimulus from the union and the state governments. Also, lack of affordable finance schemes for such zero-emission vehicles could hamper prospects in coming years.

Two- and three-wheel vehicles are likely to lead the transition to electric technology in India during the coming decade as the cost difference with combustion engine vehicles is narrowing and these vehicles would not need public charging infrastructure like passenger and commercial vehicles.

ICRA suggests that electric vehicles will account for 8-10% of the new vehicle sales in two-wheelers and intra-city buses. The three-wheeler segment will witness a more rapid transition by 2025.

E-rickshaws: Most of the people living in Indian cities are still not wealthy, which is why the need for cost-effective public transportation, especially for short distances, has always been high.

Besides, rising environmental awareness, government incentives and implementation of stringent regulations to curb environmental degradation have also been instrumental in driving the growth of the Indian electric rickshaw market.

These realties are expected to propel the Indian electric rickshaw market. The market size will likely rise to US$500 million by 2025 from US$250 million in 2019.

83%

Share of E-rickshaws in India's electric vehicle market

Business strategy

The automotive battery business has drawn up a roadmap designed to sustain its growth momentum over the medium term. It covers geographic expansion, new products and applications, and new technologies and processes.

1) Geographic expansion

Strengthen and expand operation in identified markets in the Indian Ocean Rim

Move towards internationalisation of the export business

Forge international tie-ups to expand and hedge existing business operations

2) Leverage new technologies

Use of advanced plate making technologies across product categories

Cater to sunrise sectors which present interesting growth opportunities over the medium-term

3) Expand product offering

Develop products catering to the e-mobility drive

Enhance the product basket to cater to new platforms being launched by OEs operating in India

4) Continue to grow in India

Build leadership across categories and markets

Strengthen brand equity, as a vehicle for future growth

Risk Management

Demand risk

Deceleration in the automotive sector could impact the growth prospects of this division.

Minimising risk: The automotive sector comprises of multiple sub-segments. Even if the entire sector registers a negative growth (as in FY21), there were some sub-segments which were in the positive zone. Moreover, the Company's significant presence in the aftermarket segment (which is larger than the OE segment) allows it to de-risk itself from the ups and downs of the automotive sector. Further, the Company's sharpening focus on exports is expected to de-risk the Company geographically going forward.

Technology risk

New technologies could reduce the relevance of lead-acid technology.

Minimising risk: Lead-acid technology is a mature and most used technology used across the world for manufacturing storage batteries. Recently, the world is looking at lithium technology for developing batteries for e-mobility application. Currently, this technology is at its nascent stage. Experts suggest that even when lithium-ion technology gains traction, lead-acid will remain the dominant technology for storage batteries owing to its value-proposition against other technologies. As a proactive company, Amara Raja is working on deploying the lithium-ion technology to manufacture lithium batteries to capitalise on the e-mobility opportunity expected to play out in India.

Supply chain risk

Supply chain disruptions owing to uncertainties could impact deliveries to OEs and its large pan-India dealer base.

Minimising risk: The supply chain team is adept at managing just-in-time delivery to more than 26 OEs with distances ranging between 60 km and 3400 km. The Company's multi-modal transport strategy has helped the Company to minimise the transit time, and ensure safe transportation. To ensure quicker reach to Customers the Company has implemented the direct delivery model where the Finished Goods despatches are executed from Plant directly for few selected Channel partners located in four districts in Phase I. This helps in quicker deliveries and avoids multiple handling which reduced associated costs.

02

Industrial battery division

Amara Raja's Industrial Battery Division is the preferred supplier to major telecom service providers, telecom equipment manufacturers, the UPS sector (OEM & Replacement), Indian Railways and to the Power, Oil & Gas, Motive among other industry segments. Its key products are marketed under various brands namely PowerStack®, Amaron Volt®, Amaron Sleek®, Amaron Brute®, Amaron Solar and Amaron Quanta®. The Company's products are exported to most of the countries in the Indian Ocean Rim.

Performance in FY21

FY21 was a year which commenced with considerable scepticism but ended with significant optimism.

After a three year lull, the prospects of the telecom sector are looking up. The 'Work from Home' trend require telecom companies to ensure 100% tower uptime for uninterrupted connectivity not only at urban areas but across the nation. As a result, the demand for storage batteries from most tower companies, increased substantially.

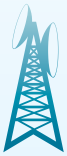
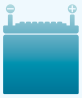
The UPS segment was a mixed bag. Demand for batteries from the OE segment remained muted owing to 1) UPS component shortages 2) reduced demand from majority segments due to the lockdowns 3) reduced investment by government agencies in digitsation projects.

However, there was New Demand in the Home UPS space. The pandemic almost abruptly transitioned the 'Work-in-Office' culture to 'Work-from-Home' trend. This change mandated IT companies to provide power backup to its employees.

Amara Raja had an operational head-start over its peers owing to its local workforce (recruited from communities within the vicinity of its operating facilities). This coupled with the untiring efforts of the supply chain team enabled the Company to service the telecom and UPS sectors with speed despite the prevailing challenges owing to the health emergency.

The preparedness and agility enabled the division to register healthy growth in business and profits. Moreover, it cemented its position in the customers' mind as a reliable and dependable supplier – a recall which promises to strengthen the Company's prospects over the future.

Key Highlights for FY21

Telecom	UPS & Data Center	Railways	Motive Power	Exports
				
Increased market share with most telecom players owing to the team's unflinching efforts in reaching batteries to customers **The** Company graduated from selling products to providing solutions - Amara Raja demonstrated its ability in managing & optimising energy cost in telecom towers **Lithium** batteries for tower applications were successfully tested; field trials are expected to commence shortly **Recovered** long-pending dues from some telecom operators	**Capitalised** on the opportunities coming from the Home UPS space **Worked** on developing lithium batteries for Data Center applications - allowing the Company to effectively capitalise on opportunities in this space	**Non-operations** of train for most part of the fiscal was a dampener; replacement demand trickled through the year	**Increased** presence in this space by making interesting inroads with select players **Increased** the indigenous proportion in the battery which helped in reducing lead time	**The** Middle East market, owing to local presence, reported healthy growth in volumes **Established** local presence in two important markets - Africa and South East Asia to strengthen global presence

Optimism and opportunities

There appears to be considerable optimism in the sectors of the Company's presence owing to the New Way of Life after the pandemic.

Telecom sector

Future of the telecom industry is expected to remain promising. This optimism is based on the following factors.

1) Short term (FY22)

According to India Ratings and Research, the second round of consolidation in the industry, which has kicked in, will drive telecom companies from being providers of traditional voice-only services to complete digital solutions for households that would enable customer retention.

High usage of data and increased preference of bundled services (such as broadband services, cable TV services (direct -to-home), enterprise solutions (B2B), e-payment wallets/platforms, music applications and over-the-top (OTT) transmission platform) has resulted in an increase in the proportion of high-paying customers. This showcases that the sector is moving towards higher average revenue per user (ARPU), despite no tariff hikes.

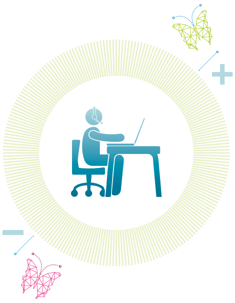
2) Medium-term

Price Discipline: A comparison of mobile ARPUs (average revenue per users) of over 25 countries shows that India's mobile revenues-to-GDP ratio at 0.7% is among the lowest versus countries with similar per-capita GDP, implying scope for a rise in ARPU. According to Jeffries, mobile revenues and realisation per user in India could double between financial years 2020 and 2025, and the telecom sector has entered a phase of "tariff discipline." With tariff discipline sustaining, ARPU could rise 3-5% annually even beyond 2024-25.

Data consumption: Internet consumption, especially 4G, has seen an all-time high. This has been showcased by Nokia's Mobile Broadband India Traffic Index (MBiT):

- In 2020, data traffic grew by 36% in India owing to a rise in 4G usage as more than 700 million people are now 4G subscribers in India (Around 100 million new 4G users were added in 2020)
- 4G data consumption has alone contributed to 99% of the total traffic in India
- Owing to a rise in 4G usage, an average user consumed around 13.5GB of monthly 4G data in December 2020. This figure increased by 20% due to growth in subscribers and video consumption, which is mainly due to our increased dependency on the internet

Going forward, India will be transitioning to the 5G ecosystem which is more data intensive. According to a report by Ericsson, India is likely to have 330 million 5G subscribers by 2026 and the monthly data consumption per smartphone is expected to grow over 3-fold to 40 gigabyte per smartphone.



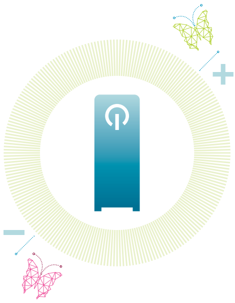
Data Centers

Today, India is one of the most capacity-hungry data center markets in the world, yet they are desperately short of their needs. Currently, capacity in all of India is only 400 MW (megawatt). That's less than Singapore and just 10% of the capacity of Northern Virginia, the largest data center market in the world.

But this is about to change at a rapid pace. Data Centers is the new sunrise sector that is attracting huge global attention and investment. This is owing to the impact of data protection laws, increased shift from captive to co-location data centers and implementation of new technologies like 5G, edge computing and the internet of things (IoT) which is expected to drive sustained investor demand for this asset class over the next five years.

The India market will witness significant investment from colocation service providers due to high demand from BFSI, logistics, transportation, e-commerce, and government agencies, fuelled by the outbreak of the Covid-19 pandemic.

According to a report by JLL titled (re)Imagine Data Centres: Running India's digital economy, India's data center capacity is expected to grow from 375 MW in H1 2020 to 1,078 MW by 2025, presenting a US$4.9 billion investment opportunity.

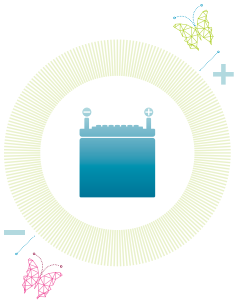


Home UPS

The pandemic may have receded. But the uncertainty among families about its resurgence looms large. Even as Governments across India are loosening restrictions, families are choosing to adopt a mid-path - between working from home and going to office.

Schools are also continuing with online education for students owing to the lack of vaccination for children, a trend which is expected to continue for some time.

These factors are expected to sustain the robust demand for Home UPS systems in the current year. Moreover, increased sales volumes now, would result in healthy replacement demand over the near future.



Motive Power

The motive power battery is driven by the needs of the manufacturing sector, warehousing/e-commerce and preference for electric vehicles over their diesel variants specifically in segments like pharma and food processing.

Warehousing, or sheds have become crucial in the post-Covid world. Many e-commerce categories are expected to boom, as people make a behavioural shift from buying offline to shopping online. Many warehousing complexes are expected to come up across India. Supportive government policies such as establishment of logistic parks and free trade warehouse zones is expected to spur the market growth through 2025. The Indian Warehousing Market is expected to be an estimated US$12.2 billion in 2020, growing to US$19.5 billion by 2025.

In India the adoption of lift trucks per million people is very low. Among most of the emerging regions of the world, India's fork lift population is at ~10 lift trucks per million against 273 in China and 693 in North America. This certainly offers a huge legroom for growth in the Indian market. The demand for forklift is only expected to increase as organised warehousing is expected to increase significantly.

A draft National Logistics Policy stated that logistics cost in India is estimated at 13-14% of gross domestic product (GDP), very high compared with more efficient global systems. In the US and Europe, logistics accounted for 9-10% of the GDP and in Japan, about 11%. Modern warehousing will now play an important role as India tries to cut through the inefficiencies.

Business strategy

1) Geographic expansion

Continue to expand the distribution and local presence in ME, Africa and SEA

Participation in Global sourcing requirements of UPS OEMs after becoming the preferred supplier for their Indian operations

2) Tapping emerging applications

Focus on capitalising on opportunities in motive power

Cater to the growing demand for energy storage solution from the renewable energy sector

3) Expand product offering

Strengthen the MVRLA product portfolio using advanced plate making technologies to support the business growth in global markets

Product to Solution offering in various business segments to cater to changing needs

4) Continue to grow in India

Maintain the current market positions in Telecom, UPS, and Railways and grow the business in solar and motive.

Risk Management

Demand risk

The current surge in demand could be short lived.

Minimising risk: The industrial business division, caters to a number of user sectors, and hence significantly derisked from an overdependence on any one sector. Moreover, its key user sectors namely telecom, Data Centers, Commercial and Home UPS segments are expected to gain traction over the medium term owing to the increasing need of Indians to remain connected in a post Covid-19 scenario.

Technology risk

There is a need to align with evolving technologies.

Minimising risk: Amara Raja has always been at the forefront of technology absorption enabling it to launch trend-disruptive products. The Company, currently, is working on new technologies that will allow it to upgrade its products to evolving sectoral needs. For example, the Company's lithium batteries for telecom application are currently undergoing field trials.

Geographic risk

Being dependent on a single economy for business could impact the Company's growth momentum.

Minimising risk: Currently, exports form a small proportion of the Company's revenue mix, but is a focus area. Because the pandemic has amplified the relevance of a meaningful international presence. As a first step, the Company successfully established its presence in the Middle East countries which delivered satisfying returns in FY21. Next, it has extended its global footprint to Africa and South-East Asia which should increase export earnings going forward.

8:	Number of Plants
2.4:	Cumulative shop floor area (mn sq ft)
4W:	14 Mn Nos (Annualised Capacity)
2W:	20 Mn Nos (Annualised Capacity)
2Bn AH:	Industrial Battery
1.4 Mn Nos:	Tubular Battery

Manufactured **capital**

At Amara Raja, capacity building is not a number-adding task but a strategic call to make the business more adaptive and resilient, thereby enabling it to be relevant and resilient, today and tomorrow.

The Company's manufactured capital comprises physical infrastructure, including manufacturing plants, buildings, machinery and equipment. Consistent investment in capacities over the last decade has positioned Amara Raja as a dominant player in India's storage battery space.

Over the last decade, the Company has continued to augment capacity in both business divisions with the objective of meeting the growing demand. It delivers value by promoting technological innovation at its plants, and through their performance and development of capacity.

Improving productivity

The operations team worked toward improving internal efficiency to raise man-machine productivity, better product performance and enhance customer experience. The team implemented numerous projects under various initiatives such as like TPM, Lean Six Sigma, 5S, Suggestion Scheme and Energy Management Projects. These initiatives led to higher productivity, lower scrap generation, improved product quality, lower energy consumption and cost optimisation. The saved cost was ploughed back into the system for technology upgrade. During the year, the Company invested in technology solutions for enhancing productivity:

- Two Stack Formation Charging System with AGV
- Autonomous Mobile Robot for Plate Storage Stand Movement
- Finishing Line Automation using robotics
- Spine Unloading Robot

Energy conservation

The Company continued its focused energy conservation efforts through up-gradation of process technology, effective production scheduling and various energy saving initiatives including installation of energy efficient equipment's. Few initiatives are mentioned below:

- Conducting awareness sessions on energy conservation to suppliers
- Training employees on ISO 50001:2018 and energy savings technics
- Promoting energy efficiency at design stage for all new expansion projects/equipment. Few initiatives are as below:
  - All motors in machines shall be IE3\4 motors.
  - LED lighting.
  - VFDs with feedback back systems wherever possible in equipment.
  - Aluminum pipe lines instead of MS/GI pipes for compressor air to reduce friction loss and improve life time.
- Increasing Energy Performance Indicators (EnPI) for stringent monitoring of energy performance at section\ equipment level
- Auditing utility equipment like pumps, chillers, Enviro Control systems and taking corrective actions at regular intervals to improve their energy performance
- Monitoring Compressor air leakage at regular intervals and taking corrective actions on regular basis
- Replacing conventional heaters with Infra-Red heaters for flash dryers
- Installing Heat recovery system in place of air compressors
- Improving controls for electrical heaters to reduce harmonics, thereby improving power quality
- Installing Automatic power factor control panels with Hybrid filters for improving power quality

Quality Management

Building a superior quality culture across all levels and functions of the organisation is the key to our success. Amara Raja believes in compliance, excellence & sustenance of its initiatives and statutory commitments. The company endeavors to build world class products enabling it to build quality management systems and get certifications of ISO 9001 and IATF 16949 for all the facilities. Amara Raja also improved the maturity level of its Quality Management System (QMS) to serve the customer better and improve business performance. The imbibed culture of 'Gotta be a Better Way' drives every team member at Amara Raja to build on heart-warming experiences whilst performing their duties.

Learning is an effective means to enhancement of performance, hence need based training was provided to enable the team to do the job better in the areas of Six sigma, Lean & Quality tools. In keeping with the organisational DNA, the company has institutionalised globally accepted operational tools and techniques namely - Continuous Improvement (CI), Lean Implementation programs - TPM, Poka Yoke, Single Minute Exchange of Dies(SMED), Visual Management, 5S, work place ergonomics, Industrial Engineering (IE) studies & Lean Six Sigma and Quality Circle concepts.

Key initiatives in 2020-21

The Company continued its focus in upping its quality commitment by implementing a number of initiatives.

1. Emphasising quality culture through World Quality Month celebrations across all manufacturing sites & remote locations.
2. Initiated Corporate Social Responsibility (sustainability) assessment by Eco Vadis.
3. Conducting exclusive Six Sigma training program virtually for the first time.
4. Design & developed e-evaluation system (SAMEEKSHA) for Continuous Improvement programs like QC, Six Sigma, Lean projects & 5S audit as a part of Rewards & Recognition.
5. Developed Revamped Suggestion Portal.
6. Migrated to e-portal system for effective monitoring and review of QC projects and identifying the best teams for Regional, National and International level competitions.

5S, Quality Circles & Lean Six Sigma

In 2020-21, 1062 quality circles successfully implemented 2056 QC projects. To engrain, the Six Sigma methodology across the organisation, the Company trained 288 members as Black Belts and 965 members as Green Belts and successfully implemented 3192 projects as on March 31, 2021.This task force has provided rich insights into streamlining processes and improving consistency in product performance.

Awards and recognition

1. SIX SIGMA

Recognition

- Under "Manufacturing-Auto/ Engg/Discrete Projects in Manufacturing /Operational Areas" category:
  - SBD1 (Team 2) - has been recognised with Platinum.
  - SBD1 (Team 1) & MVRLA - has been recognised with Gold.
- Under "Manufacturing-Auto/ Engg/Discrete Projects in Customer Facing Processes "category:
  - ISBU Service - has been recognised with Gold.

Awards

- Under "Manufacturing-Auto/ Engg/Discrete Projects in Customer Facing Processes "category:
  - ISBU-Service team won "2nd Runner Up" award
- Under "Manufacturing-Auto/ Engg/Discrete Projects in Manufacturing /Operational Areas" category:
  - SBD1(Team 2) won "2nd Runner Up" award

2. QUALITY CIRCLE

- Received 4 prestigious Platinum Awards at 45Th Virtual International Conventions on Quality Circles 2020 - Dhaka
- Received 1st best & 2nd best Awards at 33rd CII Andhra Pradesh State Level Digital Quality Circle Competition
- Received 2nd best & 3rd best Awards at 33rd CII Sothern Regional Quality Circle Competition
- Received highest level of Quality Circles awards for 10 teams at 34th National Convention on Quality Concepts 2020

Occupational Health

The magnitude and impact of this crisis has been enormous and there is no structured strategy to pursue during these dark hours. The Company devised strategies to ensure that uncompromised safety of the workforce could be harmonised with every activity, resulting in unhindered flow of business.

Steadfast to accomplish the mission, a Group Corporate Task force for Covid-19 with senior leadership and medical professionals, was formed to evaluate the entire operating environment (internal as well as external), to assess the operating guidelines released by Central/State Governments, to formulate and execute the action plan devised to alleviate against the Pandemic and to come out with more sustainable strategies for resumption of work post Covid-19 with focus on 5 key factors:

1.Physical distancing.
2.Screening & monitoring.
3.Disinfection & sanitisation.
4.Containment plan.
5.Prevention & awareness.

The strategy focused on employee health & safety from leaving his home to his return. A sub-committee on SOP was created under the guidance of Task Force team, who developed a detailed SOP for safe resumption of operations.

The SOP emphasised on a new way of life that called for radical behavioral changes on all aspects, including usage of transport, cafeteria, amenities, common areas, and inside the plant and offices. These measures collectively provided a transparent guidance to handle the day-to-day operations at plant and office.

Amara Raja released, at regular intervals, extensive communications related to awareness on Covid-19 to its employees across the country in form of posters, FAQs, AVs, hoardings within manufacturing locations, sales offices and cafeterias. Apart from these initiatives, the multi-regional group provided train-the-trainers program to create a large-scale spread of communication across the 15,000-strong employee community.

As part of the Awareness Program to prevent/ detect Covid-19 symptoms, monitoring temperature at home was done. Subsequently employees underwent a 4-layered thermal screening at multiple stages, covering time of boarding the company bus, at the entry and at the time of exit from the company premises.

The Company also developed an application-based system to monitor employee health through E-self declaration, which generates an E- pass for entry to the premises. Employees were encouraged to use AarogyaSetu app for screening and monitoring.

The residential location of employees was monitored through an in-house application to understand the possibility of zonal risks. The team increased the frequency and intensity of disinfecting all locations and surfaces including open areas, washrooms, employee amenities, shop floor including equipment and high touch surfaces.

A Comprehensive emergency preparedness plan was put in place to tackle medical emergencies by the occupational health team. As part of containment plan, the Company created isolation facilities across its manufacturing locations to isolate symptomatic employees and also at working men's hostel, women's hostel.

Safety

Safety has always been the topmost priority for Amara Raja. The Company has pledged to develop a culture of sustainable excellence in Safety in our group of companies. EXCELLENCE - is one of the five core values defined by us. The Company believes that "a safe and healthy workplace not only protects employees from injury and illness, it elevates the employee morale".

By adopting the occupational health and safety management system (ISO 45001:2018) in Amara Raja for the last eleven years, safety performance has mproved year on year. The Company and its team adheres to all relevant international standards in safety. It is a front-runner in adapting the cutting-edge, business-relevant technologies to sustain a safe working environment. During this year, Amara Raja was certified with latest version of occupational health safety management system ISO 45001:2018.

The Company's manufacturing facilities are protected by fire extinguishers, hose reels, Internal and external hydrants, sprinklers, Fire alarm with detection systems to mitigate the fire during emergency situations. It has obtained renewals and "No objection certificates for Occupancy" from Government of Andhra Pradesh, A.P. State Disaster Response and fire Services Department.

SOPs were created to follow safe working practices and create safe working conditions. Awareness sessions were organised for all employees in plants on precautions to be taken before start of operation. In all manufacturing plants of the Company as an international best safety practice of Lockout & Tag out (LOTO) is being sustained to safeguard employees.

During this year, the Company enhanced the programmes on Behavior based Safety with the objective of changing people's behavior, developing leadership qualities and strengthening the corporate immune system.

The Company celebrated the National Safety Day. As part of the celebration, in virtual mode, various safety competitions were created.

As part of its Corporate Social Responsibility drive, Amara Raja has conducted a safety programmes in schools for school children.

Financial capital

Financial Capital strength is an important foundation for building a sustainable and long-lasting organisation. Over the years, Amara Raja has maintained a sharp focus on building a robust financial capital platform which allows it to invest in-house resources for funding capital-intensive projects even as it rewards shareholders with dividend.

16.52

EBITDA Margin (%)

9.05

Net Margin (%)

2.12

Current Ratio

0.01

Debt-Equity Ratio

FY21 was a unique year which required abundant caution for initial few months given the unprecedented challenges posed by the pandemic onset and then a full throttle business acceleration and growth opportunity for the remaining months. Accordingly, Amara Raja adopted a very nimble-footed approach to the situation.

For Amara Raja, the stress was relatively less owing to its deleveraged position and abundant cash reserve. The Company utilised this liquidity pool to tide over the initial months of business disruption. It ensured timely payment of all dues to its other stakeholders namely employees, vendors and other business partners. To tide over the tough times, the Company also extended the payment cycle for its key dealers to enable them tide over these trying times.

Net Cash from Operating Activities stood at ₹ 802.03 crore in FY21 against ₹ 1176.91 crore in the previous year owing to an increase in working capital requirements.

In keeping with the growing demand, the Company invested ₹ 418 crore, from internal accruals, for augmenting capacity of its 4-wheeler and 2-wheeler batteries. The additional volumes will help in capitalising on growth opportunities in the current year.

Astute business management (growing sales and pruning costs) assisted the Company in maintaining profitability margins largely in line with the previous year benchmark.

Amara Raja also announced its intent to set up a lead recycling unit for strengthening its procurement capability and to ensure better compliance to recycling standards whilst adopting advance technology in the most environmentally friendly manner. The Company also plans to enhance its renewable energy infrastructure to increase its reliance on Green Energy.

948

Capex in FY21 (₹ crore)

16.45

Return on Networth (%)

449.23

Cash and Bank Balance and Liquid Investments, March 31, 2021 (₹ crore)

Human capital

10605: Team size
30: Average age of team
67.42: Revenue per person in 2020-21 (₹ lakh)
6.10: Net Profit per person in 2020-21 (₹ lakh)

Overview

Amara Raja's journey towards leadership at all levels is powered by People at its core. Our people are one of our core strategic assets which fuels the inspiration to go beyond the boundaries within the mind, to open doors and drive performance that not only contributes to industry growth but aims at setting the trends. Our Core Purpose of "Transforming our spheres of influence" is our philosophy that is driven by the attitude of making everything better. Our motto **'Gotta be a better way'** inspires us to bring together the passion of people in creating better experiences and achieve excellent results.

World over, the pandemic has played havoc with lives and livelihoods. We, as a responsible organisation have also continuously tracked and monitored the developments and taken proactive steps to prevent the spread of Covid-19. Our actions were based on inputs from global experts and governments' directives from time to time. During the lockdown period, we provided support to the States and Central government in running essential services like Telecom infrastructure, data centers, essential services transport, supply of electrical equipment required by Power generating

companies, Transcos, Discoms, etc for augmenting transmission and distribution systems. We remained committed in providing uninterrupted supplies of essential services during the lockdown.

During the total lockdown, all our teams across different locations have made extraordinary efforts to carry out their duties despite the challenges, providing services to the customers and also ensuring supplies from plants. Be it working in the plants, attending essential services or attending to the calls of our customers on the field, our teams have shown **Resilience and Agility** that were widely appreciated. This attitude of ***"If not me who else"*** has been contagious and consistent across all our people and teams.

This clearly demonstrates the life of an Amara Rajaian Living The Amara Raja Way®. **This reinforces our belief as an organisation, that people are our core strength and with such people, we will be able to successfully manage any adversity. Some of the actions and experiences are described below in brief.**

Dealing with Pandemic

The Amara Raja Way® of dealing with the pandemic is by being nimble footed and taking appropriate actions at every juncture with the prime motive of keeping our people safe and cater to the customers. We were intensely aware of the fact that the entire country ran on telecom and power networks during lockdowns. While general public were confined to their homes, our brave warriors were in the plants and field to ensure that the nation has the power and energy to face the unprecedented pandemic. With such level of commitment, in less than a month we could bounce back with 100% of resumption of operations after the first wave and lock down.

As one of our first responses to pandemic even before the Govt Restrictions, we issued Travel Advisories that got people to stop travelling and examine other modes of connecting with customers and teams using technology.

As soon as we heard about the pandemic in other parts of the world and that it would have implications in India, we piloted 'Work from Home' first time in the history, for office employees across the country.

We were clear that planning is more important than plans. Our people were up to the challenge, ensuring seamless productivity irrespective of their place of work. During the midst of pandemic, the organisation went on to adopt **'Fusion'** work model which enabled the organisation to adapt to new and contemporary ways of working.

Technology enablement played a critical role in making this happen. IT infrastructure and support for Internet were provided as needed to people who are working from home.

All employees are digitally connected through mobile apps and collaboration tools to mark attendance and make important communications.

During the pandemic we recruited hundreds of people across all our locations by following all the necessary protocols. The new recruits who joined at the factory locations were required to go into quarantine and attend orientation sessions before stepping into the shop floor.

One of the important mantra during the 'Transformation to The New Way of Life' was to keep the people engaged and motivated. Multiple levels of communication were planned on to share the realities of situation from the organisational context and its intended responses. Both internal collaboration platforms and public platforms were utilised extensively. The core idea was to 'Communicate, Communicate and Communicate'

Being transparent and connected was considered as one of the best ways to deal with the anxieties of our people and the stake holders. This helped in preparing the organisation to come together and take austerity and other measures in dealing with the extraordinary situation.

Management recognises that the frontline Operators both at the plants and field locations are the core bread winners of our organisation. A special reward was given to the employees who have demonstrated valour under critical conditions to serve our customers.

Amara Raja continued to engage with the people using different unique programs. One of the programs was a thought leadership webinar series **"Transforming to The New Way of Life",** for internal & external world. This unique webinar series started with the objective to serve the society and help all stakeholders. Amara Raja has also launched a You Tube Channel **'Amara Raja Inspire'** that identifies inspirational stories and next generation leaders to showcase them to the world.

During the Pandemic year, the Family and Foundation Committee got together and decided to celebrate the **Foundation Day on a virtual platform** on 20th December 2020. First time in the history, the people of this great organisation and their families connected virtually for the celebrations. It was a unique experience for the leaders and our people to bequeath and receive recognitions and awards for their numerous achievements.

In the New Way of Life, as against the annual reviews, the leadership team has brought in a change to completely revamp the Performance Appraisal system with more frequent reviews and feedback from 2021-22. We strongly believe the higher frequency of review and feedback mechanism with transparency enables performance that is sharply aligned to the business focus areas.

The revamped process provided higher visibility of the performance of individuals and teams. Periodical review and continuous feedback also ensured high levels of engagement and support to talent in achieving the objectives.

Our organisation, pledged to support the people through its social initiatives. The Group including Amara Raja Batteries Ltd., supported the Government Initiatives by contributing ₹ 5 crore to the Andhra Pradesh CM Relief fund and ₹ 1 crore to the Telangana CM Relief fund. Towards this purpose, every employee contributed one day's salary on their part to the relief and other efforts of the Govt in fighting the pandemic. This is in addition to the continuous support to the local administration on managing the outbreak.

Collaboration and team work during pandemic

During the initial stages of the pandemic, the organisation formed several collaborative teams to deliberate and drive on-ground action safeguarding the Health and Well-being of our people and communities. As a result, 6 taskforces comprising senior leaders and members across the organisation were constituted as early as April 2020, which aimed at the following:

1) Safeguarding interests on Health, Safety, People and Communities.

2) Business Continuity.

3) Covid-19 Data Analytics.

4) Communication to all our employees and stakeholders.

5) Pivot Strategies and response to changing market conditions.

6) Scenario Planning.

All decisions made in the respective teams are communicated across the Organisation for safeguarding the interests of the employees. These efforts have helped us to keep our employees safe, yet continuing business operations.

Support to employees during pandemic

To support our people in this unprecedented situation in addition to the General Medical Insurance coverage, an exclusive Covid-19 Medical insurance Policy for all Non ESI people and their families was introduced. The existing medical insurance policy also covered Covid-19 treatment and if required the same can also be utilised.

A special leave with pay called "Covid-19 leave", was introduced which is available beyond the Present Leave Policy that is applicable to different categories of People. Our people could avail this leave in case of infection to them or their family members. There was no limit for the number of days of Covid-19 Leave.

Capability building

Amara Raja continued to invest in its people, building their capability, sharpening their expertise and nurturing leadership, making Amara Raja a transformative institution which also facilitates in sustaining its top industry level performance.

Our organisation continued to adopt technology, taking learning to the fingertips of our people. In these times of pandemic, eLearning has become the preferred mode. More than 50 eLearning programs both on technical and behavioral areas were developed and deployed across the organisation through the Learning platform. Several learning programmes on different health related topics including mental health were specifically organised for employees and families. Culture building programs like 'Living The Amara Raja Way®' were also adopted to eLearning mode and deployed. Many programs like 'Prevention of Sexual Harassment' were made mandatory for all the employees across levels to undergo and get certified. More than 14,000 programs were completed by our people across the levels.

People strategy Model

We remain committed to our People Strategy that is providing us continual success. **Through The Amara Raja Way®, achieve organisation objectives in an invigorating digital work environment by exceling in people Engagement, Development and Performance.**

Amara raja talent management model

Our comprehensive Talent Management Model enables us to initiate and institutionalise innovative programs in line with the People Strategy of the organisation. As part of the talent management model, the team steered various initiatives during the year aligned to the Company's business strategy.

"Our People Strategy Defines and Talent Management Model Delivers"

Human capital

Highlights of some of the major initiatives

01

AR-Buddy

As part of our wellness and wellbeing initiatives, we have launched "AR-Buddy", a revitalised Employee Assistance Programme for all our people and their families across Amara Raja. This Assistance programme was launched in collaboration with the reputed Organisation 'YourDOST'.

'AR-Buddy', brings expert advice from 1000+ external experts, with complete privacy, confidentiality and anonymity available for our people and their families 24x7 on a wide range of subjects including Stress, Time Management, Confidence Building, Career Coaching, Relationships, Covid-19 Anxieties, and much more...

02

New Way of Life

In order to prevent infections and to reduce the impact in the event of infections several SOPs and Guidelines have been developed and strictly implemented. In order to encourage the plants adhering to the SOPs a fortnightly competition is held with internal audit team assessing each plant. The best scoring plant is recognised at the group level. Various other communication and recognition activities are deployed across locations in order to encourage strict adherence of the SOPs at plant locations and all work places.

03

Adopting 'fusion model' of working patterns

In the current pandemic we have transformed to new working patterns for all our people at different office locations, across the organisation. Our organisation was also in the forefront to adopt technology to enable remote working. We have implemented a new flexible pattern of working known as the 'Fusion Model' (Flexible, Unlimited, Smart, Intelligent, Open, and Nimble). Based on the roles members in a team are classified to make it easy to alternate between work from office and work from home. We have also made arrangements to enable all talent to report at office on specific needs and as and when role/ business situation demands.

04

"AR TalentUP" (AMARA RAJA TALENT UP)

Amara Raja has always been in the forefront in Adopting and infusing technology in people processes to enhance productivity and performance". As part of this journey we have launched "AR TalentUP" (AMARA RAJA TALENT UP) our "Automated Skill and Competence Management Process" across the Group. The main aim of this program is to make the skill and competence management process paperless. It also provides on demand skill & competence data online and anytime. This will help Managers to take the right decisions on the manning of their sections and also to make appropriate development plans.

Awards and Accolades for people practices

Harvard Business School Publishing (HBSP) has recently listed our Amara Raja Group case study on building HRM capabilities, which was developed earlier by Indian Institute Management, Ahmedabad.

Amara Raja has always been a people organisation and pioneer in adopting and leading the industry in many practices. Starting from demonstrating our commitment to creating non-migratory employment by placing our factories in a then industrially backward district to making investments in technology for people processes, the focus on people is always held high.

Our 'people practices' journey has impressed many customers, suppliers and stake holders, leading to forming long lasting relationships. The 'people practices' journey and the HR Organisation design which was developed into a case study by IIM, Ahmedabad (by Prof Biju Varkkey and Farheen Fathima Shaik) is a pride to all of us at Amara Raja and recently it was listed in the world renowned Harvard Business School Publishing.

Amara Raja Group has been adjudged as one of the world's best employers by Forbes in its latest report for 2020. It has been placed at Rank 316 Globally. It is a proud moment for our organisation to be listed as one of the World's best employers. This rejuvenates us especially in pandemic times, and renews our commitment to people and all our stake holders.

Amara Raja Group was conferred with the prestigious title of the "2020 Talent Accelerator for India" by IDC DX, for implementing the digital project WE@AR involved in the Transformation of People Systems and Processes. IDC's Digital Transformation Awards recognises the people and the organisations who are shaping the future and transforming their organisations into a "Future enterprise". The Group bagged the coveted award outshining an exceptional 1200 high quality entries.

Intellectual capital

866: Man-years of cumulative expertise in Battery Technology

31: IP Patents/Design Registrations filed & 12 awarded

240: New-Product launches in FY21

Innovation for Amara Raja is as much about technology as it is about process improvements, business excellence and a culture that encourages thinking afresh.

In its endeavour to sustain its momentum, Amara Raja continues to better its ability to execute. This is driven by capability-building initiatives, which are central to the organisational performance.

The Company has imbibed a systematic approach for continuous improvement in technology and innovation.

Amara Raja believes that capability building starts with listening to the customer's voice, leverage his pain points to ideate opportunities for the future, identify and imbibe the right technology, and then create the right strategy to achieve its desired goals.

Technology

The Technology team, comprising 125 members, drives the innovation agenda for Amara Raja. This zeal has enabled the Company to absorb disruptive technology and launch path-breaking products that have altered the sectoral landscape.

The 'Technology' activities are categorised under three broad areas of focus:

Product Technology	Manufacturing Engineering	Research & Analysis
Introduced a robust EFB Battery product range for OE Automotive Start Stop application and also introduced select EFB part numbers in Export market	**Initiated** the specific energy improvement project for Telecom products successfully	**Scanned,** studied and selected a new poly material as the best for AMARON™ Sleek series and to meet hostile environmental conditions
Developed an advanced range of sVRLA battery series with optimised design	**Optimised** Battery acid filling time to increase the productivity in 2Wh battery manufacturing	**Initiated** pilot project on 2V Traction cells for Forklift application
Launched short tubular variants for HUPS application successfully	**Implemented** paste optimisation in the plate making process of 4 Wh battery manufacturing	**Pursued** and successfully established process studies for New Plate making processes for Four Wheeler and Two wheeler batteries
Li-Ion Pilot cell manufacturing & Testing-Developed and demonstrated 18650 cells as per ISRO and 21700 cells with emerging Li-ion chemistries	**Designed,** validated and implemented 'Replaceable Inter Cell Weld Check Insert' for battery assembly process and the same has been 'Design registered'	**Completed** Formation Cycle time optimisation studies to optimise the conversion cost of UPS batteries
Designed and developed High capacity customised Products for e-cargo & Passenger auto - New OE business	**Implemented** optimised formation input Ah in tubular inverter battery to reduce power consumption	**Developed** a novel technique that 'resist and precipitate the airborne lead oxide particles during Lead acid battery manufacturing process'
Introduced 4G Telematics for Li-Ion Battery Packs	**Implemented** scrap reduction technique to reduce the final battery scrap in SVRLA Battery	**A** novel conductance measurement equipment is designed, validated and institutionalised in-house
	Optimised curing process for negative plate making of tubular battery to reduce cost/power and Cycle time	**Facilitated** NABL Accreditation for Lithium Ion testing Laboratory
	Developed and deployed Pre-blend expander for Industrial application to achieve the paste uniformity	**Patent-Design** registration on electrodes for Li-ion batteries filed in India
	Increased the throughput of the UPS batteries by introducing a New type of AGM separator	
	Commercialised Lithium ion battery technology for Telecom, Stationary & Mobility applications	

Amara Raja received the award from eMobility Research Team for Lithium Ion Battery Pack @ EV Manufacturer of the year 2021

Going forward

Amara Raja continues to live by its ethos 'Gotta be a Better Way'... a phrase that fuels the passion to continue upgrading products and processes. The R&D team's plan for the coming years includes a huge list of process and product improvement that promise to enhance it product performance and strengthen the Company's position in an otherwise competitive market.

- Development of more consistent and reliable products in AMARON™ range with New Plate making process for commercial segment applications
- Development of high performance motorcycle battery with New Plate making process
- Development of high performance EFB batteries with New Plate making process
- Development of new products in AMARON™ range for exports market
- LVRLA Advanced Series targeting higher HRD & improved recharge performance as part of technology demonstration
- Optimisation of Negative plates for Telecom application
- Value Engineering in BSNL Models
- To develop indigenous Components for LVRLA to optimise material cost
- Launch of value line products for UPS and HUPS Applications respectively
- Launch of AMARON™ sleek series with New Poly for Export & Domestic market
- Technology development to optimise positive paste scrap in tubular positive plate making
- Efficient curing profile for 4W automotive to enhance the plate quality with optimised cycle time
- Formation process optimisation to reduce conversion cost of UPS and Telecom battery manufacturing process
- New Process validation and implementation of 2V Tubular batteries for motive power
- Process development to reduce the dross in lead alloys
- Introduction of group anchoring of Lead Acid Batteries in high vibration application
- Development of In-house test equipment for AGM Separator qualification under compression
- Enhancement of Product range for EV Space (2W & 3W) using New cell formats
- To incorporate creative/ functional features as well as improve ergonomics for Li Ion battery Packs by collaborating with Design houses for New applications
- Execution of High Energy Battery Packs for Hybrid ESS at ARGC/Consortium
- Data Centers - Li-solution, Develop the Smart BMS, with OTA, IOT features etc.
- Demonstration of Li-Ion cell with pouch type/ variant
- Developing long lasting Li-Ion batteries with high energy density for e-mobility
- Developing lab scale electrode process with 3D printing technology with institutional collaboration Lithium-ion battery recycling green process for better environment

Information technology (IT) & Digital

Amara Raja's, IT team had its hand full in managing the task of business continuity despite the abrupt lockdown and the social distancing norms which made its imperative for the team to work overtime to transition to the New Normal.

53: IT Projects Completed

99.91%: IT Systems Availability

17139: Hours of IT Training Delivered

Empowering the Fusion Model

History proves that adversity has always been a great teacher. It brings out the best. At Amara Raja, it unleashed the animal spirits to not relent to the fear set in by an invisible micro-organism, but to create an enabling eco-system that allows work to progress - no matter what!

Amara Raja's digital transformation roadmap & strong commitment towards harnessing newer technologies has enabled it to cope up with the challenges thrown by Covid-19.

While Amara Raja's digital transformation journey has continued to pave the way for the adoption of the hybrid remote work approach, Covid-19 only catalysed it. For it, mandated the adoption of remote working environments as well as remote IT support, almost immediately.

The team's focus was on digitising assets and systems to make resources efficient, workplace safer and promote growth in a sustainable manner, leading to increased collaboration in employees and business partners. As a result, transition in workplace, from office to home to hybrid (Home-Office) has not only been made possible but has also improved the overall productivity of employees.

Complimenting Master Data Management, introduction of Material Requirement Planning (MRP) & Production planning (PPDS) has accelerated the planning and scheduling process by 15%.

Protecting People, Asset & Identity

With more services and infrastructure online, Cybercrime increased astronomical in the past year. The Company's Cyber Security team enhanced the security measures, such as, anti-malware filtering, web-filtering, end-point security, DMARC filters and VPN.

Despite working remotely, the team ensured that IT devices are constantly monitored for compliance and are up to date with latest security practices. Security audits were conducted with various partners to plug gaps and loopholes which could be open to risk considering a sudden hybrid work environment. The Company introduced network monitoring and access control tools, such as, Solarwinds & Cisco ISE, to provide remote support to all our offices and warehouses.

In keeping with evolving technology ecosystem and business needs, the IT team has more projects in pipeline, namely - O365, Unified Collaboration tools, SD-WAN, advanced NOC/SOC and new Tier 3 Data Center. This will enable Amara Raja stay at the cutting edge of technologies for sustained growth.

New creation

Despite the pandemic, phase 1 of the New Corporate Office Building at the Head Office in Tirupati was completed successfully while prioritising health and safety. The new facility consists of modern state-of-the-art IT & AV set up, which includes boardrooms, training rooms, meeting rooms and seating capacity of more than 350 employees. The IT team has also introduced large active LED displays and voice control to enhance the productivity and user experience of the meetings in the boardroom.

Adopting to the New Normal

In a New Normal way of life, Webinars became the new normal. In the past year the number of event hosted online increased by 330% and number of attendees doubling every month. Implementation of cloud based Zoom meetings and webinars enabled a hybrid work environment. Events such as Foundation day, Board meetings, corporate communication meets, Sales Meets, trainings, workshops & many more were successfully conducted and have enabled a new way of connecting with wide variety of stakeholders which was almost unthinkable earlier.

Driven by Covid-19 pandemic, the team successfully met with the surge in demand for laptops and desktop to work from home. Further, to enable secure and seamless remote access, the IT team enabled Accops HySecure for the entire team. Accops HySecure is a zero trust-based application access gateway that allows the workforce to safely log in to corporate applications such as SAP and other internal applications enabling security features like single sign on, endpoint control/audit, activity logs and multifactor authentication.

IDEA - Digital Enterprise Journey

The IDEA project to upgrade the ERP landscape to the latest SAP S/4 HANA digital core went live in Amara Raja Batteries Ltd in June 2020 with more than fifteen modules including several new age modules such as Vendor Invoice Management (VIM), Extended Warehouse Management (EWM), Production Planning (MRP & PPDS), Transport Management (TM), EXIM Tool, Master Data Management (MDM), Governance, Risk and Controls (GRC), SAP Analytics Cloud (SAC) & SAP Fiori, which has made the ERP much more robust.

The team also implemented Master Data Management (MDM) for managing materials, customers & vendor which has significantly improved data quality, and data compliance. Complimenting MDM, introduction of Material Requirement Planning (MRP) & Production planning (PPDS) has accelerated the planning and scheduling process by 15%.

With Material Requirement Planning (MRP), there is improvement in performance as planning now runs in shorter cycles. The Production planning and scheduling (PPDS) process is now largely automated (minimal manual intervention). As a result, the probability of production process being hampered due to shortfall in inventory has reduced significantly.

SAP Governance, Risk, and Compliance (SAP GRC) is a powerful SAP security tool. It ensures that the Company meets data security and authorisation standards. It delivers immediate visibility of the current risk situation with real-time data.

SAP Analytics Cloud (SAC) platform allows for assessing Key Performance Indicators (KPI) across several functions like sales, production, quality control and finance data in real-time. It gives the Company's leadership visibility on the factors contributing to KPIs and gives key insights of trends, patterns, driving factors & outliers.

The team implemented proof of delivery (EPOD) application to ensure real time update of shipment. The Customer gets alert on app when the invoices are raised and we get updated as soon as customer acknowledges delivery on the app. EPOD application has helped in monitoring the delivery performance by minimising follow-ups related to billing & dispatches with internal & external customers.

Digital Warranty

This project connects Amara Raja with its customers directly in providing seamless warranty registration. Customers can register their batteries/ Home UPS on the Digital Warranty application. The application has enabled the Company to manage warranties real time without needing customers to furnish a physical document. This Project is in advanced Stages of development and is rolled out and is being used by few Franchisees and Amara Raja Service Team as a pilot in three states. The plan is to roll-out to all the stake holders in the FY22.

The modern workplace is dynamic & supporting IT operations in varying environments such as plants, offices, warehouses & now home, with unpredictable demands coupled with the social challenges is the new norm. We at Amara Raja are continuously leveraging new technology to support business goals, guided by the philosophy of digital transformation and hybrid work environment and will continuously strive towards improving user experience and security, while we care for both our customers and employees.

Social & Relationship capital

2000+: Servicing channel partners
380+: Reaching destinations in India
30+: Reaching geographies globally

Amara Raja is committed to strengthen its relationship with communities - its value chain partners, and beyond in a wider society - through a meaningful and purposeful engagement.

Committed to deliver

For the automotive OEM to the vehicle driver, from the telecom tower maintenance personal to any mobile user, from the Data Center owner to the home maker, from the man on the street to the executive and elite – a storage battery is always an urgent emergency.

Addressing the 'Now' becomes even more crucial when you are dealing with 26 Automotive OEs, servicing 2000+ channel partners and reaching the widest array products to 380+ destinations in India and to 30+ geographies globally. Moreover, this happens from its two manufacturing units in South India.

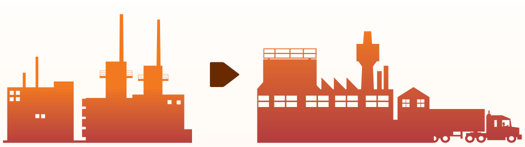
Over the years, Amara Raja has continued to address this 'now' through its efficient supply chain which positions it as a preferred storage battery supplier.

Domestic logistics

In FY21, the logistical challenges only increased owing to the lockdown and subsequently the Covid-19 protocols imposed by State administrations on drivers. The challenge was further compounded by the steadily increasing fuel costs.

The pandemic has led the organisation to prioritise its supply chain resilience significantly in order to adapt to the new normal. In order to react and adapt quickly to potential disruption, the Company made its supply chain more flexible and agile. It implemented multiple initiatives that allowed it to deliver products efficiently despite the increased challenges.

Primary Logistics
(PLANTS TO OE CUSTOMERS/DISTRIBUTION CENTERS)



Laid greater emphasis on Rail and Sea Shipments as part of multi-modal transport system that helped to minimise the transit time, and ensured safe transportation.

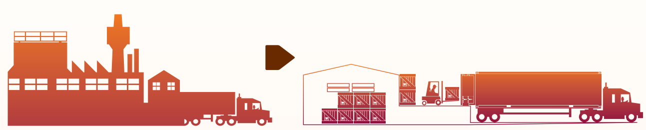
Increased utilisation of Fleet Owned transport fitted with GPS as compared with Traditional transport system; it helped the Company to minimise the transit damages and timely reach to the customer

Provided continuous training to the driver community on adherence to Standard operating procedures on Safety, HIV, Cultural practices and Discipline towards transit hurdles

Implemented Direct delivery model where the FG despatches is being executed from Plant directly for few selected Channel partners located in 4 districts in Phase I; it helped in quicker deliveries and avoided multiple handling

Introduced Advanced shipment note (ASN) and e POD which was appreciated by customers

Secondary Logistics
(DISTRIBUTION CENTERS TO CHANNEL PARTNERS)



Equipped all Distribution Centers with CCTV / Bio metric systems as part of safety and security measures and to meet local regulatory requirements

Installed high storage racks as a part of space optimisation initiative and to support Extended Warehouse Management system (EWMS)

Introduced Transportation Management System (TMS) which brings system driven freights charges for each shipment

Made the Warranty Management System more effective by deploying TMS, tracking the product serial numbers, minimising the aged inventories through automated FIFO

Introduced e-POD acknowledgement process which will help customers to track their shipments, Transit Damage settlements and to monitor the delivery lead times effectively

Established infrastructure as per BWMR norms at Hyderabad, Bangalore and Coimbatore Distribution centres

International Logistics

FY21 was particularly challenging for a global trade perspective. The pandemic resulted in trade restrictions along the global supply chain in many ports. The terminals slow-down caused inefficiencies along intermodal connections. Besides, the importer's inability to return empty containers on time created container scarcity. This hiked freight costs to unprecedently levels. Also, adherence to with IMO guidelines by shipping lines only added to the freight cost. The Company implemented important measures to ensure that it could meet customer commitment while optimising freight costs.

- Cleared all import shipments through self-clearance; it minimised demurrages and detentions at the port which helped timely Customs clearance and embarking vessels to the designated gates
- Engaged in direct liasioning with Freight forwarders & shipping lines which has helped freight optimisation, allowed material to reach on time and facilitated ease of transactions during disembarking

Amara Raja earned the AEO-T2 status importer by Indian customs which facilitates cost-effective management of port operations including deferred payment of Customs duty fortnightly.

Committed to the Covid-19 battle

For Amara Raja, one of its major key attributes of the larger sustainability domain is "thriving with the communities". This single-minded focus became even more critical in 2020, as the entire world, including all the communities around us, were engulfed in the wave of the outbreak of the Covid-19 pandemic. The Company faced the challenging and tough times with great resilience and zeal.

Contributing to the Covid Relief Fund

Amara Raja pledged to support the communities through its CSR wing. The Amara Raja Group including Amara Raja Batteries Ltd., supported Government initiatives by contributing ₹ 5 crore to the Andhra Pradesh CM Relief fund and ₹ 1 crore to the Telangana CM Relief fund. Towards this purpose, every employee contributed one day's salary on their part to the relief and other efforts of the Government in fighting the pandemic. These were in addition to continuous support to local administration on managing the outbreak.

Social & Relationship capital

Committed to the Community

Amara Raja outreach initiatives cater to the underprivileged communities residing proximate to its operating facilities with a single objective of improving their lives and livelihood. The Company operates on multiple themes namely healthcare, education, skill development and environmental conservation. The Company's outreach programmes are spearheaded by Rajanna Trust.

Education

Established in June 1995, Amara Raja Educational Society (ARES) runs three schools located at Karakambadi, Petamitta and Diguvamagham and with a total strength of close to 4,000 students.

Amara Raja Vidyalayam, Karakambadi is a primary and high school affiliated with the CBSE. The school currently has a strength of over 800.

Mangal Vidyalayam a CBSE affiliated school in Pettamitta Village imparts education to more than 2000 students that come from over 150 villages in 33 Km radius of the school. In the recent CBSE results (Class 10), students from the school secured the highest percentage of marks from among other CBSE affiliated Schools in the region. The Trust also supports Mangal Senior Secondary School (Class 12) in Pettamitta Village, which provides higher education to more than 250 students annually.

The trust also set up Amara Raja Vidyalayam, at Diguvamagham village in the Chittoor District. This educational institution houses sophisticated facilities namely a visual arts studio and a green room to introduce children to new-age realities. The school recently received CBSE affiliation for up to Class 10. The school imparts education to more than a 1,000 students, from 70 villages in a 25 Km radius.

The Trust constructed a New Block for High School with all amenities at an investment of ₹ 14 crore to accommodate the growing needs of the School at Diguvamagham and Pettamitta.

During the fiscal, the school administrations worked to conduct on-line classes during Pandemic and the institutions spend on Learning Management System Platform and Training Teachers on Advanced IT Training skills to handle on-line classes.

Primary Health

The Trust supports a 30-bed primary health center (financially and operationally) in Chittoor district. Qualified staff and experienced doctors provide preventive and primary healthcare to more than 50,000 people living in 81 neighbouring villages.

The Trust organises health camps which is attended by specialists from India and abroad for people from 81 villages across 12 Panchayats. At these health camps, patients are provided free consultation and medicines. The services provided by the health center have been of particular importance, during the lockdown, as it was the only Primary Health Center in the entire region to remain open and continued to address the healthcare needs of nearby communities.

Rajanna Primary Health centre has put in all efforts to support Local communities during Pandemic times in terms of educating villagers on Hygiene practices, Preliminary treatments and Vaccination.

Social Forestry

Amara Raja adopted a 250-hectare plot on a hillock in Pemmagutta, in Chittoor district, to create green cover. In addition, the Trust purchased and donated a 30-acre adjoining plot to the government. Over the years, the Trust has planted more 70,000 saplings on and around the hillock and will continue to do so in future. The plantation project provides livelihood to about 40 tribal families. Under the Blue Sky CSR initiative, the Rajanna Trust enjoyed assistance from nearby communities, school children and its employees..

Water

The Trust built 23 check dams and desilted three tanks under Rajanna Jalasayamu Program

in Chittoor district. It continues to undertake periodic maintenance of the check dams at period intervals. Around 60 villages, covered under 12 panchayats, continue to benefit from this initiatives.

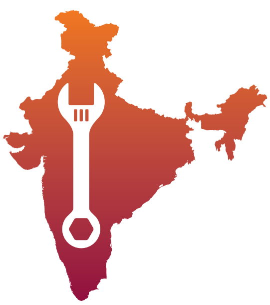
Rural Development

The Trust facilitated rural infrastructure creation. It funded the building of connecting roads, water tanks for safe drinking water in villages through RO plants, street lighting, leisure parks with internet access and a library in Chittoor district. These facilities are maintained by the Trust on an ongoing basis. The Trust continues to support the adopted panchayats of Karakambadi, Pettamitta and Diguvamagham in Chittoor district. The Trust has drawn the blueprint for improving the infrastructure in villages over the coming years.

Committed to a skilled India

Amara Raja Group believes in providing opportunities to youth, especially in the rural areas, to enhance their skills and create non-migratory employment opportunities for them.

A skill gap has been acknowledged across industries. There is a visible mismatch between the requirements and the availability of the talent pool. There is a dire need of initiatives to bridge the skill gap.



Realising this need of the hour, Amara Raja started a Skill Development Centre - 'Amara Raja Skill Development Centre (ARSDC)'.This center runs under the aegis of Rajanna Trust, which is fully supported by Amara Raja Group.

ARSDC provides systematic Technical & Non-Technical Training to matriculated youth from the rural India to help them inculcate life and job skills. The residential Course focuses on Skill Development (technical and life skills), enhancing Employability and becoming better citizens. The course is pivoted on the Practical oriented Training methodology - 70 % practical and 30 % theory, and provides a healthy stipend to the students.

Recognising the need for wholistic development ARSDC lays equal emphasis on sports and games like football, volleyball, basketball, chess, yoga, memory building, music etc.

More than 9 batches comprising 1100+ students have cleared the course, while two batches are currently going through the curriculum.

Committed to our customers & vendors

Amara Raja is in the journey to bring the digital warranty product where it is trying to make the service on a digital platform going forward. There is a very clear plan laid out to bring both its vendors and customers on to the digital platforms so that the transactional activities can be done seamlessly and over a period of time, this data will enable strong business analytics, which makes the business decision making lot more scientific and fast.

Natural capital

67,137: Trees planted inside the facilities in the last three years

At Amara Raja, we respect the environment as an important stakeholder in our progress. As such, we care for the environment by adopting technologies and processes that utilise resources efficiently. We complement that by recycling of waste in everything we undertake.

We aim to go a step higher. Through our systematic and process-oriented approach, reinforced by the spirit of responsibility, we continually endeavour to make a positive impact to the environment where we operate.

The Company's passion for the ecosystem is enshrined in its Health, Safety and Environment policy which not only takes care of the safety and health of employees but also protecting the environment.

Complying with global standards

Amara Raja focuses on improving its environmental score sheet with every passing year. With this objective, it adopts global and business relevant technologies and adheres to all the international standards.

The Company's operating facilities are ISO 14001:2015 certified (Global standard Environment Management Systems) which drives us towards building a sustainability enterprise.

Energy Management

Preserving our natural environment is of utmost importance to Amara Raja. As such, it works towards our dependence on the natural resources and conserve them for our future generations. We have been using advanced technologies in renewable energy and green technology sector.

The Company continues to adhere to the global energy management systems. Its manufacturing facilities are ISO 50001:2018 certified which allows us to ensure energy conservation with planned actions.

The Company works passionately to implement energy conservation measures every year across all the manufacturing plants. They include process improvements, instrument (equipment) replacements, and installation of energy efficient equipment, among others.

Connecting to India's ambitious renewable energy program, Amara Raja is planning to increase its solar roof top installation from 9.3 to 16.3 MW, demonstrating its commitment to utilising green energy and optimising carbon emissions.


Lead-Acid Batteries are 99% recyclable
TAKE CHARGE TODAY
A positive action taken by you today can make for a better tomorrow
AMARON

Natural capital

Water Management

Climatic changes and significant wastage has drastically depleted the availability of fresh water. Amara Raja understand this reality. The Company, over the years, has undertaken important steps to reduce fresh water consumption at its facilities.

The Company has installed irreversible magnetic water flow meters to monitor water consumption in the plant. This allows us to analyse and identify areas of concern and undertake remedial measures accordingly.

The Company has created rainwater-harvesting bodies developed at its operating units to improve the ground water levels.

Pollution management

Amara Raja has installed state-of-the-art pollution control equipment, inside its facilities, to take care of dust and fumes that generated in the process. Regular monitoring are in place to maintain the levels below the statutory requirements.

In addition, the Company has installed Continuous Ambient Air Quality Monitoring Stations (CAAQMS) for real time monitoring of PM10 and PM2.5 at Karakambadi location.

Domestic sewage and process effluents from the plant are taken care through well-established Sewage Treatment Plant & Effluent Treatment Plant facilities. Treated water is used for in-house gardening and floor cleaning.

Lead sourcing & recycling

Over the years, Amara Raja has been associated with various government bodies, channel partners, internal and external stakeholders in supporting and establishing the Circular economy principles to maintain safe and sustainable growth. It works closely with various Environmental Groups, NGOs and Government bodies for Safe Lead Recycling Initiatives.

The Company, now part of Working Group (WG) under World Economic Forum's (WEF) Global Battery Alliance (whose Mission is to improve health, environment and minimising economic impacts from used lead acid batteries manufacturing and recycling) has been primarily focusing on reducing the number of Used Lead Acid Batteries recycled in the informal sector.

The Company, in FY21, as a responsible organisation, have partially sourced Lead and Alloys requirements through Safe lead recycling initiatives, by strengthening the scrap collection processes through establishing Master collection centres, Collection Points and robust reverse logistics operations.

At Amara Raja, conservation of raw materials is addressed and controlled at the end level by reducing the scrap levels through the best possible manner at every section of the process.

Green Logistics

As a part of Green Logistics initiative, Amara Raja has increased its emphasis on Rail and Sea Shipments as part of multi-modal transport system. This has helped in minimising transit time, and ensured safe transportation.

Green cover

Plantation is a continuous practice at Amara Raja to improve the green belt within the fence and beyond the fence. About [47] % of the area at its operating units is under green cover.

In the last three years, the Company has planted about [67,137] trees/saplings inside its facilities.

Sustainability Reporting

As a responsible corporate, Amara Raja has promised to stay with the United Nations Sustainable Developmental Goals (SDG) along with its sustainable journey to protect the ecology. The Company has prepared a comprehensive Sustainability Report for FY20 as per the guidelines from UN SDG's for internal circulation and usage.

Supporting the Paris Agreement

Amara Raja aligns with the Paris Agreement's goal to keep the rise in global average temperature this century to well below two degrees Celsius (2°C) above pre-industrial levels and inventorisation. The Company diligently reports Green House Gas emission to upkeep that agreement.

Analysis of the Financial Statements

During the year under review, the Company recorded a profit before tax of ₹ 873.33 crore (previous year: ₹ 840.68 crore). The increase is primarily on account of increase in volumes and reduction in other expenses. The basic and diluted earnings per share was at ₹ 37.87 per share (previous year: ₹ 38.69 per share).

Statement of Profit and Loss			₹ in crore
(a) Revenue from operations	**FY 21**	**FY 20**	**% Change**
Sale of products	7,091.49	6,774.46	5
Sale of services	41.65	38.62	8
Other operating revenues	16.54	26.38	-37
Total	**7,149.68**	**6,839.46**	**5**

During the year under review, sale of products was higher as compared to the previous year, primarily due increased volumes in automotive battery products and industrial battery products. Other operating revenue decreased mainly due to reduction in export benefit under MEIS (Merchandise Exports from India Scheme) due to change in foreign trade policy.

Statement of Profit and Loss			₹ in crore
(b) Other income	**FY 21**	**FY 20**	**% Change**
Other Income	87.36	55.05	59

Other income was higher primarily due to write back of liabilities and provision for doubtful trade receivable written back.

Statement of Profit and Loss			₹ in crore
(c) Cost of material consumed and Purchase of stock-in-trade	**FY 21**	**FY 20**	**% Change**
Cost of materials consumed	4,382.54	4,219.07	4
Purchases of stock-in-trade	429.99	175.89	144
Changes in inventories of finished goods, work-in-progress & stock-in-trade	(67.85)	52.17	-230

During the year under review, the cost of materials consumed increased primarily due to increase in volumes. Purchases of stock-in-trade was higher as compared to the previous year due to higher trading revenue.

Statement of Profit and Loss			₹ in crore
(d) Employee benefits expense	**FY 21**	**FY 20**	**% Change**
Employee benefits expense	426.04	385.18	11

Employee cost increased owing to increments and increased staff welfare costs due to Covid-19, apart from the annualised impact of headcount addition.

Analysis of the Financial Statements

Statement of Profit and Loss			₹ in crore
(e) Depreciation and amortisation expense	**FY 21**	**FY 20**	**% Change**
Depreciation and amortisation expense	319.16	300.74	6

The increase in depreciation and amortisation expense is due to regular additions in fixed assets in view of capacity expansion and depreciation on Right-to-use asset on lease contracts and amortisation of intangible assets.

Statement of Profit and Loss			₹ in crore
(f) Other expenses	**FY 21**	**FY 20**	**% Change**
Other expenses	863.30	908.59	-5

Other expenses were lower as compared to the previous year primarily on account of decrease in provision for doubtful trade receivable and decrease in warranty expense.

Statement of Profit and Loss			₹ in crore
(g) Tax expense	**FY 21**	**FY 20**	**% Change**
Current tax	229.91	231.64	-1
Deferred tax expense	(3.39)	(51.78)	-93
Total	**226.52**	**179.86**	**26**

Increase in Tax expense of the current year is majorly on account of deferred tax expense. During the previous year, the Company has elected to exercise the option permitted under section 115BAA of Income-tax Act, 1961 wherein the tax rate applicable is 25.168% as compared to tax rate of 34.944% and in view of this impact of re-measurement of deferred tax liabilities was recognised during the previous year.

Balance sheet			₹ in crore
(a) Property, plant and equipment and Right-to-use asset	**FY 21**	**FY 20**	**% Change**
Property, plant and equipment	2,116.03	1,647.61	28
Right-to-use asset	243.65	178.48	37

Increase in carrying value of Property, plant and equipment as at the end of the current fiscal year is primarily on account of capitalisation during the year and increase in Right-to-use assets.

Balance sheet			₹ in crore
(b) Inventories	**FY 21**	**FY 20**	**% Change**
Inventories	1,438.24	1,142.69	26

Inventories at the end of the current fiscal year were higher, primarily due to increase in stock of raw material, stores and spares. Also higher stocks are maintained to mitigate any supply chain uncertainties due to Covid-19.

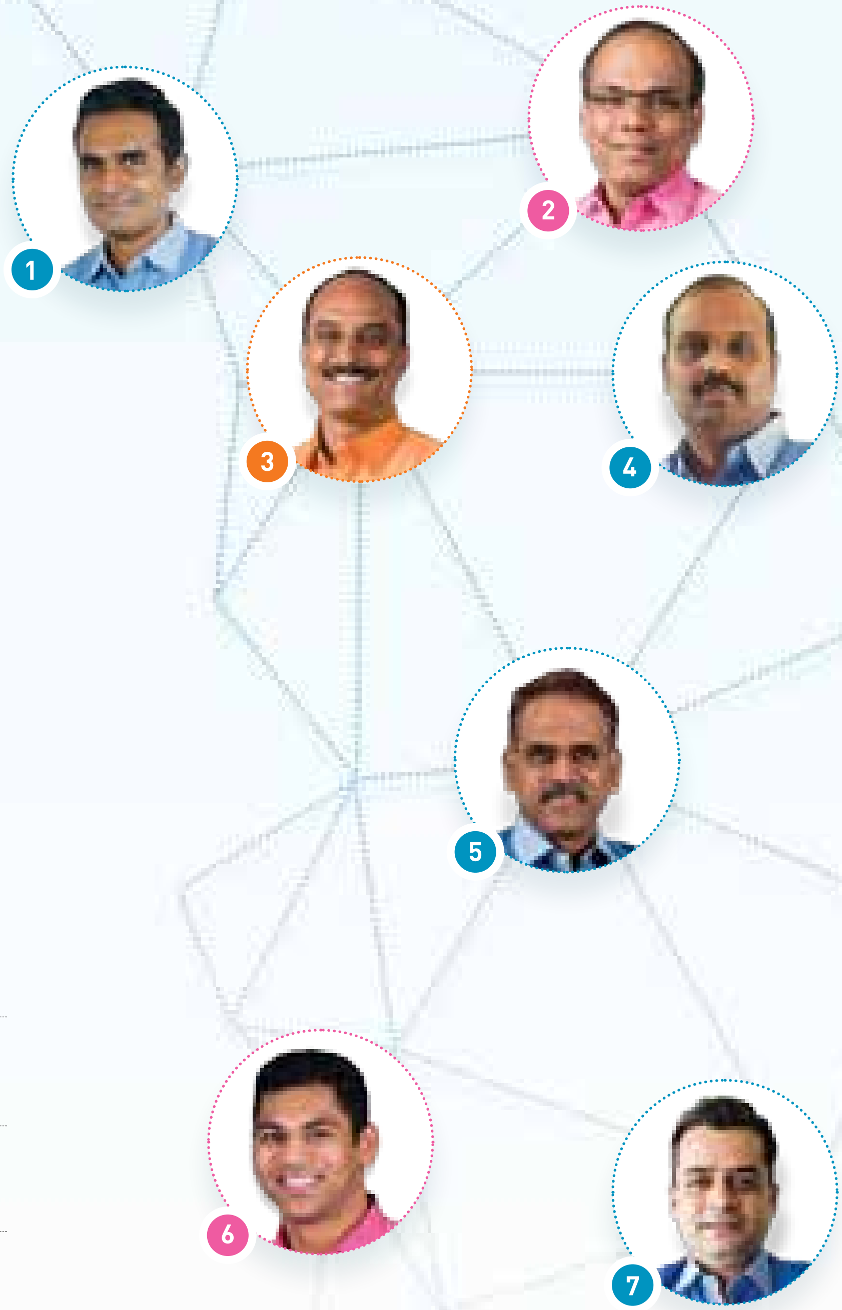
Key Ratios and their movement			
	FY 21	**FY 20**	**% Change**
a) Debtors Turnover (Days)	40.20	33.96	18
b) Inventory Turnover (Days)	73.42	60.98	20
c) Current Ratio	2.12	2.02	5
d) Debt Equity Ratio (times)	0.01	0.01	0
e) PBT to net sales (%)	12.21	12.29	-0.08
f) PAT to net sales (%)	9.05	9.66	-0.61
g) Return on networth (%)	16.45	18.91	-2.46

Internal Control

The Company is committed to ensuring an effective Internal Control System and Internal Control Environment that will help in preventing and detecting errors, irregularities and frauds, thus ensuring security of Company's assets and efficiency of operations. The Company has an internal control system and mechanism, which is commensurate with the size and complexity of business and aligned with evolving business needs.

The Company has laid down Internal Financial Controls as detailed in the Companies Act, 2013 and has covered major processes commensurate with size of the business operations. Controls have been established at the entity level and process levels, and are designed to ensure compliance with internal control requirements, regulatory compliance and appropriate recoding and reporting of financial and operational information.

Executive Leadership



1 **P Muralimohan Reddy**
Business SCM Head

2 **M M Venkata Krishna**
Vice President - Sales & Marketing, Industrial Batteries

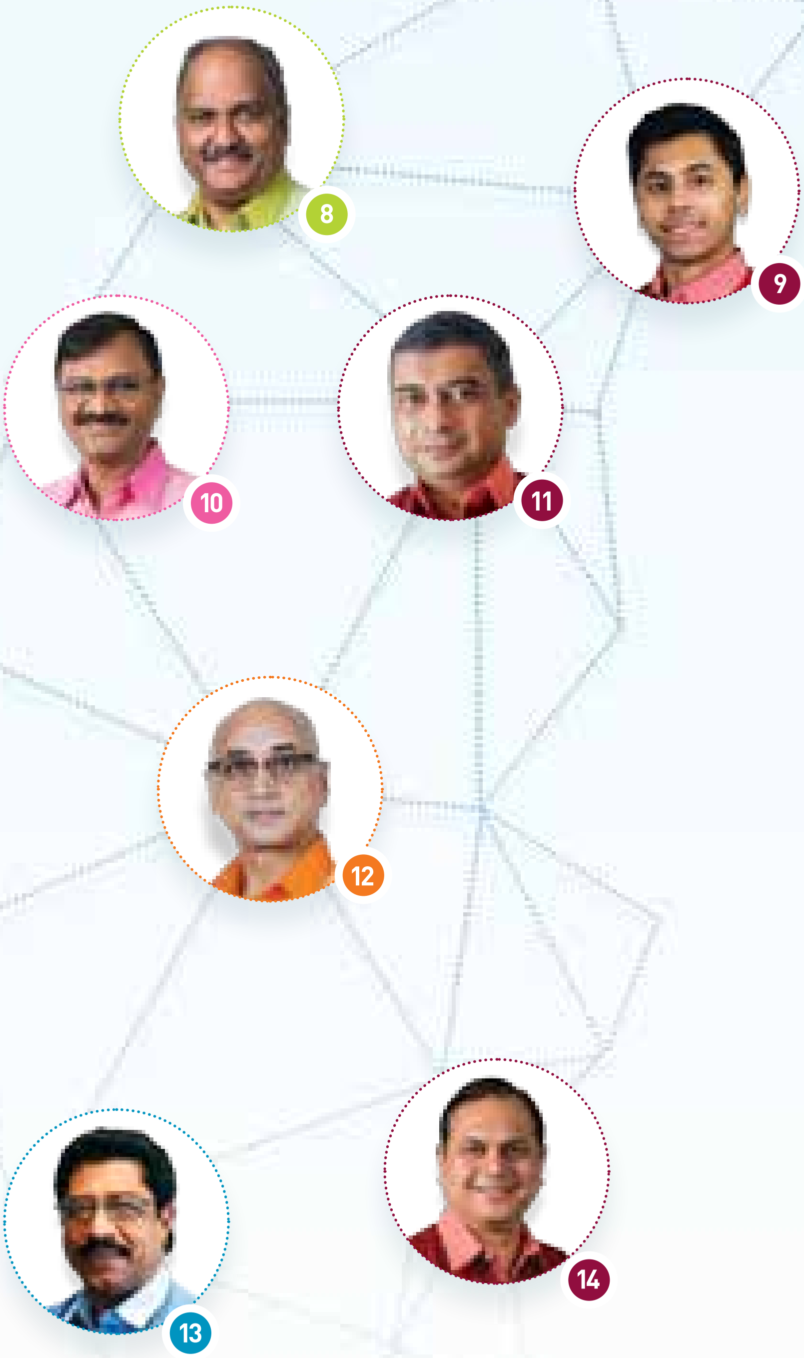
3 **C Narasimhulu Naidu**
Chief Operations Officer

4 **Y Delli Babu**
Chief Financial Officer

5 **S Vijayanand**
President - New Energy Business

6 **Harshavardhana Gourineni**
Executive Director

7 **Vikas Sabharwal**
Company Secretary



8 **Srinivasa Rao Ganga**
Chief Marketing Officer - Industrial Batteries and oversight of Inorganic Growth

9 **Vikramadithya Gourineni**
Executive Director

10 **M Jagadish**
Chief Technology Officer

11 **Saayon Chakrabarti**
Head-Inorganic Growth

12 **Jayadev Galla**
Vice Chairman & Managing Director

13 **VVS Sridhar**
Business HR Head

14 **Rajesh Jindal**
Chief Marketing Officer - Automotive Batteries

10-Years Financials

Parameters / Year	2020-2021**	2019-2020**	2018-19**	2017-18**	2016-17**	2015-16**	2014-15	2013-14	2012-13	2011-12
OPERATING RESULTS										
Net sales*	7,150	6,839	6,793	6,051	5,335	4,633	4,211	3,437	2,959	2,365
Profit before depreciation, interest & tax (PBDIT)^	1,181	1,125	990	929	878	849	724	576	466	357
Profit before interest & tax (PBIT)^	861	824	725	696	684	704	588	509	395	310
Profit before tax (PBT)	873	841	730	714	702	723	610	537	422	319
Profit after tax (PAT)	647	661	483	471	478	492	411	367	287	215
Dividends+	85	275	71	107	-	73	62	55	43	32
Dividend Tax+	-	56	15	22	-	15	12	9	7	5
Retained profits	561	330	398	343	478	404	337	303	236	178
SOURCES AND APPLICATION OF FUNDS										
SOURCES OF FUNDS										
Share capital	17	17	17	17	17	17	17	17	17	17
Reserves and surplus	4,193	3,639	3,318	2,920	2,576	2,099	1,682	1,346	1,043	806
Net worth	4,210	3,656	3,335	2,937	2,593	2,116	1,700	1,363	1,060	823
Debt	34	47	58	64	72	74	76	86	88	86
Deferred tax liability	41	44	96	88	82	54	37	30	20	22
Funds employed	4,285	3,747	3,490	3,089	2,747	2,244	1,812	1,479	1,167	931
APPLICATION OF FUNDS										
Net fixed assets***	2,455	1,829	1,813	1,703	1,492	1,352	944	623	359	355
Capital work-in-progress (including intangible assets under development)	399	827	315	226	240	123	86	145	103	32
Investments	281	156	20	35	147	20	16	16	16	16
Gross current assets	2,663	2,188	2,348	2,204	1,706	1,456	1,341	1,356	1,292	949
Current liabilities and provisions	1,512	1,254	1,006	1,080	838	707	576	661	603	421
Net current assets	1,151	934	1,342	1,124	868	749	766	695	689	529
Net assets	4,285	3,747	3,490	3,089	2,747	2,244	1,812	1,479	1,167	931
RATIOS										
PBT to Net sales (%)	12.21	12.29	10.75	11.80	13.16	15.60	14.48	15.62	14.26	13.48
PAT to Net sales (%)	9.05	9.66	7.12	7.79	8.97	10.61	9.76	10.69	9.69	9.10
Return on Assets (ROA) (%)@	26.32	27.77	24.77	27.38	31.77	40.57	48.49	64.56	59.75	45.76
Return on net worth (%)&	16.45	18.91	15.42	17.04	20.32	25.77	26.83	30.33	30.45	29.28
Debt : Equity (times)	0.01	0.01	0.02	0.02	0.03	0.04	0.04	0.06	0.08	0.10
Fixed assets turnover (times)#	2.75	3.64	3.65	3.43	3.45	3.18	4.14	5.06	7.52	6.42
Earnings per share (₹)$	37.87	38.69	28.31	27.59	28.01	28.78	24.05	21.51	16.78	25.18
Dividend (%)+	500	1,100	708	415	425	425	361	323	252	95
Dividend per share (₹)$	5.00	11.00	7.08	4.15	4.25	4.25	3.61	3.23	2.52	1.89
Book value per share (₹)$	246.49	214.01	195.26	171.97	151.81	123.87	99.50	79.78	62.05	48.21
Share Price (as of 31st March) - (₹)$	853.80	478.05	718.95	797.50	890.05	879.55	833.05	394.40	273.65	292.80

*Net sales are after reducing excise duty collection from gross sales.

^PBDIT and PBIT are net of non operating income and expenditure

+Under Ind AS final dividend including taxes are accounted only after approval of the shareholders in AGM.

+The Finance Act, 2020 has repealed the Dividend Distribution Tax (DDT). The Company is now required to pay/distribute dividend after deducting applicable taxes.

@ROA is PBIT divided by Average Net Operating Assets (ANOA). Net operating assets exclude CWIP, Cash and Non-Trade Investments

&Return on networth is PAT divided by average networth.

#Year end net fixed assets and manufacturing revenue are considered for computing fixed assets turnover

$Earnings, dividend, book value and share price are on face value of ₹2/- each upto FY2011-12 and thereafter on face value of ₹1/- each

**Figures for these years are as per new accounting standards (Ind AS) and Schedule III of Companies Act, 2013. ROCE and RONW for basis as per Ind AS. Hence these numbers are not comparable with previous years. The figures presented for other years as per IGAAP.

***Net fixed assets are including Right-of- use asset in view of IND AS 116 'Leases' w.e.f. 1st April 2019

Gotta be a better way

Corporate Information

Board of Directors

Dr. Ramachandra N Galla (DIN:00133761)
Non-Executive Chairman

Jayadev Galla (DIN:00143610)
Vice Chairman and Managing Director

Dr. Ramadevi Gourineni (DIN: 01347211)
Non-Executive Director
(upto June 12, 2021)

Mr. Harshavardhana Gourineni (DIN: 07311410)
Executive Director
(w.e.f June 12, 2021)

Mr. Vikramadithya Gourineni (DIN: 03167659)
Executive Director
(w.e.f June 12, 2021)

N Sri Vishnu Raju (DIN: 00025063)
Non-Executive Independent Director

T R Narayanaswamy (DIN: 01143563)
Non-Executive Independent Director

Bhairavi Tushar Jani (DIN: 00185929)
Non-Executive Independent Director

Mr. Annush Ramasamy (DIN: 01810872)
Non-Executive Independent Director
(w.e.f June 12, 2021)

Management Team

S Vijayanand
President - New Energy Business

Y Delli Babu
Chief Financial Officer

G Jagan Mohan
Head - Operations
(upto June 30, 2021)

C Narasimhulu Naidu
Chief Operations Officer
(w.e.f May 1, 2021)

M Jagadish
Chief Technology Officer

Rajesh Jindal
Chief Marketing Officer -
Automotive Batteries

Srinivasa Rao Ganga
Chief Marketing Officer - Industrial
Batteries and oversight of
Inorganic Growth

P Muralimohan Reddy
Business SCM Head

VVS Sridhar
Business HR Head

Saayon Chakrabarti
Head-Inorganic Growth

Venkata Krishna M.M
Vice President – Sales & Marketing
Industrial Batteries

Company Secretary

Vikas Sabharwal
(w.e.f April 1, 2021)

Statutory Auditors

M/s. Brahmayya & Co.
Chartered Accountants
D. No. 33-25-33/B
Govindarajulu Naidu Street
Suryaraopet, Vijayawada - 520 002

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants
KRB Towers
Plot No. 1 to 4 & 4A
1st, 2nd & 3rd Floor, Jubilee Enclave
Madhapur, Hyderabad – 500 081

Cost Auditors

M/s. Sagar & Associates
Cost Accountants
206,2nd Floor
Raghava Ratna Towers
Chirag Ali Lane
Abids, Hyderabad - 500 001

Secretarial Auditors

R. Sridharan & Associates
Company Secretaries
'Thiruvarangam Apartments',
Flat No. A3, 1st Floor,
New No.44, Old No.25,
Unnamalai Ammal Street,
T.Nagar, Chennai - 600 017.

Bankers

State Bank of India
Kotak Mahindra Bank Limited

Registered Office

Renigunta - Cuddapah Road
Karakambadi, Tirupati
Andhra Pradesh - 517 520
Tel: 91 877 226 5000
Fax: 91 877 228 5600
CIN: L31402AP1985PLC005305

Corporate Operations Office

Terminal A
1-18/1/AMR/NR, Nanakramguda
Gachibowli, Hyderabad 500 032
Tel: 91 40 2313 9000
Fax: 91 40 2313 9001
Website: www.amararajabatteries.com
E-mail: investorservices@amararaja.com

Registrar and Share Transfer Agents

Cameo Corporate Services Limited
Subramanian Building
No.1, Club House Road,
Chennai - 600 002
Tel: 91 44 2846 0390
Fax: 91 44 2846 0129
E-mail: investor@cameoindia.com

Boards' Report

To
The Members
AMARA RAJA BATTERIES LIMITED

Your Board of Directors are pleased to present their report for the financial year ended March 31, 2021.

1. Summary of financial results

The Company's financial performance for the year ended March 31, 2021 is summarized below: **(₹ in Crores)**

Parameters	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations	7,149.68	6,839.46	7,149.78	6,839.17
Other income	87.36	55.05	87.36	55.05
Total income	**7,237.04**	**6,894.51**	**7.237.14**	**6,894.22**
Profit before tax	873.33	840.68	873.35	840.66
Less: Tax expense (including deferred tax)	226.52	179.86	226.52	179.86
Profit for the year	**646.81**	**660.82**	**646.83**	**660.80**
Total other comprehensive loss	(6.75)	(9.40)	(6.74)	(9.40)
Total comprehensive income for the year	**640.06**	**651.42**	**640.09**	**651.40**

Your Company's standalone revenue from operations for the year grew to ₹7,149.68 crores from ₹6,839.46 crores last year registering a growth of 5%. The net profit for the year was ₹646.81 crores as against ₹660.82 crores in the previous year. The Earnings per share (EPS) for the year stood at ₹37.87 per share, compared to ₹38.69 per share for the previous year.

Your Directors propose to transfer an amount of ₹64.68 crores to the general reserve. An amount of ₹3,582.12 crores is in the retained earnings.

2. Performance review

Automotive battery business

The year started with silence all over, owing to total lockdown enforced across the country, due to pandemic. Complete trading and manufacturing activity came to standstill. Graded relaxation in lockdown and subsequent increase in commercial activity started towards the end of first quarter.

Both four wheeler (4W) and two wheeler (2W) vehicle production experienced negative growth during 2020-21. The vehicle production was almost Nil during the first quarter, and started ramping up from second quarter onwards. The recovery in production was a sharp "V" shaped. The production and demand stabilized during the last quarter of the year. Though overall there was a decline in vehicle production, we were able to enhance our shares with most of OEMs. In 4W category, we were able to negate, to a large extent, the loss in vehicle production. 2W battery business to OEMs, aided by addition of new accounts, almost doubled.

The performance in aftermarket business, however, remained strong. We were among the first ones to start providing services to the customers. Both Amaron® and PowerZone™ brand and distribution strength, ensured that, our batteries had preference over others. Release of pent-up demand coupled with supply disruption of regional brands, generated further demand for our batteries. Adequate inventories at the start of the year along with early start of our plants, helped us in meeting this huge demand. As capacity utilization was being ramped up in compliance to graded relaxation of lockdown, priority allocation to contractual commitments led to some opportunity loss in aftermarket business. Overall 4W battery business, erased the loss on account of lockdown and was flat during the year. 2W battery business, however, had strong growth.

Work from Home (WFH) situation prevailed throughout the year, resulting in peaking of demand for HUPS and HUPS batteries. In spite of missing the main summer months to lockdown, we were able to show aggressive and robust growth in our tubular battery business.

International markets too witnessed similar lockdowns and were closed during the first quarter of 2020-21. Initiatives taken in the immediate past years and the current year, started paying dividends during the year, ensuring a faster recovery from the lockdowns and disruption in services.

Strong brand, quality product and distribution strength, in key and focused markets in the Indian Ocean Rim, helped in sharp recovery.

The pandemic conditions, which showed signs of abating during the last quarter of the 2020-21, seems to have resurfaced as 2nd wave. The Company is taking all measures to ensure safety of the employees and also to ensure minimal disturbance to operations due to this 2nd wave of pandemic.

The expansion of manufacturing capacity in both 4W and 2W battery product lines is on track though there are some delays in the completion of installations due to Covid-19 pandemic. However, your Company is confident that the capacities will be available to meet the market demand.

Industrial battery business

The Industrial Battery Business has improved its performance in financial year 2020-21 compared to previous year despite the pandemic.

After a gap of nearly three years the battery potential for Telecom segment registered a positive growth. The rise in ARPU's for Telco's and continuous rise in data usage should auger well for the industry in the coming years. The WFH concept due to COVID is also driving for a quality telecom infra just not in Urban centers but across the whole network. The Company was able to operate the production facilities during the stringent lockdown conditions and could meet the Telecom batteries requirements seamlessly without any interruption, thus further improving its relationship with the customers. The company's revenue from telecom segment grew this year.

During the year the Company was able to demonstrate its capabilities in managing the passive telecom infra including energy very successfully.

Your Company's export business continued to show good growth in regions like Middle East and South Asia. However, owing to the pandemic the Africa business de-grew this year. The Company placed contract manpower in crucial markets like Indonesia and Nigeria to develop these crucial markets and is expected to yield good results in the years to come.

The new business segments like motive power and solar are expected to grow in the coming years with growth of solar power generation both at the grid scale and at distributed solar plants. Motive power batteries are another growth area which may evolve as the supply chains get consolidated and need for warehousing facilities are increased.

The UPS Business continue to grow on the back of improved network and reach. While the OEM business de-grew this year due to the Pandemic overall the UPS business registered a positive growth. The Quanta® HWS series batteries were well established in this market and became a preferred battery for all the major UPS OEM's.

3. Dividend

Your Board of Directors at the meeting held on May 15, 2019 amended the dividend distribution policy and approved dividend payout (excluding corporate dividend tax) to distribute upto 30% of the profit after tax of the Company. The amended Dividend Distribution Policy is available on the Company's website at https://www.amararajabatteries.com/Investors/corporate-governance-policies#goverence-policy-content.

Your Board of Directors recommend a final dividend of ₹6 equity share of ₹1 each (600%) for the financial year ended March 31, 2021, subject to the approval of the members at the ensuing annual general meeting. The final dividend, if approved, would involve a cash outflow of ₹102.49 crores.

Your Board of Directors had earlier approved payment of an interim dividend of ₹5 per equity share of ₹1 each (500%) on February 13, 2021 and the same was paid to the shareholders on March 12, 2021.

The total dividend including the proposed final dividend for the financial year ended March 31, 2021, aggregated to ₹187.90 crores, a payout of 29.05% of the Profit after tax of the Company, which is in line with the amended dividend distribution policy of the Company.

4. Financial position

The net worth as at March 31, 2021 improved to ₹4210.26 crores with the net addition of ₹554.65 crores to the other equity during the year. There is no interest bearing debt as of March 31, 2021. The surplus cash at the year end stood at ₹96.73 crores. CRISIL had re-affirmed the ratings on the Company's long-term bank loan facilities at 'CRISIL AA+/Stable' and on the short-term bank facilities at 'CRISIL A1+.'

A detailed analysis on the financial performance and financial position is provided in a separate section and forms an integral part of this report.

5. Subsidiaries and Consolidated Financial Results

i. Subsidiary Company

Amara Raja Batteries Middle East (FZE) (ARBME), a wholly owned subsidiary of the Company, reported a net revenue of ₹2.92 crores with profit of ₹0.10 crores for the financial year ended March 31, 2021.

ii. Consolidated Financial Results

In accordance with the provisions of the Companies Act, 2013 ('the Act'), Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and applicable Accounting Standards, the audited consolidated financial statements (CFS) of the Company for the financial year 2020-21, together with Auditors Report thereon forms part of the Annual Report. A statement showing the salient features of the financial statements of the subsidiaries, associates and joint ventures in the prescribed Form AOC-1 is enclosed as "**Annexure I**" to this report.

In accordance with Section 136 of the Act, the financial statements of the subsidiary company will be made available to the members of the Company on request and will also be kept for inspection during business hours at the Registered Office of the Company. The financial statements including the CFS, and all other documents required to be attached to this report and separate audited financial statements of the subsidiary i.e ARBME are available on Company's website at https://www.amararajabatteries.com/Investors/annual-reports/

6. Material changes and commitments affecting the financial position of the company between the end of the financial year and the date of the report

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

7. Promoters and their Shareholding:

As on March 31, 2021, RNGalla Family Private Limited (RFPL) holds 4,79,32,452 equity shares of ₹1 each constituting 28.06% of the paid up share capital of the Company. RFPL is owned and controlled by the Galla Family headed by Dr. Ramachandra N Galla, Chairman of the Company.

8. Directors and Key Managerial Personnel

i. Directors

Dr. Ramachandra N Galla (DIN: 00133761) who was appointed as Director at the annual general meeting held on August 7, 2020, being the longest-serving Non-Executive Director on the Board, retires by rotation at the ensuing annual general meeting. He has expressed his desire not to seek re-appointment as a Director and retire at the conclusion of the annual general meeting.

Dr. Ramadevi Gourineni (DIN:01347211) resigned as a Director of the Company w.e.f June 12, 2021. The Board took note and accepted her decision as she expressed that the current pandemic situation demands her more intensive time and she desires to focus on serving the community in this hour of need. Board placed on record its sincere appreciation of the valuable services rendered by Dr. Ramadevi Gourineni.

Based upon the recommendation of the Nomination and Remuneration Committee, the Board appointed Mr. Harshavardhana Gourineni (DIN: 07311410) and Mr. Vikramadithya Gourineni (DIN: 03167659) as an additional directors of the Company w.e.f. June 12, 2021 and also as the executive directors of the Company, for a period of 5 years effective from June 12, 2021, subject to approval of the members at the ensuing annual general meeting.

The Board based upon the recommendation of the Nomination and Remuneration Committee, also appointed Mr. Annush Ramasamy (DIN: 01810872) as an additional director categorized as an Independent Director of the Company for a period of five years w.e.f June 12, 2021, subject to approval of the members at the ensuing annual general meeting.

The Company has received a notice(s) in writing under Section 160 of the Act proposing the appointment of Mr. Harshavardhana Gourineni, Mr. Vikramadithya Gourineni and Mr. Annush Ramasamy as Director(s) of the Company.

The necessary resolution(s) seeking your approval by ordinary/special resolution for appointment of aforesaid directors are included in the notice of the 36th annual general meeting along with brief details and other necessary disclosures required under the Act and Regulations.

ii. Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Jayadev Galla, Vice Chairman and Managing Director, Mr. S Vijayanand, Chief Executive Officer, Mr. Y Delli Babu, Chief Financial Officer and Mr. Vikas Sabharwal, Company Secretary are the key managerial personnel of the Company as at May 22, 2021.

Mr. M R Rajaram, who was the Company Secretary of the Company retired and relived from the services from the Company on March 31, 2021. Based upon the recommendation of the Nomination and Remuneration Committee, Mr. S Vijayanand was re-designated by the Board as President – New Energy responsible for building the New Energy Business with effect from June 12, 2021 and Mr. Jayadev Galla, Vice Chairman and Managing Director was also designated as Chief Executive Officer of the Company w.e.f. June 12, 2021.

9. Auditors'

i. Statutory Auditors and their Report

The Auditors Report given by M/s. Brahmayya & Co., Chartered Accountants and M/s Deloitte Haskins & Sells LLP, Chartered Accountants, the joint Statutory Auditors, on the financial statements of the Company for the year ended March 31, 2021 forms part of the Annual Report. The Auditor's Report does not contain any qualification, reservation or adverse remark.

M/s. Brahmayya & Co., Chartered Accountants and M/s. Deloitte Haskins & Sells LLP, Chartered Accountants were re-appointed as the joint statutory auditors at the Annual General Meeting held on August 7, 2020 for a term of five (5) years from the conclusion of the 35th annual general meeting till the conclusion of 40th annual general meeting.

ii. Cost Auditors and their Report

The Company is required to maintain cost records for certain products as specified by the Central Government under sub-section (1) of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules as amended from time to time, and accordingly such accounts and records are made and maintained in the prescribed manner. Further, the said cost records are required to be audited and accordingly M/s. Sagar & Associates were appointed as cost auditors to audit the cost records for the financial year 2020-21. The cost audit report for FY 2019-20 was filed and the report for 2020-21 will be filed with Ministry of Corporate Affairs within the time limits prescribed under the Act.

Based on the recommendation of the Audit Committee, your Board of Directors have appointed M/s. Sagar & Associates, Cost Accountants, as cost auditors for the financial year 2021-22 to audit the cost records of the Company. Necessary resolution seeking your ratification of their remuneration for the financial year 2021-22 is included in the notice of the ensuing annual general meeting.

iii. Secretarial Auditors and their report

Pursuant to Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant to the Regulation 24A of the Listing Regulations, the Company had appointed M/s. R. Sridharan & Associates, Company Secretaries to undertake the secretarial audit of the Company for the financial year 2020-21. The Secretarial Audit Report in Form MR-3 received from them is annexed herewith as "**Annexure II**".

In accordance with the Listing Regulations, the company has also obtained a Secretarial Compliance Report from M/s. R Sridharan & Associates, Companies Secretaries with regard to compliances with all applicable SEBI Regulations, circulars and guidelines for the year ended March 31, 2021. The observations in the annual secretarial compliance report and the steps taken by the Company were reported in Corporate Governance Report.

10. Board and its Committees

i. Independent Directors and their Declaration of independence:

As on March 31, 2021, Mr. N Sri Vishnu Raju, Mr. T R Narayanaswamy and Ms. Bhairavi Tushar Jani are the Independent Directors of the Company appointed pursuant to the provisions of Section 149 of the Act and Listing Regulations. Each independent director has confirmed to the Company that he or she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 (1) (b) of the Listing Regulations. There has been no change in the circumstances which may affect their status as an Independent Director during the year, which had been considered and taken on record by the Board.

All the independent directors have registered for lifetime in the database maintained with Indian Institute of Corporate Affairs (IICA) and a declaration in this regard was received from each of them. In the opinion of the Board, all the independent directors are persons of integrity and possess the relevant expertise and experience (including proficiency) as required under the Act and the Rules made thereunder.

ii. Number of Meetings of the Board

During the year, five (5) meetings of the Board of Directors of the Company were convened and held in accordance with the provisions of the Act. The date(s) of the Board Meeting, attendance by the directors are given in the Corporate Governance Report forming an integral part of this report.

iii. **Committees of the Board**

In compliance with the provisions of Sections 135, 177, 178 of the Act and Listing Regulations, the Board constituted Corporate Social Responsibility Committee, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Loan and Investment Committee (Committees). The details of composition of the Committees, their meeting and attendance of the members are given in the Corporate Governance Report forming an integral part of this report.

iv. **Nomination and Remuneration Policy**

The Board has on the recommendation of Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. The Nomination and Remuneration Policy adopted by the Board is available on the Company's website at https://www.amararajabatteries.com/Investors/corporate-governance-policies#goverence-policy-content

v. **Evaluation of the Board's performance**

In accordance with the provisions of Section 134 of the Act and Regulation 17 of the Listing Regulations, the Board has carried out evaluation of its own performance, the performance of Committees of the Board, namely, Audit Committee, CSR Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee, Loan and Investment Committee and also the Directors individually. The manner in which the evaluation was carried out and the process adopted has been mentioned in the Corporate Governance Report

11. Directors' responsibility statement

Pursuant to Section 134(3)(c) and 134(5) of the Act, including any statutory modifications or re-enactment thereof for the time being in force, the Board of Directors of the Company confirm, to the best of their knowledge and belief, that in the preparation of annual financial statements for the financial year ended March 31, 2021:

i) applicable accounting standards and Schedule III of the Act have been followed;

ii) appropriate accounting policies have been selected and applied consistently and such judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the financial year ended March 31, 2021;

iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities. To ensure this, the Company has established internal control systems, consistent with its size and nature of operations, subject to the inherent limitations that should be recognized in weighing the assurance provided by any such system of internal controls. These systems are reviewed and updated on an on-going basis. Periodic internal audits are conducted to provide reasonable assurance of compliance with these systems. The audit committee meets at regular intervals to review the internal audit function;

iv) financial statements have been prepared on a going concern basis;

v) proper internal financial controls are in place and that such internal financial controls were adequate and were operating effectively;

vi) systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.

12. Corporate Governance

The report on corporate governance for the year ended March 31, 2021 pursuant to Regulation 34 of the Listing Regulations including information to the shareholders titled "Additional Shareholders' information' is annexed hereto as "**Annexure III**". The certificate from practicing company secretary regarding the compliance of conditions of corporate governance is attached to the report on corporate governance.

13. Business Responsibility Report

Pursuant to Regulation 34(2)(f) of the Regulations, the Business Responsibility Report (BRR) initiatives taken from an environmental, social and governance perspective, is annexed hereto as **"Annexure IV."**

14. Management discussion and analysis

Management discussion and analysis report, highlighting the performance and prospects of the Company's business is provided in a separate section and forms an integral part of this report.

15. Annual Return

The Annual Return pursuant to Section 92(3) read with Section 134(3)(a) of the Act is available on Company's website at https://www.amararajabatteries.com/Investors/annual-general-meetings

16. Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) has been an integral part of your Company's culture. The Company has associated itself through Rajanna Trust in philanthropic activities in the field of Education, Health, Environment and Rural Development. During the year, your Company has undertaken various CSR projects in the areas of education and rural development. The brief outline of the CSR Policy of the Company, the CSR initiatives/activities undertaken by the Company during the year and the details of composition of CSR committee are given in "**Annexure V**" to this report in the format prescribed in Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time. The said policy is available on the Company's website at https://www.amararajabatteries.com/Investors/corporate-governance-policies#goverence-policy-content

17. Transactions with the Related Parties

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. During the financial year 2020-21, there were no materially significant transactions with the related parties which might be deemed to have had a potential material conflict with the interest of the Company at large.

In line with the provisions of Section 177 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014, omnibus approval for the estimated value of transactions with the related parties for the financial year is obtained from the Audit Committee. The transactions with the related parties are routine and repetitive in nature.

The summary statement of transactions entered into with the related parties pursuant to the omnibus approval so granted are reviewed and approved by the Audit Committee on a quarterly basis. The summary statements are supported by an independent audit report certifying that the transactions are at an arm's length basis and in the ordinary course of business.

The members at the annual general meeting held on August 7, 2017 approved and authorised the Board to enter into transactions with Mangal Industries Limited (MIL) upto a cumulative value of transactions of ₹1,000 crores in each financial year. During the financial year 2020-21, the transactions with MIL amounted to ₹904.07 crores, a material transaction under the Regulation 23 of the Listing Regulations and the policy adopted by the Company under the said Listing Regulations.

The Form AOC - 2 pursuant to Section 134 (3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as "**Annexure VI**" to this Report.

18. Internal Financial Controls related to financial statements

The Company has put in place adequate system of internal controls commensurate with its size and the nature of its operations. The Company's internal control system covers the following aspects:

- Financial propriety of business transactions.
- Safeguarding the assets of the Company.
- Compliance with prevalent statues, regulations, management authorisation, policies and procedures.
- ensure optimum use of available resources.

These systems are reviewed and improved on a regular basis. It has a budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

The Audit Committee of the Board periodically reviews audit plans, observations and recommendations of the internal and external auditors, with reference to the significant risk areas and adequacy of internal controls and keeps the Board of Directors informed of its observations, if any, from time to time.

19. Risk Management

The Company has constituted a Risk Management Committee. Details of constitution of the Committee are set out in the Corporate Governance Report.

During the year, the risk assessment parameters were reviewed. The risk management committee reviewed the elements of risk and the steps taken to mitigate the risks. In the opinion of the Board, there are no major elements of risk which has the potential of threatening the existence of the Company.

20. Whistle Blower Policy/ Vigil Mechanism

The Company has established a whistle blower policy/vigil mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimization of employees who avail of it and also for appointment of an Ombudsperson who will deal with the complaints received. The policy also lays down the process to be followed for dealing with the complaints and in exceptional cases, also provides for direct appeal to the Chairperson of the Audit Committee. The Whistle Blower Policy established by the Board is available on the Company's website at https://www.amararajabatteries.com/Investors/corporate-governance-policies#goverence-policy-content

21. Health, Safety and Environmental protection (HSE)

Your Company gives utmost importance to the employee's health and safety, given the nature of the operations of the Company. Your Company believes that "a safe and healthy workplace not only protects employees from injury and illness, it elevates the employee morale". Your Company continues to be certified under ISO 14001:2015 and BS OHSAS 18001:2007 for its environment management systems and occupational health and safety management systems respectively.

During the year, your Board of Directors approved to set up a 50 MW captive solar plant in the state of Andhra Pradesh at a total capex of ₹220 crores. This plant would reduce the cost of power and simultaneously reduce the carbon footprint of the Company.

All the manufacturing plants continued to be certified under ISO 50001:2018 for its energy management systems, which helped your company to institutionalise the system requirements and conserve the energy.

22. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace

The Company has in place a policy on prevention of Sexual Harassment and has constituted an Internal Complaints Committee (ICC) in line with the requirements of the Sexual Harassment of women at the workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. During the year, no complaint was received by ICC. There were no outstanding complaints on March 31, 2021.

23. Other disclosures

i. Share Capital

The paid up equity share capital of the Company as at March 31, 2021 stood at ₹17.08 crores comprising of 170,812,500 equity shares of ₹1 each. During the year under review, the Company has not issued shares with differential voting rights, employee stock options and sweat equity shares.

ii. Particulars of loans, guarantees and investments

The details of loans, guarantees and investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 as on March 31, 2021 are given in Note 38 to the standalone financial statements of the Company.

iii. Deposits from Public

The Company has not accepted any deposits from the public falling within the ambit of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. There are no outstanding deposits as on March 31, 2021.

iv. Reporting of Frauds

There was no instance of fraud during the year under review, which required the Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made there under.

v. Significant and material orders passed by Regulators or Courts

The Company has received closure orders dated April 30, 2021, from the Andhra Pradesh Pollution Control Board (APPCB), for the Company's Plants situated at Karakambadi, Tirupati and Nunegundlapalli village, Chittoor District, Andhra Pradesh. The Hon'ble High Court of Andhra Pradesh has granted an interim suspension of said orders of APPCB. In compliance to the orders issued by Hon'ble High Court of Andhra Pradesh, the Company is committed to work closely with APPCB officials for satisfactory resolution of the matter in the interest of all stake holders. The Company has always placed highest priority on the environment and to the health and safety of its workforce and communities around it.

Apart from the above, there are no significant and/or material orders passed by the Regulators or Courts which would impact the going concern status of the Company and its future operations.

vi. Compliance of Secretarial Standards

The Company has complied with the Secretarial Standards with respect to Meetings of the Board of the Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

vii. Investor Education and Protection Fund (IEPF)

Section 124 of the Act read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), mandates the companies to transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further, the Rules mandate that the shares on which dividend remains unpaid or unclaimed for seven consecutive years or more be transferred to the demat account of the IEPF Authority.

The details relating to amount of unclaimed dividend transferred to the IEPF and the shares transferred to the demat account of the IEPF Authority during the year, are provided in corporate governance report which forms part of this report.

viii. Particulars of conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo as per Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules 2014, are annexed hereto as "**Annexure VII**" and forms an integral part of this report.

ix. Particulars of Employees and Remuneration

The information required pursuant to Section 197(12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as "**Annexure VIII.**"

A statement showing names and other particulars of the top ten employees and employees drawing remuneration in excess of the limits prescribed under Rule 5(2) of the said rules is also annexed to the Directors' Report as "**Annexure IX**". However, as per the provisions of Section 136(1) of the Act, the annual report is being sent to all the members excluding the aforesaid statement. The statement is available for inspection at the registered office of the Company during working hours upto the date of 36th Annual General Meeting.

24. Awards and Recognitions

Your Company continues to get accolades and awards from its customers and other prestigious domestic/international forums. Some of the awards and recognitions your Company received during the year under review:

- Amara Raja has been recognized and featured in World's Best Employers for 2020 list by Forbes.
- Amara Raja - Building HRM capabilities – the case study which was earlier developed by IIM-Ahmedabad, was listed in the Harvard Business School Publishing.
- Amara Raja was conferred with the prestigious title of the "2020 Talent Accelerator for India" by IDC DX, for implementing the digital project WE@AR involved in Transformation of People Systems and Processes.
- Winner of Golden Peacock award instituted by the Institute of Directors in the category of 'Innovative Product and Services-Electrical Equipment'
- Received the award in the category "EV Manufacturer of the year - storage" for Lithium Ion Battery Pack at EV Manufacturing & Design Show 2021 Awards event.

- At the 14th Six Sigma National Conference and Competitions organised by CII in Bengaluru

i. One team from two wheeler battery plant, Karakambadi, Tirupati, bestowed with "Platinum" recognition; two teams from two wheeler battery plant, Karakambadi, Tirupati and Industrial battery (MVRLA) team bestowed with "Gold" recognition in 'Manufacturing-Auto/Engg/Discrete Projects in Manufacturing /Operational Areas' category and Industrial battery service team was bestowed with "gold" recognition in Manufacturing-Auto/Engg/Discrete Projects in Customer Facing Processes' category

ii. Team from two wheeler battery plant Karakambadi, Tirupati and Industrial battery service team, won the "2nd Runner up" award(s) in "Manufacturing-Auto/Engg/Discrete Projects in Manufacturing / Operational Areas' and "Manufacturing-Auto/Engg/Discrete Projects in Customer Facing Processes' category respectively

- Received four Platinum awards at ICQCC (International Convention of Quality Control Circles) 2020 competition held at Bangladesh organized by Bangladesh Society for Total Quality Management (BSTQM)

- One team from two wheeler battery plant, Karakambadi, Tirupati received "winner" award and industrial battery team (LVRLA) received "1st runner up" award at CII State level Digital QC Competitions - Vijayawada held on October 15, 2020.

- One team from two wheeler battery plant, Karakambadi, Tirupati won "2nd Best" and industrial battery team(LVRLA) "3rd Best" in CII QC Virtual competitions - Southern region held on February 12, 2021.

25. Industrial relations

During the year under review, industrial relations remained cordial and stable. The directors wish to place on record their sincere appreciation for the co-operation received from employees at all levels.

26. Acknowledgement

The Board of Directors take this opportunity to place on record their appreciation for the unstinted co-operation, commitment and dedication of all the employees of the Company and the support extended by the channel partners, customers, vendors, business associates, banks, government authorities and all concerned without which it would not have been possible to achieve all round growth of the Company.

The Directors are thankful to the shareholders for their continued patronage.

On behalf of the Board of Directors

Place: Tirupati
Date: June 12, 2021

Dr. Ramachandra N Galla
Chairman

Gotta be a better way

Annexure I

Form AOC-1

(Pursuant to first proviso to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement showing salient features of the financial statements of subsidiaries, joint ventures and associates as per Companies Act, 2013 ('Act')

Part A: Subsidiaries

(Amount in ₹crores)

Name of the Subsidiary	Amara Raja Batteries Middle East (FZE)
Date on which subsidiary is incorporated	July 31, 2018
Share Capital	0.56
Reserves and Surplus	(0.10)
Total Liabilities	1.06
Total assets	1.52
Investments (included in Total Assets)	-
Total Income (including other income)	2.92
Profit before tax	0.10
Provision for tax	-
Profit after tax	0.10
Dividend	-
% of shareholding	100%
Reporting period	March 31, 2021
Reporting currency	AED
Closing exchange rate	1 AED = 19.93 INR

Part B: Joint ventures/ Associates

There are no joint ventures/associates.

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Jayadev Galla
Vice Chairman and Managing Director

S Vijayanand
Chief Executive Officer

Y Delli Babu
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Hyderabad/Tirupati May 22, 2021

Annexure II

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

The Members,
AMARA RAJA BATTERIES LIMITED
CIN: L31402AP1985PLC005305
Renigunta- Cuddapah Road
Karakambadi
Tirupati , Andhra Pradesh- 517520

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AMARA RAJA BATTERIES LIMITED [Corporate Identification Number: L31402AP1985PLC005305]** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's 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 authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 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 31st March, 2021 according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

(iv) The Company has not dealt with the matters relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings under FEMA during the year under review and hence, the question of complying with the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder does not arise;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable during the period under review) ;

d) The Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ; (Not applicable during the period under review);

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ; (Not applicable during the period under review);

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the period under review); and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the period under review) ;

(vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:

1. The Batteries (Management and Handling) Rules, 2001;
2. Acts and Rules relating to Environmental protection and energy conservation;
3. Acts and Rules relating to hazardous substances and chemicals;

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above. We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory auditor, tax auditor, and other designated professionals.

We have also examined compliance with the applicable clauses / regulations of the following:

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

(ii) The Uniform Listing Agreement entered into with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such other regulatory authorities for such acts, rules, regulations, standards etc. as may be applicable, from time to time issued for compliances under the pandemic situation, have been complied with by the Company as mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors Woman Independent Director 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.

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. Notes on Agenda which are circulated less than the specified period the necessary compliances under the Companies Act, 2013 and secretarial standard on Meeting of the Board of Directors are complied with. Board Meetings that were held through video conferencing or other audio visual means, / the directors who were participated through video conferencing during the period under review the necessary compliances of Rule 3 & 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 have been complied with. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities in view of the pandemic pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors / Committee Members and no Director / Member dissented on the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting, the Members who voted against the resolution(s) have been recorded.

We further report that based on the review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that the above mentioned Company being a Listed entity this report is also issued pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We further report that as per the information and explanation provided by the Management, the Company does not have any Material Unlisted Subsidiary(ies) Incorporated in India pursuant to Regulation 16 (c) and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.

We further report that during the audit period, the Company has:

1. Obtained the approval of Shareholders by way of Postal Ballot for alteration of Articles of Association of the Company and Re-classification of M/s. Johnson Controls (Mauritius) Private Limited as Promoter of the Company.

2. The National Stock Exchange of India Limited and the BSE Limited via their letter dated 11th August, 2020 had approved for reclassification of promoters as per Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **R. Sridharan & Associates**
Company Secretaries

CS R.Sridharan
CP No. 3239
FCS No. 4775
UIN : S2003TN063400
UDIN:F004775C000357589

Place : Chennai
Date : May 22, 2021

*This report is to be read with our letter of even date which is annexed as **ANNEXURE -A** and forms an integral part of this report.*

Annexure -A'

The Members
Amara Raja Batteries Limited
CIN: L31402AP1985PLC005305
Renigunta-Cuddapah Road
Karakambadi
Tirupati, Andhra Pradesh –517520.

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedure on test basis.
6. 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 **R. Sridharan & Associates**
Company Secretaries

CS R.Sridharan
CP No. 3239
FCS No. 4775
UIN : S2003TN063400
UDIN:F004775C000357589

Place : Chennai
Date : May 22, 2021

Annexure III

Corporate Governance Report

Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Schedule V thereto, compliance with the requirements of Corporate Governance is set out below:

1. Company's Philosophy on Corporate Governance

Corporate Governance is based on good principles and practices such that the affairs of the Company are being managed in a way which ensures accountability, transparency and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Amara Raja Batteries Limited ("Amara Raja" or "the Company") is committed to the adoption of best governance practices and to its adherence in the business of the Company. The Company's corporate governance practices are driven by timely disclosures, transparent accounting policies, internal control on operations and high levels of integrity in decision making with an objective to enhance the value to the stakeholders. The Company is in compliance with the mandatory requirements with regard to corporate governance under the Listing Regulations.

2. Board of Directors

i) The Board of Directors, as at the financial year ended March 31, 2021, comprised of six (6) Directors of which Vice Chairman and Managing Director is an Executive Director. Out of five (5) Non-Executive Directors, three (3) including one-woman director are Independent Directors and two (2) are Non-Independent Directors. The Independent Directors have been issued formal letter of appointment and the terms and conditions of their appointment have been disclosed on the website of the Company. The Board has an optimum combination of Executive, Non-Executive and Independent Directors. As on March 31, 2021, the composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations as well as the Companies Act, 2013 ("the Act") and the rules made thereunder. The profile of the Directors proposed to be appointed along with the names of the

Companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and other details as required under Secretarial Standard and Listing Regulations are furnished as an **Annexure - II** to the notice of the 36th Annual General Meeting.

ii) The composition and the category of the Board during the year is as follows:

Name of the Director	Designation	Category
Dr. Ramachandra N Galla - DIN : 00133761	Chairman	Promoter; Non-Executive
Mr. Jayadev Galla - DIN : 00143610	Vice Chairman and Managing Director	Promoter; Executive
Dr. Ramadevi Gourineni - DIN : 01347211	Director	Promoter; Non-Executive
Mr. N Sri Vishnu Raju - DIN : 00025063	Director	Independent; Non-Executive
Mr. T R Narayanaswamy- DIN : 01143563	Director	Independent; Non Executive
Ms. Bhairavi Tushar Jani - DIN : 00185929	Director	Independent; Non Executive

iii) Five (5) Board Meetings were held during the year and the maximum time gap between any of the two consecutive meetings was not more than 120 days. The dates on which the meetings were held are as follows:

Date of Meeting	Board Strength	No. of Directors Present
May 30, 2020	6	6
August 7, 2020	6	6
October 27, 2020	6	6
February 13, 2021	6	5
March 16, 2021	6	5

iv) The details of the attendance of the Directors at the Board meetings held during the year ended March 31, 2021 and at the last Annual General Meeting (AGM) are as follows:

Name of the Director	No. of Board Meetings		AGM held on August 7, 2020
	Held	Attended	
Dr. Ramachandra N Galla	5	5	Yes
Mr. Jayadev Galla	5	4	Yes
Dr. Ramadevi Gourineni	5	4	Yes
Mr. N Sri Vishnu Raju	5	5	Yes
Mr. T R Narayanaswamy	5	5	Yes
Ms. Bhairavi Tushar Jani	5	5	Yes

The members are requested to note that during the financial year 2020-21, the directors attended all the meetings including Annual General Meeting held through Video Conference/Other Audio Visual Means (OAVM).

v) The number of directorships, memberships/chairmanships in committees held by the directors including Amara Raja Batteries Limited as on March 31, 2021 are as follows:

Name of the Director	Number of directorships in Companies#		Number of committee memberships in companies*	
	Public Limited Companies	Private Limited Companies	Chairperson	Member
Dr. Ramachandra N Galla	5	2	2	2
Mr. Jayadev Galla	4	5	Nil	1
Dr. Ramadevi Gourineni	3	2	Nil	Nil
Mr. N Sri Vishnu Raju	3	16	1	3
Mr. T R Narayanaswamy	1	7	Nil	2
Ms. Bhairavi Tushar Jani	1	12	Nil	1

 # Excluding directorship in foreign companies and including the directorship in the Company.

** Only memberships of Audit Committee and Stakeholders Relationship Committee(s) of listed and unlisted public companies including this Company are considered.*

vi) The details of the listed entities in which directors are holding directorship including Amara Raja Batteries Limited of the Company and category of Directorship as on March 31, 2021 are as follows:

Name of the Director	Directorship in listed entities	Category of Directorship
Dr. Ramachandra N Galla	Amara Raja Batteries Limited	Promoter; Non-Executive Chairman
Mr. Jayadev Galla	Amara Raja Batteries Limited	Promoter; Vice Chairman and Managing Director
Dr. Ramadevi Gourineni	Amara Raja Batteries Limited	Promoter; Non-Executive
Mr. N Sri Vishnu Raju	Amara Raja Batteries Limited	Independent Director
	Heritage Foods Limited	Independent Director
	Zydus Wellness Limited	Independent Director
Mr. T R Narayanaswamy	Amara Raja Batteries Limited	Independent Director
Ms. Bhairavi Tushar Jani	Amara Raja Batteries Limited	Independent Director

vii) The relationship between the Directors are disclosed herein below:

viii) None of the directors hold any shares in the Company. The Company has not issued any convertible instruments. Dr. Ramachandra N Galla, Chairman, Mr. Jayadev Galla, Vice Chairman and Managing Director and Dr. Ramadevi Gourineni, Director and their family members hold 100% equity share capital of RNGalla Family Private Limited, which owns 28.06% of the equity share capital of the Company.

ix) **Skills/Expertise/Competencies of the Board of Directors**

The Board of Directors have identified the skills/expertise/competencies fundamental for the effective functioning of the Company namely knowledge on Company's businesses, policies and culture, major risks / threats and potential opportunities and knowledge of the industry in which the Company operates; technical / Professional skills and specialized knowledge in relation to Company's business and General Management, Business Strategy, Corporate Strategy, Governance practices, Financial management.

All the Directors possess skills/expertise and competencies as stated above. Dr. Ramachandra N Galla, Chairman, a technocrat and founder promoter of the Company has an in-depth technical knowledge on the products and the industry in which the company operates.

x) **Familiarisation Program**

A handbook covering the role, function, duties and responsibilities and the details of the compliance requirements expected from the Directors under the Act and the relevant Listing Regulations were given and explained to the Independent Directors.

The newly appointed Independent Directors are given induction and orientation with respect to Company's Vision, Core purpose, Core Values and business operations. In addition, detailed presentations are made by Senior Management Personnel on business environment, performance of the Company at every Board Meeting.

The above initiatives help the Independent Directors to understand the Company, its business and the regulatory framework in which the Company operates and enables the Directors to fulfill their role/responsibility. The details of the familiarisation program is available on the Company's website i.e. www.amararajabatteries.com

xi) The Company has proper systems to enable the Board to periodically review compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances, if any.

xii) The Board had approved code of conduct in compliance with the Listing Regulations. The said code is applicable for all the Directors and the Senior Management Personnel of the Company and the same is available on Company's website i.e. www.amararajabatteries.com. All the members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the code of conduct for the financial year ended March 31, 2021. In terms of Schedule V to the Listing Regulations, a declaration signed by the Vice Chairman and Managing Director is enclosed to this report as Annexure A.

xiii) During the financial year 2020-21, information as specified in Part A of Schedule II to the Listing Regulations such as annual operating plans and budgets, capital budgets, financial results of the Company, foreign currency exposures on quarterly basis and such other information as and when applicable were placed before the Board for its consideration.

xiv) Mr. Jayadev Galla, Vice Chairman and Managing Director and Mr. Delli Babu Y, Chief Financial Officer of the Company have submitted a certificate to the Board for the financial statements for the year ended March 31, 2021 on the fairness of the financial statements and other matters as specified in Part B of Schedule II of the Listing Regulations.

xv) All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board. The Independent Directors have confirmed that they satisfy the criteria of independence as stipulated in Regulation 16(1)(b) of the Listing Regulations. All the Independent Directors had registered with Indian Institute of Corporate Affairs for life time and had complied with Rule 6 (1) and (2) of Companies (Appointment and Qualifications of Directors) Rules, 2014. The tenure of the Independent Directors is in accordance with the provisions of the Act and rules made thereunder. All the Independent Directors had met separately on March 16, 2021 without the attendance of non-independent directors and members of the management. The Independent Directors at that meeting reviewed the performance of the Board as a whole, Non independent Directors and the Chairman of the Board.

xvi) The Board of Directors be and hereby confirm that in the opinion of the Board, Mr. N Sri Vishnu Raju, Mr. T R Narayanaswamy and Ms. Bhairavi Tushar Jani, the independent directors of the Company fulfills the conditions specified in the Act and the Listing Regulations and are independent of the management.

xvii) None of the independent directors has resigned from the directorship of the Company before the expiry of their term of appointment during the financial year ended March 31, 2021.

xviii) None of the Directors hold Directorships in more than seven (7) listed Companies and Mr. Jayadev Galla, Vice Chairman and Managing Director is not serving as an independent Director in any listed company.

xix) None of the Directors on the Board are Members in more than ten Committees or Chairman of more than five Committees across all the public limited companies in which they are Directors. For this purpose, Audit Committee and the Stakeholders Relationship Committee only are considered. The Directors disclosed their positions held in committees and directorships held in other public limited companies as on March 31, 2021.

xx) The senior management personnel confirmed that they don't have any personal interest in respect of all material financial and commercial transactions entered into by the Company, which may have a potential conflict with the interest of the Company at large.

xxi) The brief particulars of the directors proposed for re-appointment/appointment at the Annual General Meeting are given in the notes to the notice of the 36th Annual General Meeting.

3. Audit Committee

i) The constitution and terms of reference of the Audit Committee are in accordance with and covers all the matters specified under Section 177 of the Act and Regulation 18 of the Listing Regulations read with Part C of Schedule II of the Listing Regulations.

ii) The Company Secretary acts as the Secretary to the Audit Committee. The Chief Financial Officer along with the statutory auditors are permanent invitees to the said Committee. The Cost Auditors and Senior Management personnel are invited as and when required.

iii) Mr. N Sri Vishnu Raju, Independent Director and Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on August 7, 2020.

iv) During the financial year 2020-21, five (5) meetings of the Audit Committee were held on May 30, 2020, August 6, 2020, October 27, 2020, February 13, 2021 and March 16, 2021. The maximum time gap between any of the two consecutive meetings was not more than 120 days. The necessary quorum was present in all the meetings.

v) The composition of the Audit Committee and attendance of members are given below:

Members of the Committee	Category	No. of Committee meetings	
		Held	Attended
Mr. N Sri Vishnu Raju, Chairman	Non-Executive, Independent	5	5
Mr. T R Narayanaswamy	Non-Executive, Independent	5	5
Ms. Bhairavi Tushar Jani	Non-Executive, Independent	5	5

4. Nomination and Remuneration Committee

i) The constitution and terms of reference of the Nomination and Remuneration Committee are in accordance with and covers all the matters specified under Section 178 of the Act and Regulation 19 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations.

ii) During the financial year 2020-21, two (2) meetings of the Nomination and Remuneration Committee were held on May 30, 2020 and March 16, 2021.

iii) The composition of the Nomination and Remuneration Committee and attendance of members are given below:

Members of the Committee	Category	No. of Committee meetings	
		Held	Attended
Mr. N Sri Vishnu Raju, Chairman	Non-Executive, Independent	2	2
Mr. T R Narayanaswamy	Non-Executive, Independent	2	2
Ms. Bhairavi Tushar Jani	Non-Executive, Independent	2	2

iv) Nomination and Remuneration Policy

The Board of Directors at its meeting held on March 28, 2015 approved the Nomination and Remuneration policy. The said policy is applicable to all the Directors, Key Managerial personnel and senior management personnel of the Company and the same is available on the Company's website https://www.amararajabatteries.com/Investors/corporate-governance-policies

5. Remuneration to Directors

i) Managing Director/Executive Director

The remuneration structure of Managing Director/Executive Director comprises of basic salary, commission, perquisites and allowances, contribution to provident fund etc. The remuneration is determined considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the financial position of the Company.

The Managing Director is not paid sitting fees for any Board/ Committee meetings attended by him.

ii) Non-Executive Directors

The Non-Executive Independent Directors are entitled to sitting fee for attending the Board/Committee meetings and also for reimbursement of out of pocket expenses for attending the meetings and they are also entitled to Commission.

Though, the shareholders have approved payment of commission to Non-Executive Independent Directors upto 1% of net profits of the Company calculated as per the provisions of Sections 197, 198 and all other applicable provisions of the Act and the rules made thereunder for each of the financial year from FY 2018-19 to FY 2023-24, the commission paid to the Non-Executive Independent Directors is usually restricted to a fixed sum, which is within the aforesaid limits.

A sitting fee of ₹20,000 for attending each meeting of the Board and ₹10,000 for attending each meeting of any Committee(s) of the Board was paid to the Directors during the year under review. Dr. Ramachandra N Galla, Chairman and Dr. Ramadevi Gourineni, Non-Executive Directors waived their entitlement to sitting fees for attending any meetings of the Board and Committee thereof.

The sitting fees/commission is reviewed periodically taking into consideration various factors such as performance of the Company, time spent by the directors for attending to the affairs and business of the Company and extent of responsibilities cast on directors under general law and other relevant factors.

Dr. Ramachandra N Galla, Non-Executive Chairman is entitled to Commission @ 3% of the net profits of the Company for the financial year 2020-21 and the members approved the aforesaid payment at the AGM held on August 7, 2020.

iii) **Details of Remuneration paid to the Directors for the year ended March 31, 2021 are given below:**

a) **Non-Executive Directors:**

₹crores

Name	Commission*	Sitting Fees*
Dr. Ramachandra N Galla	28.41	-
Dr. Ramadevi Gourineni	-	-
Mr. N Sri Vishnu Raju	0.05	0.02
Mr. T R Narayanaswamy	0.05	0.02
Ms. Bhairavi Tushar Jani	0.05	0.02
Total	**28.56**	**0.06**

**Excludes GST*

 # Amount below ₹1 lakh

b) **Mr. Jayadev Galla, Vice Chairman and Managing Director:**

₹crores

Particulars	Amount
Salary	2.40
Perquisites and Allowances	-
Commission	44.95
Retirement benefits	0.00*
Total	**47.35**

** Amount below ₹1 lakh*

The shareholders at the AGM held on August 7, 2020 appointed Mr. Jayadev Galla as Vice Chairman and Managing Director of the Company for a period of five years with effect from September 1, 2020 to August 31, 2025. The agreement entered into with Mr. Jayadev Galla may be terminated by either party by giving three months' notice and there is no severance fee or compensation payable by the Company upon termination of the agreement. There are no stock options issued by the Company.

iv) **Board Evaluation**

Pursuant to the provisions of the Act and Regulation 17 of the Listing Regulations, the Board had carried out an annual evaluation of its own performance, the directors individually and of the committees of the Board.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of Individual Directors including the Chairman of the Board. The Directors performance was evaluated on parameters such as level of engagement and contribution in safeguarding the interest of the Company etc.

The performance evaluation of all the Directors including the Independent Directors was carried out by the entire Board. Further, the performance of the Board as a whole, performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors.

6. Stakeholders Relationship Committee

i) The constitution and terms of reference of the Stakeholders Relationship Committee are in accordance with and covers all the matters specified under Section 178 of the Act and Regulation 20 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations.

ii) During the financial year 2020-21, two meetings of the Committee were held on May 30, 2020 and October 27, 2020.

iii) The composition of the Stakeholders Relationship Committee and the attendance of members are given below:

Members of the Committee	Category	No. of Committee meetings	
		Held	Attended
Dr. Ramachandra N Galla, Chairman	Non-Independent; Non-Executive	2	2
Mr. Jayadev Galla	Non-Independent; Executive	2	2
Mr. T R Narayanaswamy	Independent; Non-Executive	2	2

iv) The Committee is headed by Dr. Ramachandra N Galla, Non-Executive Chairman.

v) The Company Secretary and Compliance Officer of the Company acts as Secretary to the Committee.

vi) During the year 2020-21, two (2) complaints were received pertaining to non-receipt of rejected dematerialised documents and transfer of shares. All the Complaints were redressed to the satisfaction of the shareholders. There were no pending complaints as on March 31, 2021.

vii) **Name, designation and address of the Compliance Officer:**

Mr. Vikas Sabharwal (Effective from April 1, 2021)
Company Secretary and Compliance Officer
Amara Raja Batteries Limited
Terminal A
1-18/1/AMR/NR
Nanakramguda, Gachibowli
Hyderabad-500032
Tel No. 91 40 2313 9300
Fax No. 91 40 2313 9001
E-mail id: investorservices@amararaja.com

7. Risk Management Committee

i) In compliance with Regulation 21 of the Listing Regulations, the Board had constituted the Risk Management Committee with effect from April, 1, 2019. The terms of reference of the Committee covers all the matters specified in said Listing Regulations.

ii) During the financial year 2020-21, one meeting of the Committee was held on March 16, 2021.

iii) The Composition of the Risk Management Committee and the attendance of members are given below:

Members of the Committee	Category	No. of Committee meetings	
		Held	Attended
Mr. N Sri Vishnu Raju, Chairman	Independent, Non-Executive	1	1
Mr. T R Narayanaswamy	Independent, Non-Executive	1	1
Mr. S Vijayanand	Chief Executive Officer	1	1

iv) The Committee is headed by Mr. N Sri Vishnu Raju, Non-Executive Independent Director.

8. Corporate Social Responsibility Committee

i) In compliance with Section 135 of the Act, the Board had constituted the Corporate Social Responsibility Committee. The terms of reference of the Committee covers all the matters specified in Section 135 of the Act.

ii) During the financial year 2020-21, one meeting of the Committee was held on October 27, 2020.

iii) The composition of the Corporate Social Responsibility Committee and the attendance of members are given below:

Members of the Committee	Category	No. of Committee meetings	
		Held	Attended
Dr. Ramachandra N Galla, , Chairman	Non-Independent, Non-Executive	1	1
Mr. T R Narayanaswamy	Independent, Non-Executive	1	1
Mr. N Sri Vishnu Raju	Independent, Non-Executive	1	1

iv) The Committee is headed by Dr. Ramachandra N Galla, Non-Executive Chairman.

9. Loan and Investment Committee

The Board has constituted a Loan and Investment Committee consisting of Dr. Ramachandra N Galla, Chairman, Mr. Jayadev Galla, Vice Chairman and Managing Director and Mr. N Sri Vishnu Raju as members of the said committee to approve the borrowings/ investment decisions of the Company as per the powers entrusted to it and within the limits specified by the Board, from time to time. The Committee is headed by Dr. Ramachandra N Galla, Non-Executive Chairman. The Committee meets as and when required and the minutes of the meeting of the Committee are placed before the Board for it noting. No meeting of the said Committee was held during the financial year 2020-21.

10. Means of communication

The quarterly, half-yearly and annual results are submitted to the stock exchanges in accordance with the Listing Regulations and are published in Business Standard, Business Line (all editions) and Andhra Jyothi, and Eenadu (Rayalaseema Edition). The Company also posts the press releases, transcript of calls made with analysts, if any, and results on its website www.amararajabatteries.com

The Annual General Meeting is the principal forum for face to face communication with shareholders, where the Directors / Senior Management personnel / Auditors / CFO respond to the specific queries of the shareholders.

11. Other Disclosures

i. Disclosure of related party transactions

All transactions entered into with related parties during the financial year were on arm's length basis and in the ordinary course of business. The transactions with the related parties are in compliance with Section 188 of the Act and Regulation 23 of the Listing Regulations.

Prior omnibus approval of the Audit Committee was obtained for the transactions which are foreseen and are repetitive in nature. The related party transactions entered into are reviewed by an independent audit firm to confirm that they were in the ordinary course of business and at arm's length basis. A statement of related party transactions is placed before the Audit Committee and Board on quarterly basis.

There were no materially significant transactions entered into by the Company with the related parties which might be deemed to have had a potential material conflict with the interests of the Company at large. The details of the related party transactions entered during the year and disclosures as required by the Indian Accounting Standards (IND AS 24) are disclosed in the note 34 of notes forming part of the financial statements.

The Board of Directors at their meeting held on May 22, 2021 approved a updated policy on dealing with related party transactions. The policy lays down the criteria for determining the materiality of transactions. The said policy has been posted on the Company's website at the following link https://www.amararajabatteries.com/Investors/corporate-governance-policies

ii. Compliance(s) of matters relating to Capital Market

The Company has complied with all applicable rules and Listing Regulations prescribed by stock exchanges (NSE/BSE), Securities and Exchange Board of India (SEBI) or any other statutory authority relating to the capital markets. No penalties or strictures have been imposed on the Company in the last 3 years on any matters related to capital markets.

iii. Whistle Blower Policy/Vigil Mechanism

The Company has established a whistle blower policy/vigil mechanism to provide an avenue to raise concerns. The mechanism provides, for adequate safeguards against victimization of employees who avail of it, and also for appointment of an Ombudsperson who will deal with the complaints received. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct appeal to the Chairperson of the Audit Committee. No personnel had been denied access to the Audit Committee. The said policy has been posted on the Company's website at the following link https://www.amararajabatteries.com/Investors/corporate-governance-policies

iv. Code of conduct for prevention of insider trading

The Company has adopted a code of conduct for prevention of Insider Trading (Insider Trading Code) in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading code which is applicable to all directors and designated employees lays down guidelines and procedures to be followed and disclosures to be made while dealing in the securities of the Company and non-consequences of violation. The Company Secretary was appointed as the Compliance Officer by the Board to ensure compliance and effective implementation of the Insider Trading Code. Reports on matters related to insider trading code are reported to the Audit Committee on a quarterly basis.

v. Subsidiaries and Material Subsidiary

The Company has only one subsidiary i.e Amara Raja Batteries Middle East (FZE) (ARBME), which is not a material subsidiary.

The audit committee reviews the financial statements of our subsidiaries. It also reviews the investments, if any, made by such subsidiaries, the statement of all significant transactions and arrangements, if any entered into by subsidiaries, and the compliances of each materially significant subsidiary, if any, on a periodic basis.

The Company's policy for determining a material subsidiary. The said policy has been posted on the Company's website at https://www.amararajabatteries.com/Investors/corporate-governance-policies

vi. Disclosure of commodity price risks and hedging activities

As the Company is not engaged in commodity business, commodity risk is not applicable. The foreign exchange risk is being managed/hedged to the extent considered necessary. The Company had not entered into any forward contracts for any foreign exchange risks during the year under review.

vii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

During the financial year 2020-21, the Company has not raised any funds through preferential allotment or qualified institutions placement.

viii. Certificate from a company secretary in practice with regard to disqualification of directors

A certificate from M/s. R Sridharan & Associates, practicing company secretary certifying that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority and certificate is annexed to this report as Annexure B.

ix. Details of recommendation of any committee of the Board which are not accepted by the Board

The Board of directors accepted all the recommendation(s) of the Committees of the Board during financial year ended March 31, 2021.

x. Details of fees paid to the joint statutory auditor(s) and all entities in the network firm/network entity of which the each of the joint statutory auditor is a part for the financial year ended March 31, 2021:

₹crores

Particulars	FY 2020-21
Statutory audit fees	0.70
Limited Review fees	0.15
Tax audit fees	0.05
Reimbursement of Expenses	0.01

xi. Disclosure of complaints received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Particulars	FY 2020-21
No. of cases pending as at beginning of the financial year	1
No. of complaints on sexual harassments received during the year	-
No. of complaint disposed off during the year	1
No. of cases pending as at end of the financial year	-

xii. The Company has complied with the requirements of sub-paras (2) to (10) of Schedule V of the Listing Regulations

12. Details of compliance with mandatory requirements and adoption of Discretionary Requirements

The Company has complied with the mandatory requirements of the Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year.

With regard to the non-mandatory requirements the Company has complied to the extent stated below:

a.	Board	The Company maintains an office for non-executive Chairman at the Company's expense and has also allowed reimbursement of expenses incurred in performance of his duties
b.	Shareholder rights	Quarterly financial results are published in leading newspapers, viz. The Business Line, Business Standard and vernacular – Eenadu, and Andhra Jyothi. The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.
c.	Modified opinion(s) in Annual Report	The financial statements for the financial year ended March 31, 2021 were with unmodified audit opinion
d.	Separate posts of Chairman and CEO	The Company has a separate post of Chairman
e.	Other Non-Mandatory Requirements:	At present, other discretionary requirements have not been adopted by the Company

13. Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

The Company has complied with all the relevant corporate governance requirements stipulated in the Listing Regulations.

14. Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended, the guidelines issued by SEBI and other accounting principles generally accepted in India.

15. Risk Management

The Board regularly discusses the significant business risks identified by the management and the mitigation process being taken up.

A Risk Management Committee, constituted by the Board comprised of Mr. N Sri Vishnu Raju, Independent Director and Chairman of the Committee, Mr. T R Narayanaswamy, Independent Director and Mr. S Vijayanand, CEO. This Committee is empowered to monitor the Risk management and their mitigation processes.

16. During the year under review, the Company had not raised any money from public issue, rights issue, preferential issue or any other issues.

17. The Management Discussion and Analysis Report have been included separately forming part of the Annual Report.

18. Compliance on Corporate Governance

The quarterly compliance report has been submitted to the stock exchanges where the Company's equity shares are listed in the requisite format duly signed by the Company Secretary. Pursuant to Schedule V of the Listing Regulations, the Practicing Company Secretary's Certificate regarding compliance of conditions of Corporate Governance is annexed to this report as Annexure C.

On behalf of the Board of Directors
Dr. Ramachandra N Galla
Chairman

Place: Tirupati
Date: May 22, 2021

Additional Shareholders' Information

1. Contact Information

Registered Office :	**Amara Raja Batteries Limited** Renigunta - Cuddapah Road Karakambadi, Tirupati Andhra Pradesh - 517 520 Tel: 91 877 226 5000 Fax: 91 877 228 5600
Corporate Operations Office and correspondence address for shareholders:	**Amara Raja Batteries Limited** Terminal A 1-18/1/AMR/NR, Nanakramguda Gachibowli, Hyderabad Telangana - 500 032 Tel: 91 40 2313 9000 Fax: 91 40 2313 9001
Corporate Identification Number:	L31402AP1985PLC005305
Website:	www.amararajabatteries.com
E-mail Id:	investorservices@amararaja.com
Plant locations:	The Company's manufacturing plants are located at a) **Renigunta** - Cuddapah Road, Karakambadi Tirupati, Andhra Pradesh 517 520 b) N**unegundlapalle Village** - Bangarupalayam Mandal, Chittoor District, Andhra Pradesh 517 416

2. Compliance Officer under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Nodal Officer under IEPF

Vikas Sabharwal
Company Secretary and Compliance Officer
Tel: 91 40 2313 9000
Fax: 91 40 2313 9001
E-mail Id : vsl@amararaja.com

3. Annual General Meeting

Day and Date : Saturday, August 14, 2021

Time : 3:00 PM IST

Mode : To be held through Video Conference (VC) facility/Other Audio Visual Means (OAVM)

Ministry of Corporate Affairs ("MCA") issued general circular nos. 14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively and general circular no. 02/2021 dated January 13, 2021 and the Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/ CMD2/CIR/P/2021/11 dated January 15, 2021 permitted the holding of 36th Annual General Meeting ("AGM") through Video Conference (VC) or Other Audio Visual Means (OVAM), without the physical presence of the Members at a common venue.

Shareholders can attend the proceedings of AGM by logging on the NSDL e-voting system at www.evoting.nsdl.com

4. Remote e-voting, attending AGM through Video Conference (VC) facility/Other Audio Visual Means (OAVM) and information on directors proposed to be appointed at the ensuing Annual General Meeting.

The instructions with regard to remote e-voting and instructions for attending AGM through Video Conference (VC) facility/Other Audio Visual Means (OAVM) and information on directors proposed to be appointed at the ensuing Annual General Meeting are given in the notice of the 36th Annual General Meeting.

5. Cut-off date and E-Voting period

The cut-off date for the purpose of determining the shareholders eligible for e-voting is 7th August 2021. The e-voting will commence on 10th August 2021 at 9.00 A.M IST and ends on 13th August 2021 at 5.00 P.M IST.

6. Dividend policy and Dividend for FY 2020-21

Dividends, other than interim dividend(s), are to be declared at the Annual General Meeting(s) based on the recommendation of the Board of Directors. As required under Regulation 43A of the Regulations, the Board of Directors at its meeting held on 15th May 2019 had adopted a revised policy for distributing dividend upto 30% of the profit after tax (PAT). Accordingly, every year the Company would pay the dividend amount upto 30% of the profit after tax (PAT) to all the eligible shareholders.

Dividend for FY 2020-21

Interim Dividend:	The Board of Directors approved payment of an interim dividend of ₹5 per equity share of ₹1 each (500%) on 13th February 2021 and the same was paid to the shareholders on 12th March 2021.
Final Dividend:	The Board recommended a final dividend of ₹6 per equity share of ₹1 each (600%) subject to approval of the members at the 36th Annual General Meeting.
Dividend payment date:	The final dividend of ₹6 per equity share of ₹1 each, if declared at the 36th Annual General Meeting will be paid on or before 13th September 2021.

7. Book Closure

The dates of book closure are from 31st July 2021 to 6th August 2021 (both days inclusive) for the purpose of payment of final dividend for FY 2020-21.

8. Questions prior to AGM

Members seeking any information or ask questions with regard to the financial statements of the Company or on any matter in the annual report 2020-21, are requested to write from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investorservices@amararaja.com on or before 10th August 2021 (5:00 P.M.) IST. Such information sought or questions by the members shall be furnished or replied by the Company suitably.

9. Last three Annual General Meeting(s)

The details of date/time and venue and special resolution passed at the last three Annual General Meetings are given below:

For the Financial year	Venue	Day, date and time	Special Resolution(s)
2019-20	Through Video Conferencing / Other Audio-Visual Means (Deemed venue of the meeting: Renigunta-Cuddapah Road, Karakambadi Tirupati, Andhra Pradesh – 517 520)	Friday, August 7, 2020 at 10:30 A.M. IST	• Special resolution was passed to approve the re-appointment of Dr. Ramachandra N Galla (DIN : 00133761) as a Director of the Company. • Special resolution was passed to approve the re-appointment of Mrs. Bhairavi Tushar Jani (DIN: 00185929) as an Independent Director for a second term. • Special resolution was passed to approve the re-appointment of Mr. Jayadev Galla (DIN: 0143610) as Vice Chairman and Managing Director and fix his remuneration. • Special resolution was passed to approve payment of Commission to Dr. Ramachandra N Galla (DIN: 00133761) @ 3% of the net profits of the Company for financial year 2020-21.

Contd...

For the Financial year	Venue	Day, date and time	Special Resolution(s)
2018-19	Auditorium situated the Registered Office i.e Renigunta-Cuddapah Road Karakambadi Tirupati, Andhra Pradesh – 517 520	Saturday, July 20, 2019 at 12:00 noon	• Special resolution was passed to approve the re-appointment of Dr. Ramachandra N Galla (DIN : 00133761) as a Director of the Company. • Special resolution was passed to approve payment of Commission to Dr. Ramachandra N Galla (DIN: 00133761) @ 3% of the net profits of the Company for each of the financial years 2018-19 and 2019-20. • Special resolution was passed to approve payment of Commission to Non-Executive Independent Director(s) such commission not exceeding 1% of the net profits of the Company for each of the financial years from 2018-19 and 2023-24. • Special resolution was passed to approve payment of remuneration to Mr. Jayadev Galla (DIN: 00143610) @ 5% of the net profits of the Company for remaining tenure of his appointment. • Special resolution was passed to appoint Mr. N Sri Vishnu Raju (DIN: 00025063) as an independent director for a second term. • Special resolution was passed to appoint Mr. T R Narayanaswamy (DIN: 01143563) as an independent director for a second term.
2017-18	Auditorium situated the Registered Office i.e Renigunta-Cuddapah Road Karakambadi Tirupati, Andhra Pradesh – 517 520	Saturday August 11, 2018 at 11:30 a.m.	Special Resolution was passed to approve the re-appointment of Dr. Ramachandra N Galla (DIN: 00133761) as a Director of the Company.

10. Postal Ballot during last three years

The postal ballot was conducted in the month of April 2020 to transact the following business(es)

a. Special resolution to approve the alteration of Articles of Association of the Company.

b. Ordinary resolution to de-classify M/s. Johnson Controls (Mauritius) Private Limited as Promoter of the Company

The shareholders approved the said resolution(s) with requisite majority on April 30, 2020 and the results were declared on May 2, 2020. The remote e-voting details on the above postal ballot were as follows:

a. **Special Resolution: Alteration of Articles of Association of the Company**

Particulars	No.	%
Votes cast in favour	9,13,14,999	99.77
Votes cast against	2,14,286	0.23
Total Valid Votes	**9,15,29,285**	**100.00**
Invalid Votes	-	-

b. **Ordinary Resolution: De-classification of M/s. Johnson Controls (Mauritius) Private Limited as Promoter of the Company**

Particulars	No.	%
Votes cast in favour	9,15,28,972	99.99
Votes cast against	313	0.01
Total Valid Votes	**9,15,29,285**	**100.00**
Invalid Votes	-	-

The postal ballot was conducted, as per the procedure laid down in Section 108 and 110 of the Companies Act, 2013, the rules made thereunder read with Circulars No. 14 and 17 dated April 8, 2020 and April 17, 2020 respectively issued by Ministry of Corporate Affairs and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. V Suresh, Practising Company Secretary was appointed as Scrutinizer for conducting voting through remote e-voting, postal ballot forms, in a fair and transparent manner.

There is no proposal to conduct postal ballot for any matter in the ensuing annual general meeting.

11. Procedure for postal ballot

In compliance with the Listing Regulations and Sections 108, 110 and other applicable provisions of the Act, read with applicable Rules made thereunder, the Company provides an e-voting facility to all its shareholders, to enable them to cast their votes electronically. The Company engages the services of NSDL for the purpose of providing e-voting facility to all its shareholders. The shareholders have the option to vote either by physical ballot or e-voting.

The Company dispatches the notice of postal ballot and forms along with self-addressed business reply envelope to its shareholders whose names appear on the register of members/list of beneficiaries as on a cut-off date. The postal ballot notice is sent to the shareholders in electronic form to the e-mail IDs registered with the DPs/RTA.

The voting rights are reckoned on the paid-up value of the shares registered in the names of the shareholders as on the cut- off date. Shareholders desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the scrutinizer on or before the closing of the voting period.

Shareholders desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last day of e-voting. The last date specified by the Company for receipt of duly completed postal ballot forms or e-voting is deemed to be the date of passing of the resolution.

The scrutinizer submits his report to the chairman of the board of directors or any person authorized by him, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced. The results are also displayed on the website of the Company i.e www. amararajabatteries.com besides being communicated to the stock exchanges and NSDL.

12. International Securities Identification Number (ISIN)

ISIN is a unique identification number of a traded scrip. This number has to be quoted in each transaction relating to the dematerialized securities of the company. The ISIN number of equity shares of ₹1 each of the Company is **INE885A01032**.

13. Financial Calendar

Tentative calendar for declaration of financial results of FY 2021-22

For the quarter ending June 30, 2021	:	Second week of August 2021
For the quarter and half year ending September 30, 2021	:	Second week of November 2021
For the quarter and nine months ending December 31, 2021	:	Second week of February 2022
For the quarter and year ending March 31, 2022	:	Third week of May 2022

14. Listing on Stock Exchanges and Stock Codes

Details of the Stock Exchange	Stock/Scrip code
The National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block - GBandra Kurla Complex, Bandra (E), Mumbai 400 051	**AMARAJABAT - EQ**
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001	**500008**

The listing fees for listing of equity shares of the Company have been paid for FY 2021-22 to both NSE and BSE.

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

The Company has not issued any GDR/ ADR/Warrants and convertible instruments.

16. Registrar and Share Transfer Agents (RTA)

For shares related matters, the shareholders are requested to correspond with the RTA of the Company quoting their Folio Number or Client ID and DP ID at the following address:

Cameo Corporate Services Limited
Unit: Amara Raja Batteries Limited
V Floor, Subramanian Building
No.1, Club House Road

Gotta be a better way

Chennai - 600002
Tel : 91 44 28460390
Fax : 91 44 28460129
E-mail id : investor@cameoindia.com
Website : www.cameoindia.com

17. Shareholding pattern as on March 31, 2021

The shareholding pattern classified on the basis of category and distribution of ownership, respectively is given below:

a. Distribution of shareholding on basis of category:

Category	As on March 31, 2021		As on March 31, 2020		
	No. of Shares held	%	No. of Shares held	%	% change
Promoters holding					
Individuals	-	-	-	-	-
Companies	4,79,32,452	28.06	4,79,32,452	28.06	-
Sub Total	**4,79,32,452**	**28.06**	**4,79,32,452**	**28.06**	**-**
Indian Institution(s) and Govt. holding					
Mutual Funds	1,00,06,600	5.86	1,40,20,228	8.21	(2.35)
Alternate Investment Funds	1,77,397	0.10	93,823	0.05	0.05
Banks /Financial Institutions	94,72,275	5.55	25,09,753	1.47	4.08
Insurance Companies	19,38,574	1.13	24,09,878	1.41	(0.28)
State Government/Central Government	-	-	7,97,943	0.47	(0.47)
Sub Total	**2,15,94,846**	**12.64**	**1,98,31,625**	**11.61**	**1.03**
Indian Public, Corporates and others	1,79,36,511	10.50	2,01,09,386	11.77	(1.27)
Foreign holding					
Overseas Body Corporate	4,09,95,000	24.00	4,09,95,000	24.00	-
Foreign Portfolio Investor/ Foreign Institutional Investors	3,64,45,625	21.34	3,57,13,325	20.91	0.43
Non Resident Indians	59,07,766	3.46	62,30,412	3.65	(0.19)
Foreign Portfolio Investor (Individual) Category III	300	0.00	300	0.00	-
Sub Total	**10,12,85,202**	**59.30**	**10,30,48,423**	**60.33**	**(1.03)**
Total	**17,08,12,500**	**100.00**	**17,08,12,500**	**100.00**	

b. Distribution of shareholding on basis of ownership as on March 31, 2021:

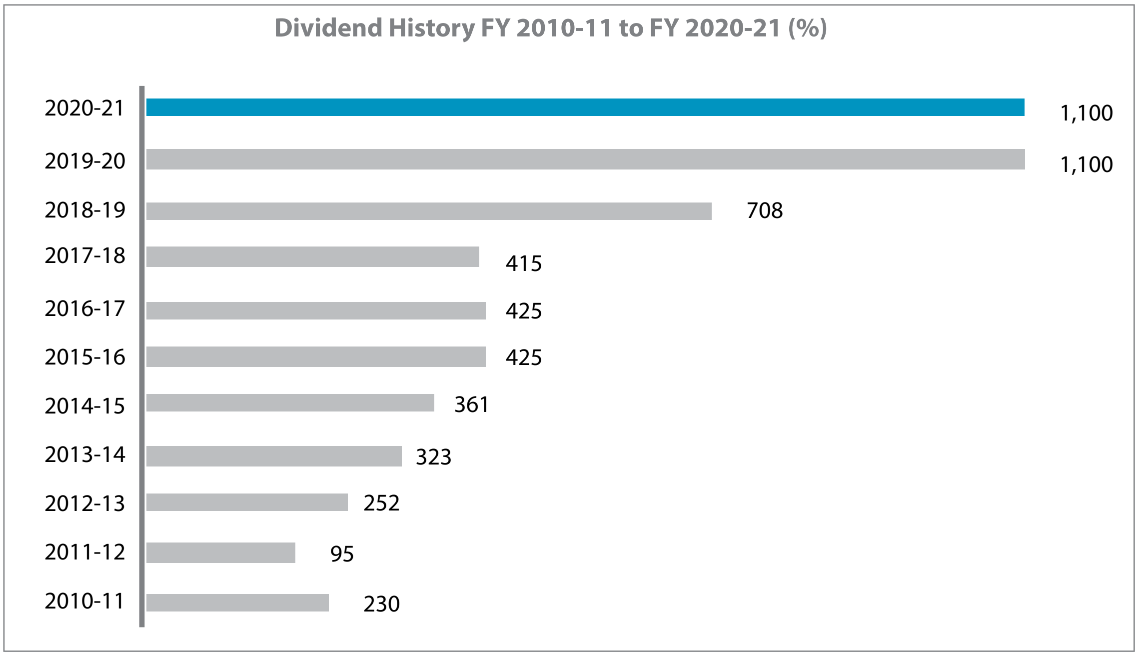
No. of shares held	No. of shareholders	% to no. of shareholders	No. of shares held	% to total shares
1 - 100	1,36,599	89.85	27,84,848	1.63
101 - 500	10,937	7.19	24,22,438	1.42
501 - 1000	1,630	1.07	12,53,775	0.74
1001 - 2000	1,568	1.03	23,10,376	1.35
2001 - 3000	478	0.31	13,00,864	0.76
3001 - 4000	117	0.08	4,13,635	0.24
4001 - 5000	151	0.10	6,89,448	0.41
5001 - 10000	236	0.16	16,95,806	0.99
10001 and above	313	0.21	15,79,41,310	92.46
Total	**1,52,029**	**100.00**	**17,08,12,500**	**100.00**

18. Name of the persons who hold more than 1% of equity shares of the Company as on March 31, 2021

Name of the shareholder	No. of shares held	%
RNGalla Family Private Limited	4,79,32,452	28.06
Clarios ARBL Holding LP	4,09,95,000	24.00
Nalanda India Equity Fund Limited	1,68,80,938	9.88
Life Insurance Corporation of India	82,40,424	4.82
ICICI Mutual Fund - All Schemes	38,72,062	2.27
UTI Mutual Fund- All Schemes	19,10,642	1.12

19. Dividend History

The following graph shows the dividend history of the company from the FY 2010-11 to FY 2020-21



20. Nomination Facility

Shareholders holding physical shares may, if they so desire, send their nominations in form SH-13 of the Companies (Share Capital and Debentures) Rules, 2015, as amended, to the RTA of the company. Further, shareholders may cancel/vary their nomination already made, in form SH-14 by sending it to the RTA. Those holding shares in dematerialized form may contact their respective depository participant (DP) to avail the nomination facility.

21. Old share certificates with face value of ₹10 and ₹2 are no longer valid

During the year 2007-08, the Company sub-divided the face value of its equity shares of ₹10 to ₹2 and further during the year 2012-13, the Company further sub-dividend the face value of its equity shares from ₹2 to ₹1. Hence, the old share certificates with face value of ₹10 and ₹2 are no longer valid.

The shareholders who are still holding the share with face value of ₹10 and ₹2, are requested to submit those share certificates along with their demat account details including client master list, either to the company or to the RTA. On receipt and subject to verification of these share certificate(s) and submission of additional documents as may be required, the shares will get credited to the demat account of the shareholders or will inform the shareholders the process to claim the shares from Investor Education and Protection Fund Authority (IEPFA), in case the shares were transferred to IEPFA.

22. Share Transfer System

All queries and requests relating to share transfers/transmissions may be addressed to our RTA. To expedite the process of share transfers, the company secretary has been delegated with the power to attend to the share transfer formalities at regular intervals.

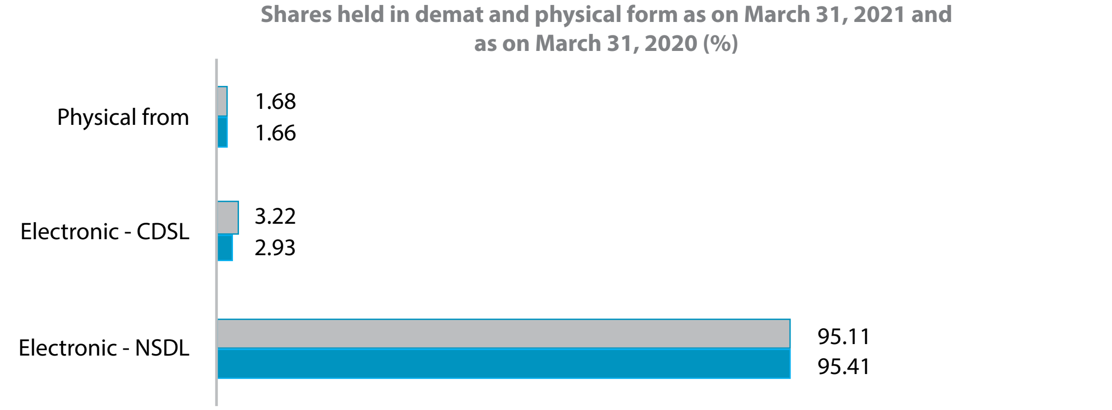
Pursuant to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 shareholders may please note that, effect from April 1, 2019, transfer of shares (except transmission and transposition of shares) will be in dematerialised form only. Therefore, the shareholders are requested to dematerialize their shares for their own benefit.

Accordingly, shareholders are requested to note that effective from April 1, 2019, no share transfers in physical form shall be processed or accepted by the Company or Registrar and Share Transfer Agents.

23. Dematerialisation

To facilitate easy access of the dematerialized system to the investors, the Company have signed up with both the depositories in India — the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and have established connectivity with the depositories through our RTA. The dematerialization of shares is done through RTA and the dematerialization process is generally completed within 21 days from the date of receipt of a valid dematerialization request along with the relevant documents.

The following Chart gives the breakup of dematerialized shares and shares in physical form as on March 31, 2021 compared with March 31, 2020:



	Electronic - NSDL	Electronic - CDSL	Physical from
March 31, 2020	95.11	3.22	1.68
March 31, 2021	95.41	2.93	1.66

24. Credit ratings

CRISIL rating for the Bank loans facilities of ₹400 crores are as follows:

Long Term Rating : CRISIL AA+/stable (Reaffirmed)

Short Term Rating : CRISIL A1+ (Reaffirmed)

No other debt instruments or any fixed deposit program or any scheme or proposal involved mobilization of funds were issued or undertaken by the Company during the financial year.

25. Transfer of unclaimed dividend and underlying shares to Investor Education and Protection Fund (IEPF)

During the year under review, in terms of Section 124 (5) of the Act, an amount of ₹31,91,626 being unclaimed final dividend pertaining to the financial year 2012-13 was transferred to IEPF on October 8, 2020.

Further, during the year under review, the Company after sending individual notices to the last available address of the shareholders whose shares are required to be transferred to the demat account of IEPF Authority and publication of notice in the newspapers, transferred 25,426 equity shares of ₹1 each to the demat account of IEPF.

Members who have not yet encashed their final dividend from the financial year 2013-14 onwards are requested to make their claims without any delay to Cameo Corporate Services Limited, Registrar and Share Transfer Agents (RTA) of the Company for claiming the unclaimed/unpaid dividends. The following table gives information relating to due dates for transfer of unclaimed/unpaid dividends to IEPF:

Fnancial Year	Type of payment	Date of Declaration	Unclaimed dividend as on March 31, 2021 (₹)	Due Date of Transfer to IEPF
2013-14	Final Dividend	August 06, 2014	39,16,675.39	September 11, 2021
2014-15	Final Dividend	August 14, 2015	43,34,252.64	September 19, 2022
2015-16	Interim Dividend	March 15, 2016	50,31,643.00	April 20, 2023
2016-17	Final Dividend	August 07, 2017	52,76,098.75	September 12, 2024
2017-18	Interim Dividend	November 09, 2017	24,82,088.00	December 15, 2024
2017-18	Final Dividend	August 11, 2018	11,84,627.90	September 16, 2025
2018-19	Interim Dividend	November 9, 2018	32,02,260.00	December 15, 2025
2018-19	Final Dividend	July 20, 2019	24,39,695.40	August 25, 2026
2019-20	I Interim Dividend	November 9, 2019	28,80,786.00	December 15, 2026
2019-20	II Interim Dividend	March 9, 2020	27,94,640.00	April 14, 2027
2020-21	Interim Dividend	February 13, 2021	24,38,211.00	March 21, 2028

As required under the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules 2012, (IEPF Rules) the Company uploaded on the Company's website www.amararajabatteries.com the particulars of unclaimed dividend as on March 31, 2020 with information containing the names, addresses of the person entitled to receive the amount, nature of amount, due date for transfer to IEPF and such other information as required by the IEPF Rules. The same is also available on the IEPF's website www.iepf.gov.in

All shareholders, whose dividend remains unpaid/ unclaimed, are requested to refer the same on the Company's website or on www.iepf.gov.in and lodge their claim to RTA by submitting an application in writing and supported by a deed of indemnity immediately.

All shareholders whose shares, unclaimed dividend, etc., has been transferred to IEPF, are requested to claim the same from the IEPF Authority by submitting an online application in Form IEPF-5 available on the website of Investor Education and Protection Fund at www.iepf.gov.in/IEPFA/refund.html

26. Disclosures with respect to unclaimed suspense account:

The following is the reconciliation of the unclaimed shares in the "Amara Raja Batteries Limited -Unclaimed Suspense Account" (suspense account).

Particulars	Number of Shareholders	Number of equity shares
Aggregate number of equity shareholders and the outstanding shares of ₹1 each in the suspense account lying as on April 1, 2019	35	70,250
Number of equity shareholders who approached the Company for transfer of shares of ₹1 each from the suspense account	1	1,500
Number of equity shareholders to whom shares were transferred from suspense account during the year	1	1,500
Number of equity shareholders whose shares were transferred to Investor Education and Protection Fund (IEPF) during the year	12	15,500
Aggregate number of equity shareholders and the outstanding shares of ₹1 each in the suspense account lying as on March 31, 2021		53,250
All corporate benefits that accrue on these shares such as bonus shares, split, etc., shall also be credited to the Unclaimed Suspense Account. The voting rights on the shares outstanding in the Suspense account shall remain frozen till a claim from the rightful owner of such shares is received.	23	53,250

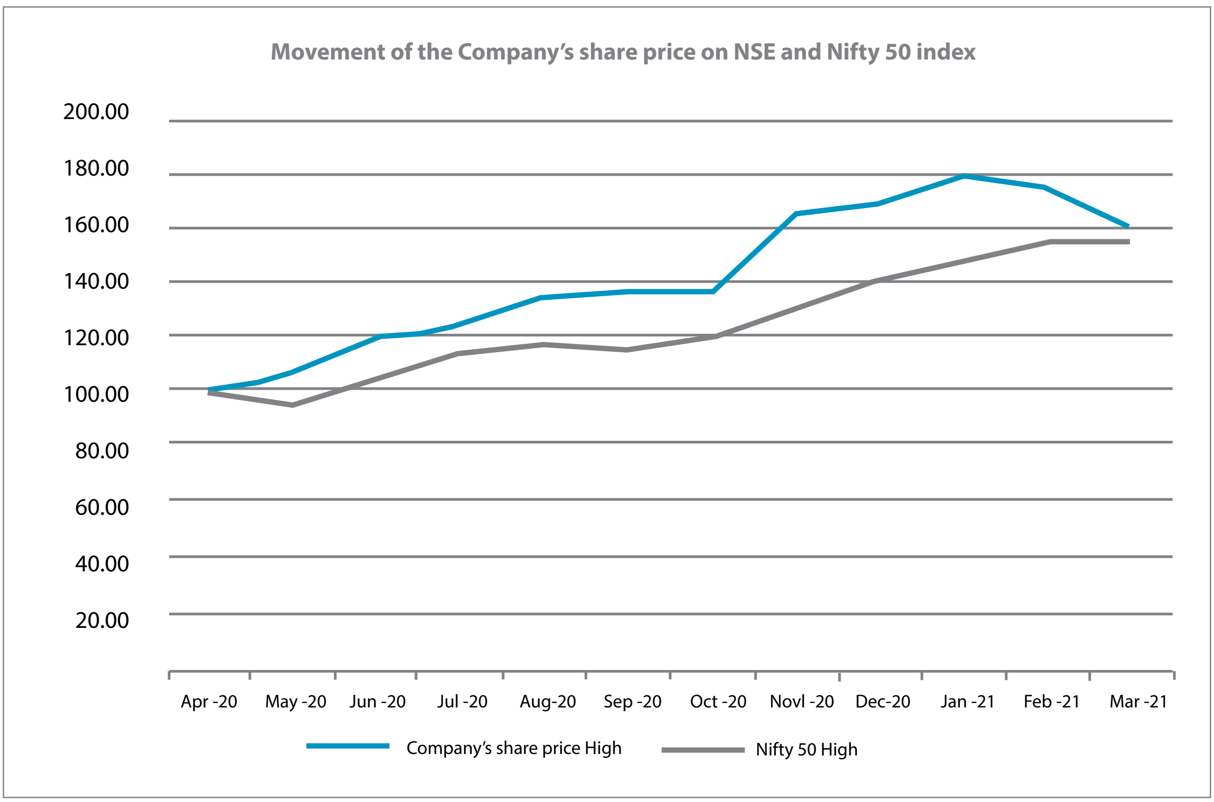
27. Stock Data

a. High, Low prices (based on WAP) of the Company's shares traded on NSE and BSE and performance of Nifty 50 and BSE Sensex during the period from April 1, 2020 to March 31, 2021 are furnished below:

Month	NSE		Nifty 50		BSE		S&P BSE Sensex	
	High(₹)	Low (₹)	High(₹)	Low (₹)	High (₹)	Low (₹)	High(₹)	Low (₹)
April 2020	564.82	463.75	9,859.90	8,083.80	564.15	463.34	33,717.62	27,590.95
May 2020	615.52	542.95	9,580.30	8,823.25	615.97	545.13	32,424.10	30,028.98
June 2020	677.93	640.82	10,471.00	9,813.70	678.68	640.20	35,430.43	33,228.80
July 2020	713.91	660.87	11,300.55	10,430.05	715.64	659.41	38,492.95	35,414.45
August 2020	764.59	715.93	11,647.60	10,891.60	765.06	716.69	39,467.31	36,939.60
September 2020	782.39	711.43	11,604.55	10,805.55	781.59	712.35	39,302.85	36,553.60
October 2020	772.41	718.69	11,971.05	11,416.95	777.52	718.89	40,794.74	38,697.05
November 2020	937.13	769.54	13,055.15	11,669.15	934.32	766.27	44,523.02	39,757.58
December 2020	955.89	906.94	13,981.95	13,109.05	955.38	905.19	47,751.33	44,618.04
January 2021	1,005.79	925.80	14,644.70	13,634.60	1,004.85	925.77	49,792.12	46,285.77
February 2021	987.93	880.30	15,314.70	14,281.20	988.29	882.59	52,154.13	48,600.61
March 2021	918.75	844.19	15,245.60	14,324.90	918.27	844.12	51,444.65	48,440.12

b. Performance of the Company's share price vis-à-vis-Nifty 50

A comparative line chart showing performance of share price (closing WAP high) of the Company on NSE with NSE Nifty 50 (closing high) during the financial year 2020-21.



Notes: All values are indexed to 100 as on 1 April 2020.

Annexure A

Declaration on Code of Conduct

This is to confirm that the Board has laid down a code of conduct for all the Board Members and Senior Management Personnel of the Company. The code of conduct has also been posted on the website of the Company.

It is further confirmed that all Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on March 31, 2021 as envisaged in Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Place: Hyderabad	**Jayadev Galla**
Date: May 22, 2021	Vice Chairman and Managing Director

Annexure B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members
AMARA RAJA BATTERIES LIMITED
CIN: L31402AP1985PLC005305
Renigunta - Cuddapah Road
Karakambadi, Tirupati,
Andhra Pradesh - 517520

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Amara Raja Batteries Limited (CIN: L31402AP1985PLC005305) having its Registered Office at Renigunta - Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517520 (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 Part-C Sub clause 10 (i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal www.mca.gov.in) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities Exchange Board of India /Ministry of Corporate Affairs or any such other statutory authority.

S No.	DIN	Name of the Director	Designation	Date of Appointment
1.	00133761	Galla Ramachandra Naidu	Non-Executive Chairman	08/07/1985
2.	00143610	Galla Jayadev	Managing Director	01/09/2015
3.	01347211	Ramadevi Gourineni	Non-Executive - Non- Independent Director	01/02/2020
4.	00025063	Sri Vishnu Raju Nandyala	Non-Executive - Independent Director	14/08/2008
5.	01143563	Narayanaswamy Tharmapuram Ramachandran	Non-Executive - Independent Director	01/06/2009
6.	00185929	Bhairavi Tushar Jani	Non-Executive - Independent Director	28/03/2015

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.

For **R. Sridharan & Associates**
Company Secretaries

CS R.Sridharan
CP No. 3239
FCS No. 4775
UIN : S2003TN063400
UDIN:F004775C000357611

Place : Chennai
Date : May 22, 2021

Annexure C

CORPORATE GOVERNANCE CERTIFICATE

The Members
AMARA RAJA BATTERIES LIMITED
Renigunta - Cuddapah Road
Karakambadi, Tirupati, Andhra Pradesh - 517520

We have examined documents, books, papers, minutes, forms and returns filed and other relevant records of Amara Raja Batteries Limited (CIN: L31402AP1985PLC005305), having its Registered Office at Renigunta - Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517 520, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2021. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the 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 and the representations made by the Management, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2021.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **R. Sridharan & Associates**
Company Secretaries

CS R.Sridharan
CP No. 3239
FCS No. 4775
UIN : S2003TN063400
UDIN:F004775C000357600

Place : Chennai
Date : May 22, 2021

Annexure IV

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L31402AP1985PLC005305
2.	Name of the Company	Amara Raja Batteries Limited
3.	Registered address	Renignuta-Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517520
4.	Website	www.amararajabatteries.com
5.	E-mail id	investorservices@amararaja.com
6.	Financial Year reported	March 31, 2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Group 272* - Manufacture of batteries and accumulators *As per National Industrial Classification – Ministry of Statistics and Programme Implementation
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Batteries for Automotive and Industrial Application(s).
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations	Nil
	(b) Number of National Locations	Plant Locations: a) Renigunta - Cuddapah Road, Karakambadi Tirupati Andhra Pradesh 517 520 b) Nunegundlapalle Village Bangarupalayam Mandal, Chittoor District Andhra Pradesh 517 416 **Distribution Network:** Present across PAN India through franchisees and dealers.
10.	Markets served by the Company – Local/ State/ National/ International	National & International (44 countries)

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	₹17.08 crores
2.	Total Turnover (INR)	₹7149.68 crores
3.	Total profit after taxes (INR)	₹646.81 crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company's total spending on CSR for the year ended March 31, 2021 was ₹15.20 crores which is 2.35% of the profit after tax.
5.	List of activities in which expenditure in 4 above has been incurred	Please refer Annexure V to Director's Report for CSR related information and also CSR section in the annual report.

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes
2.	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company has not mandated any supplier, distributer etc., to participate in BR Initiatives of the Company. However, they are encouraged to adopt Business Responsibility initiatives and follow the concept expected of responsible businesses.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

DIN Number	00143610
Name	Mr. Jayadev Galla
Designation	Vice Chairman and Managing Director
(b) Details of the BR head	
DIN Number (if applicable)	-
Name	Mr. S Vijayanand
Designation	Chief Executive Officer
Telephone number	040-23139000
e-mail id	vnand@amararaja.com

2. Principle-wise (as per NVGs) BR Policy/policies

P1 Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3 Businesses should promote the well-being of all employees
P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5 Businesses should respect and promote human rights
P6 Businesses should respect, protect, and make efforts to restore the environment
P7 Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8 Businesses should support inclusive growth and equitable development
P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

3. Principle-wise (as per NVGs) BR Policy/policies

Sl No.	Details of compliance (Reply in Y/N)	P1 Ethics, Transparency and Accountability	P2 Product life cycle sustainability	P3 Employment Well-being	P4 Stakeholders Engagement	P5 Human Rights	P6 Environment	P7 Policy Advocacy	P8 Community Development	P9 Customer Value
1.	Do we have a policy/ policies for....	Yes This forms part of the Code of Conduct of the Company which is applicable to all employees.	Yes Health, Safety and Environment, (HSE) Policy is addressing product life cycle sustainability.	Yes There are various policies for the benefit of the employees which are issued by the Human Resources function of the Company from time to time. The policies include Leave Policy, Road Safety Policy, Group Mediclaim Policy, etc.	Yes The Company does not have a specific policy, however certain aspect of this principle forms part of the CSR Policy and the Consumer Policy.	Yes This forms part of the Code of Conduct of the Company which is applicable to all employees.	Yes This forms part of the Company's HSE Policy.	No	Yes The Company has a CSR Policy.	Yes The Company has a Consumer Policy.
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes the policy is in line with national standards	Yes the policy is in line with national standards	Yes the policy is in line with national standards	Yes the policy is in line with national standards	Yes the policy is in line with national standards	Yes the policy is in line with national standards	NA	Yes the policy is in line with national standards	Yes the policy is in line with national standards

Contd...

Sl No.	Details of compliance (Reply in Y/N)	P1 Ethics, Transparency and Accountability	P2 Product life cycle sustainability	P3 Employment Well-being	P4 Stakeholders Engagement	P5 Human Rights	P6 Environment	P7 Policy Advocacy	P8 Community Development	P9 Customer Value
4.	Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Code of Conduct comprising of these principles has been approved by the Board	Environment policy is approved by CEO	HR Policies are approved by President-HR. The Executive Committee comprising of senior management and relevant stakeholders are consulted engaged in framing/ modification of HR policies.	Statutory policies are placed before the Board for consideration and approval. All other policies are approved by Managing Director	Statutory policies are placed before the Board for consideration and approval. All other policies are approved by Managing Director	Environment policy is approved by CEO	NA	Yes	Statutory policies are placed before the Board for consideration and approval. All other policies are approved by Managing Director
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	The responsibility of the implementation of policies and their review primarily lies with the respective business/ function head	The responsibility of the implementation of policies and their review primarily lies with the respective business/function head.	The responsibility of the implementation of policies and their review primarily lies with the respective business/ function head	The responsibility of the implementation of policies and their review primarily lies with the respective business/ function head	The responsibility of the implementation of policies and their review primarily lies with the respective business/ function head	NA	Yes	The responsibility of the implementation of policies and their review primary lies with the respective business/ function head
6.	Indicate the link for the policy to be viewed online?	https://www.amararajabatteries.com/Investors/corporate-governance-policies	View restricted to the respective stakeholders	View restricted to the respective stakeholders	View restricted to the respective stakeholders	View restricted to the respective stakeholders	View restricted to the respective stakeholders	NA	https://www.amararajabatteries.com/Investors/corporate-governance-policies	View restricted to the respective stakeholders
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, policies have been communicated to the respective stakeholders	Yes, policies have been communicated to the respective stakeholders	Yes, all policies are placed on the intranet of the Company. New employees are given a formal induction on these policies.	Yes, policies have been communicated to the respective stakeholders	Yes, policies have been communicated to the respective stakeholders	Yes, policies have been communicated to the respective stakeholders	NA	Yes, policies have been communicated to the respective stakeholders	Yes, policies have been communicated to the respective stakeholders
8.	Does the company have in-house structure to implement the policy/ policies.	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes

Contd...

Sl No.	Details of compliance (Reply in Y/N)	P1 Ethics, Transparency and Accountability	P2 Product life cycle sustainability	P3 Employment Well-being	P4 Stakeholders Engagement	P5 Human Rights	P6 Environment	P7 Policy Advocacy	P8 Community Development	P9 Customer Value
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The whistle blower mechanism provides employees to report any concern or grievances pertaining to any potential or actual violation of the Company's code of conduct.	The quality, marketing, technology and operations departments work together collaboratively to address the issues pertaining to the product life sustainability.	Policy grievances pertaining to employee well-being related concerns are handled by the respective business HR managers. Further an annual communication meet with senior management team is a forum to raise any grievances or concerns of the employees of the Company.	The continuous engagement with the customers, suppliers, channel partners and annual channel partners meet enables the Company to capture and address their concerns and grievances, if any. An investor grievance mechanism is in place to respond to the grievances of the investors.	Policy grievances pertaining to employee well-being related concerns are handled by the respective business HR managers. Further an annual communication meet with senior management team is a forum to raise any grievances or concerns of the employees of the Company.	The HSE departments take care of all grievances, if any,	NA	NA	The customer complaints mechanism records and addresses the grievances of the customers on product, quality, service, warranty and other related issues
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Quality, Safety & Health and Environmental policies are subject to internal and external audits as a part of certification process. Audit observations and suggestions are part of the inputs in revising and improving the processes.								

4. **Governance related to BR**

(a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The BR performance of the Company is regularly assessed by the Executive Committee comprising of senior management personnel. However, there is no specific frequency.

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

Yes. The Company publishes BR report annually and the same forms part of annual report, which can be accessed in the Company's website i.e www.amararajabatteries.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

   The policy relating to ethics, bribery and corruption extends beyond our Company employees, both permanent and temporary, Directors and also covers the Amara Raja group of Companies.

   The Company has adopted a Code of conduct applicable to the Board of Directors and senior management personnel of the Company. The members of the Board of Directors and the members of the Senior Management of the Company are required to affirm on an annual compliance of this code. This Code requires the Directors and senior management personnel of the Company to act honestly, ethically and with integrity. The Code guides the Directors and senior management personnel to conduct themselves in professional, courteous and respectful manner and also to ensure their independent judgement is not impacted.

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

   The vigil mechanism serves as a mechanism for its Directors and employees to report any genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct. The Company has not received any significant complaints from stakeholders in the previous financial year. The normal grievances, complaints of the stakeholders are attended and resolved immediately.

Principle 2

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

   The Company manufactures batteries catering to requirements of Automotive and Industrial application. The Company is committed to attainment of environmental and economic benefits from efficient use of energy, water and raw materials. The Company uses non-conventional energy in producing the products. The Company ensures compliance requirements of the law that relate to products and services, environmental aspects and occupational hazards.

   The company designs, develops and supplies products for

   1. Renewable energy storage (Green Energy)/BESS
   2. Electric Mobility (e-Rickshaw/e-Auto)- Using Li-Ion & Lead acid technologies
   3. The batteries manufactured are designed keeping in view the most UPS by optimized size, weight & cost for various applications like UPS, Automotive & Telecom Applications.
   4. Further these batteries are designed to ensure Safety during the manufacturing, transportation and as well as usage by the customers/consumers.
   5. All the batteries are designed keeping in mind the state of the art Materials, reduced maintenance & longer usage life
   6. For each such product, provide Hi-Life batteries with quick rechargeability for Telecom Towers with attractive TCO to save/limit/eliminate diesel Generation & time leading to CO2 Reduction and saving fossil fuels
   7. Developed corrosion resistive, weight optimized & enhanced performance products for 2W using advanced manufacturing technology

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

   a. **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

   The Company continuously strives to optimize the manufacturing process thereby effectively utilizing/reducing the consumption of the raw materials. The Company has reduced the consumption of lead ranging from 2% to 5% per battery for various products in both industrial and automotive battery division.

   b. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

   In line with the Company's commitment towards conservation of energy, all its manufacturing units continue with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption. The Company is enhancing the installed capacity of solar roof top panels from 9.25 MW to 16.30 MW. This ensures use of clean energy and also entails power at low cost.

   The Company undertakes various projects to improve green cover and rain water harvesting ponds in the manufacturing plants. The increase in green cover would help in keeping the surrounding at a lesser temperature than surroundings and also helps in reducing the ambient noise levels and air pollution from the operations. Rain water harvesting ponds would help in the improving the ground water levels.

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

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

   The Company's vision has always been to source the materials through sustainable and quality procurement practices. Over the years, company has been sourcing primary raw materials like Lead, separators from well-established global and local vendor base. Lead acid batteries, being 99% recyclable, the key input, Lead is sourced predominantly from the secondary producers who recycles the ULABs and only a small portion of Lead is sourced through Primary producers. Also, company has been continually adopting multi-modal transport systems that are sustainable from social, environmental point of view. Conscious efforts are being made to increase the share of transports that leaves less carbon foot print in the future.

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

   a. **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   The Company strongly believes that a robust and healthy MSME ecosystem is the backbone of country's economic growth and wellbeing! While believing so, we constantly engage with multiple medium and small scale enterprises in the vicinity of our manufacturing and service operations for sourcing various goods and services. Our Organization closely works with its vendor base, nurtures them and ensures they adopt best business practices and make sure they sustain those practices through regular tracking and audit processes.

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

   Our Company, being a staunch believer in circular economy principles for sustainable growth, has over the years, been constantly sourcing a slice of Lead and Alloys through safe and sustainable Lead recycling practices and through tie ups with local smelting partners. Our endeavour is to continuously increase the usage of recycled raw material over the next five years through setting up robust scrap collection mechanisms, reverse logistics operations and our own upcoming captive smelting and refining facilities.

Principle 3

1. **Please indicate the Total number of employees**

   The Company has 10,605 employees as on March 31, 2021.

2. **Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.**

   The Company do not hire or engage employees on contractual or casual basis in the manufacturing plants. However, there are 58 associates on third party rolls and engaged by the Company for field operations.

3. **Please indicate the Number of permanent women employees**

   The Company has 483 permanent women employees and 545 trainees as on March 31, 2021.

4. **Please indicate the Number of permanent employees with disabilities**

   The Company has 29 permanent employees with disabilities.

5. **Do you have an employee association that is recognized by management**

   The Company has an employee association recognized by management.

6. **What percentage of your permanent employees is members of this recognized employee association?**

   We follow a unique and matured model of association. There is a single Union that exists, which represents all sections of employees across all locations. This association is run in its true spirit, participated by employees from various sections and the Management. Issues related to employees are discussed and addressed suitably with a macro view of entire organization.

   The horizon of collaborative effort of management and association is not just confined to policies, practices and processes, it takes care of reinforcing core values, progressively building culture of institution.

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

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

8. **What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?**

a.	Permanent Employees	-	43%
b.	Permanent Women Employees	-	61%
c.	Casual/Temporary/Contractual Employees	-	NA
d.	Employees with Disabilities	-	40%

Principle 4

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

   Yes

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders**

   Yes

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   The Company builds a lasting relationship with all the stakeholders, internal and external, through meaningful discussions. This process helps us review the actions, rethink the roadmaps, redress grievances and recognize new venues of growth for all the stakeholders.

   The details of engagements platforms for each stakeholders are as follows:

Key Stakeholders	Engagement Platforms
Employees	Intranet, Group Communication Meeting, Company Communication Meeting, Family Day, Foundation Day, Training Programs, Annual health check-ups, celebrations, in-house publications, Open Houses, Notice Boards, Internal Mobile app, Internal Chat bot etc.,
Investors and Shareholders	Quarterly results, Annual Reports, Earnings call, Analyst meet, press releases, website
Society	Rajanna Trust, Krishnadevaraya Educational and Cultural Association (KECA)
Customers & Partners	**Customers:** Regular business meetings, Customer satisfaction survey **Franchisees/Channel partners/ Suppliers**: Regular business meetings and annual meet

Principle 5

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

   The Company remains committed to respect and protect human rights. The Company's Code of Conduct & Ethics and the HR policies and processes adequately addresses these aspects. The Company does not hire child /forced or involuntary labour. All the employees are treated in a just, fair and equal manner. This practice extends across the Amara Raja Group of Companies.

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

   The Company has not received any complaints in the last financial year.

Principle 6

1. **Does the policy relate to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

   The Company has well-defined policies/principles in place relating to Health, Safety and Environment. These policies foster utmost employee safety and wellbeing which not only takes care of the wellness of employees but also the environment. The policy and principles are communicated to the relevant external stakeholders. At present, these policies are applicable to the Company only.

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

   The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources. In line with the Company's commitment towards conservation of energy, all its manufacturing units continue with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption. The Company has started to record the emission of Green House Gases as per ISO 14064:2006 and action plan is being arrived at for the reduction of the same.

   The Company is enhancing the installed capacity of solar roof top panels from 9.25 MW to 16.30 MW to generate clean electrical energy. This ensures use of clean energy and also entails power at low cost.

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

   The Company has a mechanism to identify and assess risks which includes environmental related risks. The Company is certified with ISO 14001:2015 – Environment Management Systems.

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

   The Company continues to include in its process to reduce the emission of Green House Gases through utilization of clean energy, wherever possible. The Company has started to record the emission of Green House Gases as per ISO 14064:2006 and action plan is being arrived at for the reduction of the same.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

The Company is enhancing the installed capacity of solar roof top panels from 9.25 MW to 16.30 MW to generate clean electrical energy. This ensures use of clean energy and also entails power at low cost.

During the year, the Board of Directors approved to set up a 50 MW captive solar plant in the state of Andhra Pradesh at a total capex of ₹220 crores. This plant would reduce the cost of power and simultaneously reduce the carbon footprint of the Company.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   The emissions/waste generated by the Company are within the permissible limits given by CPCB/SPCB.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   The Company received one show cause notice from Andhra Pradesh Pollution Control Board, Vijayawada and is pending as at the end of financial year.

Principle 7

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   a. Confederation of Indian Industry (CII)
   b. Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)
   c. Federation of Indian Export Organisation (FIEO)
   d. Engineering Export Promotion Council (EEPC)
   e. Employers' Federation of Southern India (EFSI
   f. Recycling & Environment Industry Association of India
   g. IESA - Customized Energy Solutions India Pvt Ltd
   h. Auto Component Manufacturers Association(ACMA)
   i. Indian Battery Manufacturers Association (IBMA)
   j. World Economic Forum (WEF).

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   The Company is represented on the governing bodies and several committees – both at the state and national levels of CII and through these forums the Company actively participates in various issues concerning business and society.

Principle 8

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

   The Company has initiated and continues to implement a series of programs, which address the developmental needs of the communities that it supports. This include the development of essential infrastructure in rural areas, ensuring access to high quality schools in the villages of Karakambadi, Pettamitta and Diguvamagham of Chittoor District and Skilling Rural youth through Amara Raja Skill Development Centre. The Company strongly believes in the true spirit of giving back to the society. In line with this a certain percentage of the profits were contributed to the Rajanna Trust, a vehicle for carrying the CSR activities of the Company. The Company also has a well-defined CSR policy which is in line with the provisions of the Companies Act, 2013. The report on the CSR projects carried by the Company is annexed to the Director's Report.

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

   The Company, through Rajanna Trust undertakes various CSR initiatives, which are monitored by a dedicated internal team of the Company at periodic intervals.

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

   No

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

   The Company has spent ₹15.20 crores on the CSR Activities during the financial year 2020-21. The amount was spent on areas are mentioned in Annexure V to the Director's Report.

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

   The community development initiatives of the Company were designed on the basis of a long standing association with and a deep understanding of the community. These programs were designed to address the lacuna in the infrastructure needs of these communities and act as a catalyst for transformation in the region. The Company also employs a collaborative approach to design these programs, seeking to constantly understand the concerns faced by the beneficiaries of these programs.

   The main focus of the CSR policy of the Company continues to be on health, education, skilling rural youth, environment and rural development. The various initiatives taken in these areas have a positive impact on the stakeholders surrounding the communities where such programs were undertaken by the Company.

Principle 9

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   A well-established system is in place for dealing with customer feedback and complaints. All complaints are appropriately addressed and resolved, in most of the cases at the earliest. As at the end of the financial year, there were negligible percentage of unresolved complaints, compared to size of the Company.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

   The Company displays product information on the products label as required and mandated by the local laws.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   There were no cases against the Company in relation to unfair trade practices, irresponsible advertising and/or Anti-competitive behavior during the past five years and there are no pending cases as on March 31, 2021.

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

   Consumer survey/Consumer satisfaction survey is being conducted periodically to assess the consumer satisfaction levels.

Annexure V

Annual Report on Corporate Social Responsibility

1. **A brief outline of the CSR policy of the Company**

   The broad focus areas of the Company are Education, Health, Environment and Rural Development.

   The activities under the Education include primary secondary and higher education skill development of rural youth providing scholarships to meritorious students of underprivileged and promoting preventive healthcare activities.

2. **Composition of the CSR Committee:**

Sl No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Ramachandra N Galla	Chairman; Non-Executive Non-Independent	1	1
2.	Mr. T R Narayanaswamy	Member; Non-Executive Independent	1	1
3.	Mr. N Sri Vishnu Raju	Member; Non-Executive Independent	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

   https://www.amararajabatteries.com/Investors/corporate-governance-policies

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

6. Average net profit of the Company for last three financial years: **₹760.17 crores**

7.

a.	2% of the Average Net Profit of the Company as per Section 135(5):	**₹15.20 crores**
b.	Surplus arising out of the CSR projects or programs or activities of the previous financial years :	-
c.	Amount required to be set off for the financial year:	-
d.	Total CSR obligation for the financial year (7a+7b-7c) :	**₹15.20 crores**

8. a. **CSR amount spent or unspent for the financial year:**

Total amount spent for the financial year FY 2020-21	Amount unspent (₹)				
	Total amount transferred to unspent CSR account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹15.20 crores	Nil	NA	NA	Nil	NA

b. **Details of CSR amount spent against ongoing projects for the financial year**

Sl No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Project Dur-ation	Amount Allocated for the Project (₹ Crores)	Amount spent in the current financial Year (₹ Crores)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (₹)	Mode of Impleme-ntation - Through Impleme-nting Agency (Yes/No	Mode of Impleme-ntation - Through Impleme-nting Agency	
				State	District						Name	CSR Registration No.
1.	Construction of High School building for Amara Raja Vidyalayam	Clause ii of Schedule VII to the Act	Yes	Andhra Pradesh	Diguva-magham Village, Chittoor District	3 Years	14.71	6.96	Nil	Yes	Rajanna Trust	CSR 0000 3252
2.	Construction of Senior Secondary School building for Mangal Vidyalayam	Clause ii of Schedule VII to the Act	Yes	Andhra Pradesh	Petamitta Village, Chittoor District	3 Years	8.36	1.12	Nil	Yes	Rajanna Trust	CSR 00003252

c. Details of CSR amount spent against other than ongoing projects for the financial year

Sl No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Amount Allocated for the Project (₹ Crores)	Amount spent in the current financial Year (₹ Crores)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (₹)	Mode of Implementation - Direct Yes/No	Mode of Implementation - Through Implementing Agency	
				State	District					Name	CSR Registration No.
1.	Running and Maintenance expenditure for Amara Raja Skill Development Centre	Clause ii of Schedule VII to the Act	Yes	Andhra Pradesh	Petamitta village, Chittoor District	2.63	2.63	Nil	No	Rajanna Trust	CSR 0000 3252
2.	Running and Maintenance expenditure of Amara Raja Educational Institutions	Clause ii of Schedule VII to the Act	Yes	Andhra Pradesh	Karakambadi, Petamitta and Diguvamagham Villages, Chittoor District	4.49	4.49	Nil	No	Rajanna Trust	CSR 0000 3252

d. Amount spent in Administrative Overheads : **₹0**

e. Amount spent on Impact Assessment, if any : **Not Applicable**

f. Total Amount spent for the financial year (8b+8c+8d+8e) : **₹15.20 Crore**

g. Excess Amount for set off, if any : **Not Applicable**

Sl No.	Particular	Amount (₹Crores)
1.	Two percent of average net profit of the company as per Section 135(5)	15.20
2.	Total amount spent for the financial year	15.20
3.	Excess amount spent for the financial year [(ii)-(i)]	Nil
4.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. a. Details of Unspent CSR amount for the preceding three financial years: Not Applicable

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl No.	Project Id	Name of the Project	Financial year in which project was commenced	Project Duration	Total Amount allocated for the Project (₹ Crores)	Amount spent on the project in the reporting financial year (₹ Crores)	Cumulative amount spent at the end of reporting financial year (₹ Crores)	Status of the project – Completed/ Ongoing
1.	ARVDM HSB01	High School building - Amara Raja Vidyalayam	2019-20	3 Years	14.71	6.96	12.49	Ongoing
2.	MVPM SSSB01	Senior Secondary School building - Mangal Vidyalayam	2018-19	3 Years	8.36	1.12	8.36	Completed

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset wise details)

a. Date of creation or acquisition of the capital asset(s). – 31-03-2021

b. Amount of CSR spent for creation or acquisition of capital asset – ₹ 8.36 Crore

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.- Rajanna Trust, Dighuvamagham (village & Post), Thavanampalli (Mandal), Chittoor (District)

d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).- Project Name : Construction of Senior Secondary School Building at Petamitta (Village) , Thalapula Palli (Post),Puthalapattu (Mandal) , Chittoor (District).

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) of the Act: **Not Applicable**

For and on behalf of the Board of Directors

Mr. Jayadev Galla
Vice Chairman and Managing Director

Dr. Ramachandra N Galla
Chairman of the CSR Committee

Place : Hyderabad / Tirupati
Date : May 22, 2021

Annexure VI

Form AOC-2

(Pursuant to first proviso to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act 2013 including certain arm's length transactions under third proviso thereto

1. There are no contracts/arrangements entered into by the company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act 2013 which are not at arm's length basis.

2. Details of material contracts or arrangement or transactions at an arm's length basis

(a) Name(s) of the related party and nature of Relationship	Mangal Industries Limited: RNGalla Family Private Limited (RFPL) and Mangal Industries Limited (MIL) are the Indian Promoters of the Company. RFPL is owned and controlled by the Galla Family headed by Dr. Ramachandra N Galla, Chairman of the Company and MIL is a wholly owned subsidiary of RFPL
(b) Nature of contracts/ arrangements/ transactions	**Income:** Sale of goods, interest income, other recoveries and sharing of expenses.
	Expenses: Purchase of materials, plastic components, storage racks and sharing of expenses.
(c) Duration of the contracts / arrangements/ transactions	On going
(d) Salient terms of the contracts or arrangements or transactions including the value if any*	Based on transfer pricing guidelines

**The members at the annual general meeting held on August 7 2017 authorized the Board (including Committees of the Board) to enter into transactions with MIL upto ₹1,000 crore in a financial year and all the appropriate approvals of the Board/Audit Committee have been taken for entering into transactions with MIL. Advances paid if any have been adjusted against invoices wherever applicable. Please refer note 34 to the notes forming part of the financial statements for further information on transactions with MIL.*

For and on behalf of the Board of Directors

Place : Tirupati
Date : May 22, 2021

Dr. Ramachandra N Galla
Chairman

Annexure VII

INFORMATION UNDER SECTION 134(3)(M) OF THE ACT READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES 2014 AND FORMING PART OF THE DIRECTORS' REPORT:

A. Conservation of Energy

The Company continued its focused energy conservation efforts through up-gradation of process technology, effective production scheduling and various energy saving initiatives including installation of energy efficient equipment's. Few initiatives are mentioned below. Conducting awareness sessions on energy conservation to suppliers. Training of employees on ISO 50001:2018 and Energy savings technics Promoting Energy efficiency at design stage for all new expansion projects\equipment. Few initiatives are as below

- All motors in machines shall be IE3\4 motors.
- LED lighting.
- VFDs with feedback back systems wherever possible in equipment.
- Aluminum pipe lines instead of MS\GI pipes for compressor air to reduce friction loss and improve life time.
- Increasing Energy Performance Indicators (EnPI) for stringent monitoring of energy performance at section\ equipment level.
- Auditing of utility equipment like pumps, chillers, Enviro Control systems and taking correcting actions at regular intervals to improve their energy performance.
- Compressor air leakage monitoring at regular intervals and corrective actions on regular basis.
- Infra Red heaters in place of conventional heaters for flash dryers.
- Heat recovery system for air compressors.
- Improved controls for electrical heaters to reduce harmonics, thereby improving power quality.
- Automatic power factor control panels with Hybrid filters for improving power quality.

Renewable energy initiatives under progress:

- Roof top solar installations in all manufacturing plants at Chittoor.
- Roof top solar installations for parking area in Tirupati.
- Establishment of 50 MW ground mounted captive solar plant.

Benefits out of energy conservation measures:

- Got "Energy efficient unit" award from CII, during 21th National Awards for Excellence in Energy management 2020.
- Reduction in Specific energy consumption.
- Capital investment on energy conservation initiatives: ₹145 Mn.

B. Technology Absorption

01. Specific Areas in which Technology Development is carried out by the Company

The 'Technology' activities of the Organization are categorized under three broad areas of focus:

- Product Technology
- Manufacturing Engineering

- Research & Analysis

The Technology projects are identified to address the following specific objectives:

- Development of import substitution in materials and products.
- Exploration of environmental friendly operations/ materials.
- Manufacturing Technology up-gradation to make the batteries robust and high-end performer.
- Material/Process development activities for enhancing battery performance and cost efficiency.
- New product development for emerging applications.
- Research on New Energy Storage Technologies/Non Lead Acid Technologies.
- Technology up-gradation to make the batteries robust and high-end performer
- Value engineering efforts for product improvements.

02. Benefits derived as a result of the above Technology Projects

- Robust EFB Battery product range were brought out for OE Automotive Start Stop application and also introduced select EFB part numbers in Export market.
- Advanced range of sVRLA battery series with optimized design was developed.
- The specific energy improvement project for Telecom products has been initiated successfully
- Scanned, Studied and Selected a new poly material as the best for Amaron Sleek series and to meet hostile environmental conditions.
- Short tubular Variants for HUPS application successfully launched into the market.
- Pilot project on 2V Traction cells for Forklift application initiated.
- Process studies were pursued and successfully established for New Plate making processes for Four Wheeler batteries and two wheeler batteries.
- Formation Cycle time optimization studies were successfully completed with an objective of bringing down the conversion cost of UPS batteries
- Battery acid filling time optimized to increase the productivity in 2Wh battery manufacturing
- Paste optimization in the plate making process of 4 Wh battery manufacturing was implemented
- Designed, validated and implemented 'Replaceable Inter Cell Weld Check Insert' for battery assembly process and the same has been 'Design registered'.
- Implemented optimized formation input Ah in tubular inverter battery to reduce power consumption.
- Implemented scrap reduction technique to reduce the final battery scrap in SVRLA Battery.
- Optimized curing process for negative plate making of tubular battery to reduce cost/power and Cycle time.
- A novel technique that 'resist and precipitate the airborne lead oxide particles during

  Lead acid battery manufacturing process' was developed.
- Developed and deployed Pre-blend expander for Industrial application to achieve the paste uniformity
- Increased the throughput of the UPS batteries by introducing a New type of AGM separator
- A novel conductance measurement equipment is designed, validated and institutionalized in-house
- Introduced Eco-friendly (RoHS & REACH) initiatives for Lead Acid Batteries
- Designed and developed High capacity customized Products for e-cargo & Passenger auto – New OE business
- Commercialized Lithium ion battery technology for Telecom, Stationary & Mobility applications
- Introduced 4G Telematics for Li-Ion Battery Packs

- Received the award from eMobility Research Team for Lithium Ion Battery Pack @ EV Manufacturer of the year 2021.
- Li-Ion Pilot cell manufacturing & Testing-Developed and demonstrated 18650 cells as per ISRO and 21700 cells with emerging Li-ion chemistries
- Facilitated NABL Accreditation for Lithium Ion testing Laboratory
- Patent-Design registration on electrodes for Li-ion batteries filed in India

03 . Future Plan of Action

- Development of more consistent and reliable products in AMARON range with New Plate making process for commercial segment applications
- Development of high performance motorcycle battery with New Plate making process.
- Development of high performance EFB batteries with New Plate making process.
- Development of sealed battery products in AMARON range for exports market.
- LVRLA Advanced Series targeting a minimum 10% higher HRD & improved recharge performance as part of technology demonstration.
- Implementation of New Negative plates for Telecom application.
- Value Engineering in BSNL Models
- To develop indigenous vent seal for LVRLA existing PS vent seal to optimize material cost.
- Launch of value line products for UPS and HUPS Applications respectively.
- Launch of Amaron sleek series with New Poly for Export & Domestic market
- Technology development to optimize positive paste scrap in tubular positive plate making.
- Efficient curing profile for 4W automotive to enhance the plate quality with optimized cycle time.
- Formation process optimization to reduce conversion cost of UPS and Telecom battery manufacturing process.
- New Process validation and implementation of 2V Tubular batteries for motive power.
- Process development to reduce the dross in lead alloys
- Introduction of group anchoring of Lead Acid Batteries in high vibration application
- Development of In-house test equipment for AGM Separator qualification under compression
- Enhancement of Product range for EV Space (2W & 3W) using New cell formats.
- To incorporate creative/functional features as well as improve ergonomics for Li Ion battery Packs by collaborating with Design houses for New applications.
- Execution of High Energy Battery Packs for

  a) Hybrid ESS at ARGC/Consortium
- Data Centers – Li solution, Develop the Smart BMS, with OTA, IOT features etc..
- Demonstration of Li-Ion cell with pouch type/ variant
- Developing long lasting Li Ion batteries with high energy density for e-mobility
- Developing lab scale electrode process with 3D printing technology with institutional collaboration Lithium-ion battery recycling green process for better environment

4) Efforts in brief, made towards technology absorption, adaptation and innovation

- Developed very high performance Lead Batteries for automotive passenger segment application.
- First to establish lithium-ion battery research hub in India by adopting the ISRO technology

5) Benefits derived as a result of above efforts:

- Cost reduction

- Environmental protection
- Energy conservation
- Enhanced performance and reliability of the product
- Enhanced market share
- Customer Satisfaction
- Penetration into newer markets
- Resource saving

06) Information regarding Imported Technology

a)	Technology Imported	The Company has imported technology for the manufacture of, advanced Punched Grid for the futuristic Automotive batteries from Johnson Controls Inc., USA
b)	Year of Import	2018
c)	Has the technology been fully absorbed?	Yes, the technology is under implementation in a phased manner and already deployed successfully in certain application segments.
d)	If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	Feasibility study was already completed and plan of action is put in place to absorb the technology completely

7) Expenditure on Research and Development

Sl no	Parameter	(Amount in ₹. crore)	
		2020-21	**2019-20**
1	Capital	0.05	6.35
2	Recurring	10.75	10.56
	Total	**10.80**	**16.91**

C. Foreign Exchange earnings and outgo

Sl no	Parameter	(Amount in ₹. crore)	
		2020-21	**2019-20**
1	Foreign exchange used	1167.40	1322.48
2	Foreign exchange earned	831.12	835.76

Annexure VIII

INFORMATION PURSUANT TO SECTION 197 OF THE ACT READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

a. The Ratio of the remuneration of each director to the median remuneration of the employees of the company and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary if any for the financial year 2020-21:

Name of the Director/Key Managerial Personnel	Ratio of the remuneration to the median remuneration of the employees	remuneration % increase/ (decrease)
Non-Executive Directors		
Dr. Ramachandra N Galla, Non-Executive Chairman	1,170.90	4.24
Dr. Ramadevi Gourineni, Non-Executive Director	-	-
Mr. N Sri Vishnu Raju, Non-Executive Independent Director	2.84	11.29
Mr. T R Narayanaswamy, Non-Executive Independent Director	2.93	9.23
Ms. Bhairavi Tushar Jani, Non-Executive Independent Director	2.76	11.67
Executive Director		
Mr. Jayadev Galla, Vice Chairman and Managing Director	1,951.50	4.24
Key Managerial Personnel		
Mr. S Vijayanand, Chief Executive Officer	97.41	10.06
Mr. Y Delli Babu, Chief Financial Officer	26.37	12.64
Mr. M R Rajaram, Company Secretary#	37.52	(5.86)

Retired on March 31, 2021

b. The percentage increase in the median remuneration of employees in the financial year : 8.85%

c. The number of permanent employees on the rolls of the Company : 7,595

d. 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:

The average increase in the salaries of employees other than the managerial personnel was 8.50%. The Percentage increase in the managerial remuneration for the same financial year was 4.39%.

e. Affirmation that the remuneration is as per the remuneration policy of the company:

It is hereby affirmed that the remuneration paid to the Directors and Key Managerial Personnel are as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Place : Tirupati
Date : May 22, 2021

Independent Auditors' Report

To The Members of
AMARA RAJA BATTERIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Amara Raja Batteries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Revenue Recognition** Refer Note 2M "Revenue Recognition" to the Standalone Financial Statements under Significant Accounting Policies. Revenue is recognised net of returns and discounts, when control over the goods is transferred to the customer which is mainly upon delivery of goods as per terms of the contracts with customers. The timing of revenue recognition is relevant as there is a risk of revenue being recorded before control is transferred.	We have performed the following principal audit procedures in relation to revenue recognised which include a combination of testing internal controls and substantive testing as under: • Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. • Evaluating the integrity of the general information and technology ('IT') control environment and testing the operating effectiveness of key IT application controls. • Understanding the revenue recognition process, evaluating the design and implementation of Company's controls in respect of revenue recognition. • Testing the effectiveness of such controls over revenue cut off at year-end. • Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period. • Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.

2.	**Completeness of provision for warranty obligations** Refer Note 2 D(i) under Significant Accounting Policies for Use of estimates and judgements in relation to provision for warranty obligations and Note 40 to the Standalone Financial Statements. The Company estimates and provides for liability for product warranties in the year in which the products are sold. These estimates are established using historical information on the nature, frequency, quantum of warranty claims and corrective actions against product failures and the estimates are reviewed annually for any material changes in assumptions. The cost of warranty is net of realisable scrap value and the best estimate of relevant freight expenses. The timing of outflows will vary based on the actual warranty claims. The determination of warranty provision is associated with unavoidable estimation uncertainties. Because of the quantitative significance, complexity and level of judgement involved, there is a risk of inappropriate and inadequate provision for warranty obligation.	We carried out a combination of principal audit procedures involving test of internal controls and substantive testing including: • Understanding the warranty claims process, evaluating the design and implementation of Company's controls in respect of warranty provisioning. • Testing the operating effectiveness of these controls during the year. • Carrying out reconciliations with the sales data to determine completeness of transactions on which warranty obligation is determined. • Reviewing contracts with customers for terms of warranty contained therein and the estimation of warranty provision on the basis of these terms. • Testing of the data and assumptions used in the calculation of the provision for warranty obligations including those relating to estimates of failure percentages, etc. • Testing documentation relating to actual warranty replacement and an analysis of the actual failure trend with the estimates used in determining future warranty obligation.
3.	The Company implemented a new IT system which is an enterprise resource planning application used for accounting/ financial reporting with effect from June 1, 2020 ("Go-Live date"). Matters which required significant audit attention in relation to the above implementation included: (i) Complete and accurate migration of relevant financial and accounting data/ information / balances from legacy IT system to the new IT system. (ii) Assessment and evaluation of relevant application systems, programs, processes, reports and controls insofar as they relate to accounting and financial reporting. (iii) IT general controls relevant for financial reporting.	We have performed the following principal audit procedures by involving our IT Specialists in relation to the new IT system implementation: • We understood the Management's implementation plan of the new IT system and the changes from legacy versus the new IT system insofar as accounting/ financial reporting is concerned. • Tested the completeness and accuracy of migration of relevant financial and accounting data/ information/ balances from legacy IT system to the new IT system. • We tested the IT general controls of the new IT system relevant to financial reporting. • We tested the design and implementation, and operating effectiveness of the relevant business cycle automated controls of the new IT system. • We tested the completeness and accuracy of information used for controls and also the information produced by the new IT system. The above procedures were in addition to the relevant planned procedures for the legacy IT system used by the Company up to the Go-Live date.

Information Other than the Financial Statements and Auditors' Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Annexures to the Director's Report (but does not include the consolidated financial statements , standalone financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and the Directors' report and Management Discussion & Analysis, which is expected to be made available to us after that date.
- Our opinion on the standalone financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above

when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
- When we read the remaining information of the Director's report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) 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, as amended 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.

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

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

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For BRAHMAYYA & Co.
Chartered Accountants
(F.R.N. 000513S)

Karumanchi Rajaj
Partner
Membership No. 202309

Vijayawada, May 22, 2021
UDIN: 21202309AAAAEH1021

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(F.R.N. 117366W/W- 100018)

Sumit Trivedi
Partner
Membership No. 209354

Secunderabad, May 22, 2021
UDIN: 21209354AAAAGL6536

Annexure "A"
to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **AMARA RAJA BATTERIES LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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.

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Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting 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.

For BRAHMAYYA & Co.
Chartered Accountants
(F.R.N. 000513S)

Karumanchi Rajaj
Partner
Membership No. 202309

Vijayawada, May 22, 2021
UDIN: 21202309AAAAEH1021

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(F.R.N. 117366W/W- 100018)

Sumit Trivedi
Partner
Membership No. 209354

Secunderabad, May 22, 2021
UDIN: 21209354AAAAGL6536

Annexure "B"
to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

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

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ Government Orders provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as right of use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except for lease in respect of an immovable factory building at Chittoor admeasuring 1,35,274 sq. ft., at a cost of ₹14.72 crores, in respect of which the lease agreement is pending registration.

(ii) The inventories, except goods-in-transit and stocks lying with third parties, have been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in the books of account.

(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 Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit falling within the purview of the provisions of Section 73 to 76 of the Companies Act, 2013. There are no unclaimed deposits.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service tax, Custom Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Services Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ crores)	Amount Unpaid (₹ crores)
VAT Laws	VAT	Appellate Authority upto Commissioner level	2011-12 to 2012-13 and 2014-15 to 2016-17	2.80	2.35
		Tribunal	2007-08, 2009-10 and 2011-12 to 2015-16	3.27	1.78
		High Court	2007-08	0.18	0.18
Sales Tax Laws	Sales Tax	Appellate Authority upto Commissioner level	2004-05, 2011-12 to 2012-13 and 2014-15 to 2015-16	2.91	2.89
		Tribunal	2007-08	0.14	-
Income Tax Act, 1961	Income-tax	Appellate Authority upto Commissioner level	2017-18	3.86	3.86
Central Excise Act, 1944	Excise Duty	Tribunal	2003-04 to 2007-08 and 2015-16	8.02	7.41
Finance Act, 1994	Service tax	Tribunal	2013-14 to 2017-18	51.01	49.72
GST Laws	Goods and Services tax	Appellate Authority upto Commissioner level	2017-18	0.48	0.46

Out of the total disputed dues aggregating ₹ 72.67 crores as above, ₹ 9.41 crores has been stayed for recovery by the relevant authorities. There are no dues of customs duty as at March 31, 2021 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to Government. The Company has not taken any loans or borrowings from financial institutions and banks and has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable Indian accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For BRAHMAYYA & Co.
Chartered Accountants
(F.R.N. 000513S)

Karumanchi Rajaj
Partner
Membership No. 202309

Vijayawada, May 22, 2021
UDIN: 21202309AAAAEH1021

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(F.R.N. 117366W/W- 100018)

Sumit Trivedi
Partner
Membership No. 209354

Secunderabad, May 22, 2021
UDIN: 21209354AAAAGL6536

Balance Sheet

As at March 31, 2021

All amounts are in ₹crores, except share data and where otherwise stated

	Notes	As at March 31, 2021	As at March 31, 2020
A. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3.1	2,116.03	1,647.61
(b) Right-of-use asset	3.2	243.65	178.48
(c) Capital work-in-progress	3.1	397.56	732.58
(d) Other intangible assets	4	95.08	3.13
(e) Intangible assets under development	4	1.72	94.44
(f) Financial assets			
(i) Investments	5	7.12	13.92
(ii) Other financial assets	6	4.30	6.33
(g) Income tax assets (net)	20	-	26.21
(h) Other non-current assets	11	110.75	74.99
Total non - current assets		**2,976.21**	**2,777.69**
Current assets			
(a) Inventories	7	1,438.24	1,142.69
(b) Financial assets			
(i) Investments	5	273.42	142.25
(ii) Trade receivables	8	787.46	636.28
(iii) Cash and cash equivalents	9	96.73	32.60
(iv) Bank balances other than (iii) above	10	79.08	51.91
(v) Other financial assets	6	25.52	11.53
(c) Other current assets	11	120.42	205.64
Total current assets		**2820.87**	**2,222.90**
Total assets		**5,797.08**	**5,000.59**
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	17.08	17.08
(b) Other equity	13	4,193.18	3,638.53
Total equity		**4,210.26**	**3,655.61**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	23.39	34.34
(ii) Lease liabilities	15	38.59	21.67
(b) Provisions	16	95.39	83.75
(c) Deferred tax liabilities (net)	17	40.74	44.13
(d) Other non-current liabilities	21	59.26	59.13
Total non - current liabilities		**257.37**	**243.02**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	18		
- Total outstanding dues of Micro enterprises and small enterprises		44.14	73.91
- Total outstanding dues of creditors other than Micro enterprises and small enterprises		702.33	540.98
(ii) Other financial liabilities	19	216.27	204.89
(iii) Lease liabilities	15	19.39	15.43
(b) Provisions	16	118.58	99.41
(c) Current tax liabilities (net)	20	4.18	-
(d) Other current liabilities	21	224.56	167.34
Total current liabilities		**1,329.45**	**1,101.96**
Total equity and liabilities		**5,797.08**	**5,000.59**
Corporate information	**1**		
Significant accounting policies	**2**		

See accompanying notes to the financial statements

In terms of our report attached

For **Brahmayya & Co.**
Chartered Accountants
(F.R.N : 000513S)

Karumanchi Rajaj
Partner
M. No. 202309

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(F.R.N : 117366W/W-100018)

Sumit Trivedi
Partner
M.No. 209354

Vijayawada/Secunderabad/Hyderabad/Tirupati, May 22, 2021

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Jayadev Galla
Vice Chairman and Managing Director

S Vijayanand
Chief Executive Officer

Y Delli Babu
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Statement of Profit & Loss

For the year ended March 31, 2021

All amounts are in ₹crores, except share data and where otherwise stated

		Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	Revenue from operations	22	7,149.68	6,839.46
II	Other income	23	87.36	55.05
III	**Total Income (I+II)**		**7,237.04**	**6,894.51**
IV	**Expenses**			
	Cost of materials consumed		4,382.54	4,219.07
	Purchases of stock-in-trade		429.99	175.89
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(67.85)	52.17
	Employee benefits expense	25	426.04	385.18
	Finance costs	26	10.53	12.19
	Depreciation and amortization expense	27	319.16	300.74
	Other expenses	28	863.30	908.59
	Total Expenses		**6,363.71**	**6,053.83**
V	**Profit before tax (III - IV)**		**873.33**	**840.68**
VI	**Tax expense**	29		
	(i) Current tax		229.91	231.64
	(ii) Deferred tax		(3.39)	(51.78)
	Total tax expense		**226.52**	**179.86**
VII	**Profit for the year (V - VI)**		**646.81**	**660.82**
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss :			
	(a) Remeasurements of the defined benefit plans		(0.02)	(2.87)
	(b) Equity instruments through other comprehensive income		(6.73)	(6.53)
	Total Other Comprehensive Income / (Loss)		**(6.75)**	**(9.40)**
IX	**Total comprehensive income for the year (VII + VIII)**		**640.06**	**651.42**
	Earnings per share (of ₹1 /- each)	35		
	Basic and Diluted (₹)		**37.87**	**38.69**
Corporate information		1		
Significant accounting policies		2		

See accompanying notes to the financial statements

In terms of our report attached

For **Brahmayya & Co.**
Chartered Accountants
(F.R.N : 000513S)

Karumanchi Rajaj
Partner
M. No. 202309

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(F.R.N : 117366W/W-100018)

Sumit Trivedi
Partner
M.No. 209354

Vijayawada/Secunderabad/Hyderabad/Tirupati, May 22, 2021

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Jayadev Galla
Vice Chairman and Managing Director

S Vijayanand
Chief Executive Officer

Y Delli Babu
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Cash Flow Statement

For the year ended March 31, 2021

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2021		For the year ended March 31, 2020	
A. Cash flows from operating activities				
Profit before tax		**873.33**		**840.68**
Adjustments for:				
Depreciation and amortisation expense	319.16		300.74	
Loss/(Gain) on sale of property, plant and equipment (net) / written off	0.91		(0.71)	
Finance costs	10.53		12.19	
Interest income on bank deposits	(4.15)		(2.95)	
Dividend income from equity instruments designated at FVTOCI	(0.00)		(0.00)	
Gain on disposal of mutual fund units	(14.18)		(16.57)	
Deferred revenue recognised	(9.65)		(9.46)	
Net gain arising on financial assets mandatorily measured at FVTPL	(2.23)		(2.18)	
Liabilities no longer required written back	(13.16)		(0.67)	
Provision for doubtful trade receivables written back	(19.22)		(1.77)	
Provision for doubtful trade receivables and advances	9.25		23.60	
Bad trade receivables written off (net)	0.48		0.89	
Net unrealised foreign exchange gain	(19.42)		(19.75)	
		258.32		283.36
Operating profit before working capital changes		**1,131.65**		**1,124.04**
Movements in working capital				
Adjustments for (increase)/decrease in operating assets:				
- Trade receivables	(135.76)		113.37	
- Inventories	(295.55)		(81.27)	
- Other assets	62.52		83.11	
Adjustments for increase/(decrease) in operating liabilities:				
- Trade payables	144.01		102.05	
- Other liabilities	70.47		30.03	
- Provisions	24.21		41.95	
		(130.10)		289.24
Cash generated from operations		**1,001.55**		**1,413.28**
Income taxes paid (net)		(199.52)		(236.37)
Net cash generated from operating activities [A]		**802.03**		**1,176.91**
B. Cash flows from investing activities				
Purchase of property, plant and equipment	(496.66)		(701.38)	
Proceeds from sale of property, plant and equipment	0.28		1.51	
Investment in subsidiary	-		(0.29)	
Purchase of current investments	(1,459.79)		(1,480.00)	
Proceeds from sale / redemption of current investments	1,345.03		1,356.80	
Proceeds from sale of non-current investments	0.07		-	

Contd...

Cash Flow Statement (contd.)

For the year ended March 31, 2021

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2021		For the year ended March 31, 2020	
Bank balances not considered as cash and cash equivalents (net)	(27.68)		(29.47)	
Interest received	3.78		3.18	
Dividend income	0.00		0.00	
Net cash (used in) investing activities [B]		**(634.97)**		**(849.65)**
C. Cash flows from financing activities				
Repayment of borrowings	(12.46)		(11.63)	
Repayment of lease liabilities	(19.68)		(15.83)	
Finance costs (including on lease liabilities)	(3.95)		(5.20)	
Dividend paid including tax on dividend [Refer Note 42]	(85.41)		(331.13)	
Net cash (used in) financing activities [C]		**(121.50)**		**(363.79)**
Net Increase / (Decrease) in cash and cash equivalents [A+B+C]		**45.56**		**(36.53)**
Cash and cash equivalents at the beginning of the year		32.60		50.15
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		18.57		18.98
Cash and cash equivalents at the end of the year (Refer Note 9)		**96.73**		**32.60**

Notes:

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (Ind AS - 7) - Statement of Cash Flow.

(b) Reconciliation of liabilities from financing activities for the year ended March 31, 2021

	As at March 31, 2020	Ind AS 116 aadoption	Cash flows	Non cash changes Current / Non-current Classification	As at March 31, 2021
Borrowings - Non current	34.34	-	-	(10.95)	23.39
Other Financial Liabilities	12.46	-	(12.46)	10.95	10.95
Lease liabilities	37.10	-	(23.12)	44.00	57.98
Total	**83.90**	**-**	**(35.58)**	**44.00**	**92.32**

(c) Reconciliation of liabilities from financing activities for the year ended March 31, 2020

	As at March 31, 2019	Ind AS 116 aadoption	Cash flows	Non cash changes Current / Non-current Classification	As at March 31, 2020
Borrowings - Non current	46.80	-	-	(12.46)	34.34
Other Financial Liabilities	11.63	-	(11.63)	12.46	12.46
Lease liabilities	-	45.65	(15.83)	7.28	37.10
Total	**58.43**	**45.65**	**(27.46)**	**7.28**	**83.90**

See accompanying notes to the financial statements

In terms of our report attached

For **Brahmayya & Co.**
Chartered Accountants
(F.R.N : 000513S)

Karumanchi Rajaj
Partner
M. No. 202309

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(F.R.N : 117366W/W-100018)

Sumit Trivedi
Partner
M.No. 209354

Vijayawada/Secunderabad/Hyderabad/Tirupati, May 22, 2021

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Vikas Sabharwal
Company Secretary

Statement of Changes in Equity

For the year ended March 31, 2021

All amounts are in ₹crores, except share data and where otherwise stated

Equity share capital	Amount
Balance at March 31, 2019	**17.08**
Changes in equity share capital during the year	-
Balance at March 31, 2020	**17.08**
Changes in equity share capital during the year	-
Balance at March 31, 2021	**17.08**

	Reserves and surplus				Equity investments through other comprehensive income	Total
	Securities premium	Capital reserve*	General reserve	Retained earnings		
Balance at March 31, 2019	**31.19**	**0.00**	**451.83**	**2,824.68**	**10.54**	**3,318.24**
Profit for the year	-	-	-	660.82	0.0	660.82
Other comprehensive income for the year, net of income tax	-	-	-	(2.87)	(6.53)	(9.40)
Total comprehensive income for the year 2019-20	**-**	**-**	**-**	**657.95**	**(6.53)**	**651.42**
Payment of dividends (including tax thereon) [Refer Note 42]	-	-	-	(331.13)	-	(331.13)
Transfer for General reserve	-	-	66.08	(66.08)	-	-
Balance at March 31, 2020	**31.19**	**0.00**	**517.91**	**3,085.42**	**4.01**	**3,638.53**
Profit for the year	-	-	-	646.81	-	646.81
Other comprehensive income for the year, net of income tax	-	-	-	(0.02)	(6.73)	(6.75)
Total comprehensive income for the year 2020-21	**-**	**-**	**-**	**646.79**	**(6.73)**	**640.06**
Payment of dividends [Refer Note 42]	-	-	-	(85.41)	-	(85.41)
Transfer for General reserve	-	-	64.68	(64.68)	-	-
Balance at March 31, 2021	**31.19**	**0.00**	**582.59**	**3,582.12**	**(2.72)**	**4,193.18**

* Amounts below ₹1 Lakh

See accompanying notes to the financial statements

In terms of our report attached

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Notes to the financial statements

All amounts are in ₹ crores, except share data and where otherwise stated

1. Corporate Information

Amara Raja Batteries Limited ("the Company") is one of the largest manufacturers of lead-acid storage batteries for industrial and automotive applications in India. The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited. The Company's products are supplied to customer groups viz., Telecom, Railways, Power Control, Solar and UPS under Industrial Battery business; and to Automobile OEMs, Replacement Market and Private Label Customers under Automotive Battery business. The Company's products are exported to various countries in the Indian Ocean Rim. The Company also provides installation, commissioning and maintenance services. The leading automotive and industrial battery brands of the Company are Amaron®, PowerZone™, Power Stack®, AmaronVolt™ and Quanta®.

2. Significant Accounting Policies

A. Statement of compliance

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Act.

B. Basis of preparation and presentation

These financial statements have been prepared on historical cost convention and on an accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. These financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency.

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 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.

C. Operating Cycle

All assets have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act and Ind AS 1 – Presentation of Financial Statements, based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

D. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgements and estimates that have been made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

i) Provision for warranty

The Company estimates and provides for liability for product warranties in the year in which the products are sold. These estimates are established using historical information on the nature, frequency, quantum of warranty claims and corrective actions against product failures and the estimates are reviewed annually for any material changes in assumptions. The cost of warranty is net of realisable scrap value and the best estimate of relevant freight expenses. The timing of outflows will vary based on the actual warranty claims.

ii) Useful lives of Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by Management at the time the asset is acquired and is reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. This reassessment may result in change in depreciation expense in future periods.

iii) Fair value measurement of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Company also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

iv) Income Taxes

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

v) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors. Information about such valuation is provided in the notes to the financial statements.

vi) Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

vii) Estimation uncertainty relating to COVID-19 outbreak

In respect of estimation uncertainty relating to COVID-19 outbreak refer Note 44 of the financial statements.

E. Inventories

Inventories are stated at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The method of determination of cost of various categories of inventories is as follows:

(i) **Raw materials and bought-out components, stores and spares and loose tools:** Weighted average cost. Cost includes purchase cost and other attributable expenses.

(ii) **Finished Goods and Work-in-progress:** Weighted average cost of production which comprises direct material cost, direct wages and appropriate overheads based on normal level of activity.

(iii) **Stock-in-trade**: Weighted average cost.

F. Investment in subsidiaries:

Investment in subsidiaries are carried at cost less accumulated impairment, if any.

G. Property, plant and equipment

(i) Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at April 1, 2015 measured as per the Accounting Standards notified under the section 133 of the Act, read together with Rule 7 of the Companies (Accounts) Rules, 2014, which the Company elected in accordance with Ind AS 101.

Cost comprises the 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 in making the asset ready for its intended use. Machinery spares which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the spares or the principal item of the relevant assets, whichever is lower.

Capital work in progress are items of property, plant and equipment which are not yet ready for their intended use and are carried at cost, comprising direct cost and related incidental expenses.

(ii) 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 Act except in respect of the following category of assets, in which case the life of the assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support, etc., Freehold land is not depreciated.

Asset	Useful lives (in years)
Plant and machinery (including electrical installations and moulds)	1-10

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate and accounted for on a prospective basis.

Assets individually costing ₹ 5,000 and below are fully depreciated in the year of acquisition.

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 asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss when the asset is de-recognised.

H. Intangible assets

Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially for separately acquired assets, at cost comprising of the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the assets for its intended use. The useful life of an intangible asset is considered finite where there is a likelihood of technical and technological obsolescence.

Intangible assets that have a finite lives are amortised over their estimated useful lives as per the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, but the effect of any change in estimates being accounted for on a prospective basis.

Intangible assets comprising software are amortised over a period of 5 years. The amortisation period for Technical Know-how has been assessed as 8 years, representing the period over which economic benefits from the use of Technical Know-how is expected to be utilized.

All intangible assets are tested for impairment. Amortisation expenses, impairment losses and reversal of impairment losses are considered in the Statement of Profit and Loss. Thus, after initial recognition an intangible asset is carried at its costs less accumulated amortization and /or impairment losses.

I. Impairment of assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment loss recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

J. Foreign currency transactions and translations

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rate of exchange prevailing at the dates of the transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the end of each reporting period are translated at the exchange rates prevailing at that date. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

K. Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant.

Government grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognised as deferred revenue in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

L. Employee benefits

(i) Defined contribution plans

The Company's contributions to Provident Fund (Government administered), Employees' State Insurance Scheme and Superannuation Fund (under a scheme of Life Insurance Corporation of India), considered as defined contribution plans are charged as an expense in the Statement of Profit and Loss when the employees have rendered services entitling them to the contributions.

(ii) Defined benefit plans

For defined benefit plans in the form of gratuity fund, administered under a scheme of the Life Insurance Corporation of India, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. The defined benefit obligations recognized in the Balance Sheet represents the present value of the defined obligations as reduced by the fair value of plan assets, if applicable. Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and are not re-classified to the Statement of Profit and Loss in the subsequent periods. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss.

(iii) Short term and other long term employee benefits

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

M. Revenue recognition

Sale of goods:

Revenue is recognised net of returns and discounts, when control over the goods is transferred to the customer which is mainly upon delivery of goods as per the terms of contracts with customers.

Sales related warranties associated with batteries cannot be purchased separately and they serve as an assurance that the products sold comply with agreed upon specifications. Accordingly, the Company accounts for warranties in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Sale of services:

Revenue from installation, commissioning and maintenance services is recognised based on the contracts with customers and when the services are rendered by measuring progress towards satisfaction of performance obligation for such services.

Other Income:

Interest income is recognised using effective interest method. Dividend income is accounted for in the year when the right to receive such dividend is established and the amount of dividend can be measured reliably.

N. Financial instruments, Financial assets, Financial liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and 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 measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial asset or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on the trade date i.e. the date when the Company commits to purchase or sell the asset.

The classification of financial instruments depends on the objective of the Company's business model for which it is held and on the substance of the contractual terms / arrangements. Management determines the classification of its financial instruments at initial recognition.

(i) Financial assets

Recognition: Financial assets include Investments, Trade receivables, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Financial assets are classified as those measured at:

(a) amortised cost, where the financial assets are held within a business model solely for collection of cash flows arising from payments of principal and/ or interest as per contractual terms. Such assets are subsequently measured at amortised cost using the effective interest method, less any impairment loss.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

Trade receivables, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election on an instrument by instrument basis at initial recognition may be made to present subsequent changes in fair value through other comprehensive income. This election is not permitted if the equity instrument is held for trading.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously recognized in other comprehensive income and accumulated in the "equity instruments through other comprehensive income" will not be reclassified to profit or loss on disposal of the investments.

(ii) Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry. The difference between the carrying amount of the financial liabilities de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

O. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether, (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

P. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of Profit and 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.

Current Tax

Current tax is measured at the amount expected to be paid to or recovered from the taxation authorities based on the taxable profit for the year. Taxable profit differs from "Profit before tax" as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. The tax rates and tax laws used to compute the current tax amount are those that are enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of such deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the corresponding current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Q. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle such obligation and a reliable estimate can be made of the amount of such obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be recovered and the amount of the receivable can be measured reliably.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

R. Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for property, plant and equipment.

S. Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

T. Cash and cash equivalents

Cash and cash equivalents for purposes of cash flow statement include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

Notes to the financial statements

All amounts are in ₹ crores, except share data and where otherwise stated

NOTE 3.1: PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

	As at March31, 2021	As at March 31, 2020
Carrying amounts of:		
Land		
- Freehold	1.24	1.24
Leasehold improvements	8.57	17.77
Buildings	615.18	478.57
Plant and Equipment (including electrical installations)	1,430.38	1,099.02
Furniture and fixtures	11.85	10.02
Vehicles	12.06	10.57
Office equipment	30.96	23.77
Computers	5.79	6.65
	2,116.03	**1,647.61**
Capital work-in-progress	397.56	732.58
	397.56	**732.58**

NOTE 3.1: PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (CONTD.)

	Freehold land	Leasehold land	Leasehold improvements	Buildings	Plant and Equipment (including electrical installations)	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
(A) Cost or deemed cost										
Balance at March 31, 2019	**1.24**	**72.29**	**49.76**	**615.08**	**1,760.83**	**16.71**	**15.48**	**50.66**	**24.39**	**2,606.44**
Additions	-	-	-	23.70	213.13	0.51	1.79	6.03	4.00	249.16
Disposals	-	-	-	-	(1.85)	-	(1.12)	(0.01)	(0.05)	(3.03)
Reclassified on account of adoption of Ind AS 116 (Refer Note 3.2 and Refer Note 36)	-	(72.29)	-	(49.48)	(12.11)	-	-	(0.01)	(0.29)	(134.18)
Balance at March 31, 2020	**1.24**	**-**	**49.76**	**589.30**	**1,960.00**	**17.22**	**16.15**	**56.67**	**28.05**	**2,718.39**
Additions	-	-	-	161.87	572.40	3.56	4.44	16.90	2.19	761.36
Disposals	-	-	-	(0.13)	(1.81)	-	(0.70)	(0.04)	(0.34)	(3.02)
Balance at March 31, 2021	**1.24**	**-**	**49.76**	**751.04**	**2,530.59**	**20.78**	**19.89**	**73.53**	**29.90**	**3,476.73**
(B) Accumulated depreciation and impairment										
Balance at March 31, 2019	**-**	**2.49**	**23.23**	**85.61**	**636.08**	**5.50**	**4.45**	**23.86**	**16.17**	**797.39**
Depreciation expense	-	-	8.76	27.00	226.62	1.70	1.95	9.05	5.28	280.36
Eliminated on disposal	-	-	-	-	(1.36)	-	(0.82)	(0.01)	(0.04)	(2.23)
Reclassified on account of adoption of Ind AS 116 (Refer Note 3.2 and Refer Note 36)	-	(2.49)	-	(1.88)	(0.36)	-	-	-	(0.01)	(4.74)
Balance at March 31, 2020	**-**	**-**	**31.99**	**110.73**	**860.98**	**7.20**	**5.58**	**32.90**	**21.40**	**1,070.78**
Depreciation expense	-	-	9.20	25.14	240.54	1.73	2.45	9.70	2.99	291.75
Eliminated on disposal	-	-	-	(0.01)	(1.31)	-	(0.20)	(0.03)	(0.28)	(1.83)
Balance at March 31, 2021	**-**	**-**	**41.19**	**135.86**	**1,100.21**	**8.93**	**7.83**	**42.57**	**24.11**	**1,360.70**
(C) Carrying amount										
Balance at March 31, 2020	**1.24**	**-**	**17.77**	**478.57**	**1,099.02**	**10.02**	**10.57**	**23.77**	**6.65**	**1,647.61**
Balance at March 31, 2021	**1.24**	**-**	**8.57**	**615.18**	**1,430.38**	**11.85**	**12.06**	**30.96**	**5.79**	**2,116.03**

Note:

1. The amount of expenditure recognised in the carrying amount of property, plant and equipment (including capital work-in progress) in the course of construction is ₹27.22 crores (March 31, 2020: ₹11.15 crores) [Refer Note 37]

NOTE 3.2: RIGHT-OF-USE ASSET

	As at March 31, 2021	As at March 31, 2020
Right-of-use asset	243.65	178.48
	243.65	**178.48**

	Leasehold land	Buildings	Plant and Equipment (including electrical installations)	Office equipment	Computers	Total
(A) Cost or deemed cost						
Balance at April 1, 2019 (Refer Note 36)	**-**	**46.25**	**-**	**-**	**-**	**46.25**
Reclassified and Transition impact on account of adoption of Ind AS 116 (Refer Note 3.1)	69.80	47.60	11.75	0.01	0.28	129.44
Additions	10.79	9.82	1.84	-	0.02	22.47
Disposals	-	(0.74)	-	-	-	(0.74)
Balance at March 31, 2020	**80.59**	**102.93**	**13.59**	**0.01**	**0.30**	**197.42**
Additions	34.47	49.07*	4.90	-	0.05	88.49
Disposals	-	(9.36)	-	-	-	(9.36)
Balance at March 31, 2021	**115.06**	**142.64**	**18.49**	**0.01**	**0.35**	**276.55**
(B) Accumulated amortisation and impairment						
Balance at April 1, 2019	**-**	**-**	**-**	**-**	**-**	**-**
Amortisation expense	0.73	18.28	0.12	-	-	19.13
Eliminated on disposal	-	(0.19)	-	-	-	(0.19)
Balance at March 31, 2020	**0.73**	**18.09**	**0.12**	**-**	**-**	**18.94**
Amortisation expense	0.99	20.97	0.16	-	-	22.12
Eliminated on disposal	-	(8.16)	-	-	-	(8.16)
Balance at March 31, 2021	**1.72**	**30.90**	**0.28**	**-**	**-**	**32.90**
(C) Carrying amount						
Balance at March 31, 2020	**79.86**	**84.84**	**13.47**	**0.01**	**0.30**	**178.48**
Balance at March 31, 2021	**113.34**	**111.74**	**18.21**	**0.01**	**0.35**	**243.65**

*Includes factory building admeasuring a super built up area of 1,35,274 sq. ft. leased by the Company for a period of 8 years (Cost - ₹ 14.72 crores), which lease agreement is pending registration.

NOTE 4: Other intangible assets

	As at March 31, 2021	As at March 31, 2020
Carrying amounts of:		
Technical Know-how	71.43	-
Software	23.65	3.13
	95.08	**3.13**
Intangible assets under development (Refer Note below)	1.72	94.44
	1.72	**94.44**

	Technical Know-how	Software	Total
(A) Cost or deemed cost			
Balance at March 31, 2019	**-**	**10.04**	**10.04**
Additions	-	1.03	1.03
Disposals	-	-	-
Balance at March 31, 2020	**-**	**11.07**	**11.07**
Additions	72.70	25.77	98.47
Disposals	-	-	-
Balance at March 31, 2021	**72.70**	**36.84**	**109.54**
(B) Accumulated amortisation and impairment			
Balance at March 31, 2019	**-**	**6.33**	**6.33**
Amortisation expense	-	1.61	1.61
Eliminated on disposals	-	-	-
Balance at March 31, 2020	**-**	**7.94**	**7.94**
Amortisation expense	1.27	5.25	6.52
Eliminated on disposals	-	-	-
Balance at March 31, 2021	**1.27**	**13.19**	**14.46**
(C) Carrying amount			
Balance at March 31, 2020	**-**	**3.13**	**3.13**
Balance at Mar 31, 2021	**71.43**	**23.65**	**95.08**

Note:
The amount of expenditure recognised in the carrying amount of intangible assets in the course of development is ₹ 0.96 crores (March 31, 2020: ₹ 6.91 crores)

NOTE 5: INVESTMENTS

	As at March 31, 2021	As at March 31, 2020
Non-current		
(I) Investments in equity instruments		
Quoted investments (fully paid) [at FVTOCI]		
(i) Standard Batteries Limited 125 (March 31, 2020: 125) equity shares of ₹1 each *	0.00	0.00
(ii) Nicco Corporation Limited 25 (March 31, 2020: 25) equity shares of ₹2 each *	0.00	0.00
(iii) Exide Industries Limited 10,000 (March 31, 2020: 10,000) equity shares of ₹1 each	0.19	0.13
(iv) HBL Power Systems Limited 5,500 (March 31, 2020: 5,500) equity shares of ₹1 each	0.02	0.01
Total aggregate quoted investments [A]	**0.21**	**0.14**
Unquoted investments (fully paid)		
(a) Investments in subsidiary (at cost unless stated otherwise)		
(i) Amara Raja Batteries Middle East (FZE), U.A.E 2 (March 31, 2020: 2) equity shares of 1,50,000 AED each	0.57	0.57
(b) Investments in others (at FVTOCI)		
(i) Indian Lead Limited 1,128 (March 31, 2020: 1,128) equity shares of ₹10 each*	0.00	0.00
(ii) Atria Wind Private Limited 2,500 (March 31, 2020: 10,000) equity shares of ₹100 each	0.03	0.10
(iii) Andhra Pradesh Gas Power Corporation Limited 1,206,000 (March 31, 2020: 1,206,000) equity shares of ₹10 each	6.30	13.10
Total aggregate unquoted investments [B]	**6.90**	**13.77**
Total investments in equity instruments [C = A+B]	**7.11**	**13.91**
(II) Investments carried at amortised cost		
6 years National Savings Certificates (Refer Note below) [D]	0.01	0.01
Total Non-current investments [E=C+D]	**7.12**	**13.92**
Note: The 6 years National Savings Certificates have been lodged as security with government departments		
Aggregate book value of quoted investments - at cost	0.01	0.01
Aggregate market value of quoted investments	0.21	0.14
Aggregate carrying value of unquoted investments	6.90	13.77
Current		
Investments mandatorily measured at fair value through profit or loss (FVTPL)		
Quoted investments in mutual funds		
SBI Savings Fund - Direct Plan - Growth 17,607.18 units of ₹34.20 (March 31, 2020 1,24,501.56 units of ₹32.37)	0.06	0.40
SBI Savings Fund - Regular Plan - Growth 2,37,84,493.64 units of ₹32.57 (March 31, 2020 : 2,06,85,522.44 units of ₹31.00)	77.47	64.12
SBI Liquid Fund - Direct Growth 859.50 units of ₹3,221.62 (March 31, 2020: Nil)	0.28	-

Contd...

	As at March 31, 2021	As at March 31, 2020
HDFC Liquid Fund - Direct Plan - Growth Option 30,558.04 units of ₹4,045.00 (March 31, 2020 : Nil)	12.36	-
HDFC Ultra short term Fund - Direct - Growth 1,26,69,141.53 units of ₹11.94 (March 31, 2020 : Nil)	15.13	-
ICICI Prudential Liquid - Direct Plan - Growth 19,28,499.57 units of ₹304.74 (March 31, 2020 : 22,04,410.15 units of ₹293.78)	58.77	64.77
UTI - Liquid Cash Plan - Direct Growth Plan 1,36,967.46 units of ₹3,370.49 (March 31, 2020 : 39,874.24 units of ₹3,251.44)	46.16	12.96
Kotak Liquid - Direct Plan Growth 4,867.28 units of ₹4,159.05 (March 31, 2020 : Nil)	2.02	-
Aditya Birla Sun Life Saving Fund - Growth- Direct 13,09,651.72 units of ₹426.84 (March 31, 2020 : Nil)	55.90	-
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan 1,58,909.38 units of ₹331.53 (March 31, 2020 : Nil)	5.27	-
Total Quoted investments measured at FVTPL	**273.42**	**142.25**
Total Current investments	**273.42**	**142.25**
Aggregate book value of quoted investments - at cost	271.19	140.07
Aggregate market value of quoted investments	273.42	142.25

* Amounts below ₹1 lakh

NOTE 6: OTHER FINANCIAL ASSETS

	As at March 31, 2021	As at March 31, 2020
Non-current		
Security deposits*	4.30	6.33
Total	**4.30**	**6.33**
Current		
(a) Advances to related parties:		
- Reimbursable expenses	15.84	4.08
(b) Security deposits#	4.96	2.76
(c) Interest accruals:		
- Interest accrued on deposits	4.42	4.57
- Interest accrued on overdue trade receivables	0.04	0.12
(d) Others	0.26	-
Total	**25.52**	**11.53**

* Includes to related parties ₹1.03 crores (As at March 31, 2020 : ₹1.81 crores)

Includes to related parties ₹3.45 crores (As at March 31, 2020 : ₹ 0.63 crores)

NOTE 7: INVENTORIES

	As at March 31, 2021	As at March 31, 2020
(at lower of cost and net realisable value)		
(a) Raw materials and bought-out components	587.33	395.18
(b) Work-in-progress	291.16	276.58
(c) Finished goods	333.96	339.97
(d) Stock-in-trade (goods purchased for resale)	97.32	38.04
(e) Stores and spares (including secondary packing material)	127.86	92.39
(f) Loose tools	0.61	0.53
Total	**1,438.24**	**1,142.69**
Raw materials includes material-in-transit	141.58	62.97

Notes:

(i) The cost of inventories recognised as an expense during the year has been disclosed on the face of the Statement of Profit and Loss, Notes 24 and 28.

(ii) The cost of inventories recognised as an expense includes ₹ 2.21 crores (during 2019-20: ₹ 2.58 crores) in respect of write-downs of inventory to net realisable value, and has been reduced by ₹ Nil (during 2019-20 : ₹ Nil) in respect of reversal of such write-downs

(iii) There are no inventories expected to be liquidated after more than twelve months.

(iv) The mode of valuation of inventories has been stated in Note 2.E.

NOTE 8: TRADE RECEIVABLES

	As at March 31, 2021	As at March 31, 2020
(a) Unsecured, considered good	787.46	636.28
(b) Doubtful	9.20	24.53
	796.66	**660.81**
Allowance for doubtful receivable	(9.20)	(24.53)
Total	**787.46**	**636.28**

Notes:

(i) The average credit period for after market sales is one week and for sales to other customers is in the range of 30 - 60 days. No interest is charged on overdue receivables, except for overdue balances of related parties.

(ii) There are no customers who represent more than 10% of the total balance of trade receivables as at March 31, 2021 (As at March 31, 2020: ₹ 81.33 crores was due from one of the Company's large customers).

(iii) The Company has used a practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the receivables which are due and the rates used in the provision matrix.

(iv) **Movement in the expected credit loss allowance**

	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	**24.53**	**4.44**
Add: Provision created during the year	4.91	22.15
Less: Provision reversed/released during the year	20.24	2.06
Balance at the end of the year	**9.20**	**24.53**

NOTE 9 CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
(a) Balances with banks		
- in current accounts	85.40	23.00
- in EEFC accounts	8.26	9.49
(b) Cash on hand	0.02	0.11
(c) Cheques on hand	3.05	-
Cash and cash equivalents as per the cash flow statement	**96.73**	**32.60**

NOTE 10: OTHER BANK BALANCES

	As at March 31, 2021	As at March 31, 2020
(a) In deposit accounts		
(i) original maturity more than 3 months but less than 12 months	74.20	47.80
(b) In earmarked accounts		
(i) Dividend accounts	3.60	4.11
(ii) Balances held as margin money against guarantees given	1.28	-
Total	**79.08**	**51.91**

NOTE 11: OTHER ASSETS

	As at March 31, 2021	As at March 31, 2020
Non-current		
(a) Capital advances	50.05	24.03
(b) Capital advances to related parties	8.20	5.23
(c) Prepaid expenses	1.29	0.36
(d) Balances with government authorities	13.33	10.65
(e) Other deposits (Electricity deposits, for other utilities, etc.)	37.88	34.72
Total	**110.75**	**74.99**
Current		
(a) Contractually reimbursable expenses	2.80	2.82
(b) Commercial advances	57.90	62.44
(c) Advances to employees	0.30	0.56
(d) Balances with government authorities (Advances, GST credit and VAT credit)	23.23	94.58
(e) Prepaid expenses	8.84	6.94
(f) Other receivables (export incentives, etc.)	27.35	38.30
Total	**120.42**	**205.64**

NOTE 12: SHARE CAPITAL

	As at March 31, 2021		As atMarch 31, 2020	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised				
Equity shares of ₹1/- each	20,00,00,000	20.00	20,00,00,000	20.00
(b) Issued				
Equity shares of ₹1/- each	17,50,28,500	17.50	17,50,28,500	17.50
(c) Subscribed and fully paid-up				
Equity shares of ₹1/- each	17,08,12,500	17.08	17,08,12,500	17.08
	17,08,12,500	**17.08**	**17,08,12,500**	**17.08**

Notes:

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

Equity shares	Number of shares	Share capital (Amount)
Balance at March 31, 2019	**17,08,12,500**	**17.08**
Changes during year	-	-
Balance at March 31, 2020	17,08,12,500	17.08
Changes during year	-	-
Balance at March 31, 2021	**17,08,12,500**	**17.08**

(ii) Rights, preferences and restrictions attached to the equity shares:

The Company has only one class of shares referred to as equity shares having a face value of ₹1 each. Each holder of equity share is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees and foreign currency. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

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

	As at March 31, 2021		As atMarch 31, 2020	
	Number of shares	%	Number of shares	%
RNGalla Family Private Limited	4,79,32,452	28.06	4,79,32,452	28.06
Clarios ARBL Holdings LP (formerly known as Panther ARBL Holdings LP)*	4,09,95,000	24.00	4,09,95,000	24.00
Nalanda India Equity Fund Limited	1,68,80,938	9.88	1,68,80,938	9.88

*During the previous year consequent to the sale of the power solution business by Johnson Controls International PLC, the shareholders' agreement with Johnson Controls (Mauritius) Private Limited was terminated. Accordingly 24% of the equity shares of the Company held by Johnson Controls (Mauritius) Private Limited was acquired by Clarios ARBL Holdings LP (formerly known as Panther ARBL Holdings LP) and 2% equity shares of the Company was acquired by RNGalla Family Private Limited from Johnson Controls (Mauritius) Private Limited.

NOTE 13: OTHER EQUITY

	As at March 31, 2021	As at March 31, 2020
(a) General reserve	582.59	517.91
This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.		
(b) Capital reserve*	0.00	0.00
Any profit or loss on purchase, sale, issue or cancellation of the company's own equity instruments is transferred to capital reserve.		
(c) Securities premium	31.19	31.19
This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013		
(d) Equity instruments through other comprehensive income	(2.72)	4.01
Change in fair value of equity instruments through other comprehensive income.		
(e) Retained earnings	3,582.12	3,085.42
Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013.		
Total	**4,193.18**	**3,638.53**

*Amount below ₹1 Lakh

NOTE 14: NON-CURRENT BORROWINGS

	As at March 31, 2021	As at March 31, 2020
Unsecured - at amortised cost		
Deferred Payment Liabilities		
Sales tax deferment loans [Refer Note below]	34.34	46.80
Less: Current maturities of sales tax deferment loans disclosed under Note 19 - Other financial liabilities - Current	10.95	12.46
Total	**23.39**	**34.34**

Note:

The interest free sales tax deferment loans were availed by the Company under the Government of Andhra Pradesh TARGET 2000 New Industrial Policy as per which the loans are repayable at the end of the 14th year from the year in which these loans were availed. The Company has also entered into agreements with the Deputy Commissioner of Commercial Taxes, Chittoor in respect of the aforementioned loans as per which the repayment schedule of the loans have been determined as being repayable at the end of the 14th year from the month in which these loans were availed. The Management is however of the view that these loans are repayable at the end of the 14th year from the year in which these loans were availed in terms of the sanction of these loans by the Government of Andhra Pradesh, Commissionerate of Industries and are accordingly making an yearly repayment of these loans.

NOTE 15: LEASE LIABILITIES*

	As at March 31, 2021	As at March 31, 2020
Non-current		
Lease liabilities	38.59	21.67
	38.59	**21.67**
Current		
Lease Liabilities	19.39	15.43
	19.39	**15.43**

* Also Refer Note 36

NOTE 16 : PROVISIONS

	As at March 31, 2021	As at March 31, 2020
Non-current		
Employee benefits		
(a) Leave encashment	18.18	15.16
Other provisions		
(a) Product warranty [Refer Note 40]	77.21	68.59
Total	**95.39**	**83.75**
Current		
Employee Benefits		
(a) Leave encashment	3.82	3.29
(b) Gratuity [Refer Note 32]	5.92	3.54
Other provisions		
(a) Product warranty [Refer Note 40]	108.84	92.58
Total Current provisions	**118.58**	**99.41**

17. DEFERRED TAX LIABILITIES (NET)

	As at March 31, 2021	As at March 31, 2020
The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet :		
(a) Deferred tax assets	15.86	18.95
(b) Deferred tax liabilities	(56.60)	(63.08)
Total	**(40.74)**	**(44.13)**

2020-2021 **Deferred tax (liabilities) / assets in relation to :**	Opening balance	Recognised in Profit and loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(63.08)	7.17	-	(55.91)
Financial assets measured at FVTOCI	5.32	-	-	5.32
Provision for doubtful debts	6.54	(4.22)	-	2.32
Provision for employee benefits	5.53	2.69	-	8.22
Others	1.56	(2.25)	-	(0.69)
	(44.13)	**3.39**	**-**	**(40.74)**

2019-2020 **Deferred tax (liabilities) / assets in relation to :**	Opening balance	Recognised in Profit and loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(109.86)	46.78	-	(63.08)
Financial assets measured at FVTOCI	5.32	-	-	5.32
Provision for doubtful debts	1.55	4.99	-	6.54
Provision for employee benefits	5.62	(0.09)	-	5.53
Others	1.46	0.10	-	1.56
	(95.91)	**51.78**	**-**	**(44.13)**

NOTE 18: TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
(a) Total outstanding dues of Micro enterprises and small enterprises [Refer Note 31]	44.14	73.91
(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises	702.33	540.98
Total	**746.47**	**614.89**

NOTE 19: OTHER FINANCIAL LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Current		
(a) Current maturities of Non-current borrowings [Refer Note 14]	10.95	12.46
(b) Unpaid dividends	3.60	4.11
(c) Other payables:		
- Payables on purchase of property, plant and equipment	71.52	68.90
- Others (employee related, others) [Refer Note below]	130.20	119.42
Total	**216.27**	**204.89**

Note:
Other liabilities includes employees related payables (including payable to Vice-Chairman and Managing Director), commission payable to Non-Executive Chairman and Other Directors, outstanding liabilities for incentives and trade schemes, etc.

NOTE 20: INCOME TAX ASSETS / LIABILITIES (NET)

	As at March 31, 2021	As at March 31, 2020
Non-Current		
Advance tax / TDS receivable (net of provisions)	-	26.21
Total	**-**	**26.21**
Current		
Income tax payable (net of advance tax)	4.18	-
Total	**4.18**	**-**

NOTE 21: OTHER LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Non-current		
(a) Revenue received in advance		
- Deferred revenue arising from government grant [Refer Note below]	59.26	59.13
Total	**59.26**	**59.13**
Current		
(a) Revenue received in advance		
- Deferred revenue arising from government grant [Refer Note below]	11.69	14.16
(b) Statutory remittances (GST, PF, VAT, TDS, etc.)	43.16	19.37
(c) Advances from customers	27.12	19.50
(d) Others (includes accruals relating to trade promotion schemes)	142.59	114.31
Total	**224.56**	**167.34**

Note:

The deferred revenue of ₹70.95 crores (March 31, 2020: ₹73.29 crores) arises primarily as a result of duty benefit received on import of plant and equipment under Export Promotion Capital Goods (EPCG) schemes of the Government of India. The deferred revenue will be recognised in the Statement of Profit and Loss in the proportion of depreciation charged on such assets.

NOTE 22: REVENUE FROM OPERATIONS

	For the year ended March 31, 2021	For the year ended March 31, 2020
a. Sale of products (Refer Note (i) below)	7,091.49	6,774.46
b. Sale of services (Refer Note (ii) below)	41.65	38.62
c. Other operating revenues (Refer Note (iii) below)	16.54	26.38
Total	**7,149.68**	**6,839.46**

Notes:

(i) Sale of products comprises:		
Manufactured goods		
- Storage batteries	6,682.26	6,598.54
Sub-total - Sale of manufactured goods	**6,682.26**	**6,598.54**
Traded goods		
- Storage batteries	317.21	97.59
- Home UPS	92.02	78.33
Sub-total - Sale of traded goods	**409.23**	**175.92**
Total - Sale of products	**7,091.49**	**6,774.46**
(ii) Sale of services comprise:		
- Installation and Commissioning	4.26	3.26
- Annual Maintenance	13.09	0.68
- Others (subject and other matters experts, service charges, etc.)	24.30	34.68
Total - Sale of services	**41.65**	**38.62**

Contd...

(iii) Other operating revenues comprise:		
- Sale of process scrap	4.28	1.12
- Export benefits (including MEIS & EPCG benefits) [Refer Note (iv) below]	12.26	25.26
Total - Other operating revenues	**16.54**	**26.38**

(iv) Includes ₹ 9.65 crores (for the year ended March 31, 2020: ₹ 9.46 crores) recognised as income in proportion to the depreciation charged to the Statement of Profit and Loss. [Refer Note 21]

NOTE 23: OTHER INCOME

	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Interest income		
Interest income earned on financial assets that are not designated as at FVTPL		
- Bank deposits (at amortised cost)	4.15	2.95
- Other financial assets carried at amortised cost	0.73	3.76
- Unwinding of discounts on rental deposits	0.17	0.29
	5.05	**7.00**
b) Dividend income		
Dividend from equity investments designated as at FVTOCI *	0.00	0.00
	0.00	**0.00**
c) Other non-operating income		
- Interest income on other deposits	1.26	2.18
- Sale of non process scrap	4.87	4.71
- Liabilities no longer required written back	13.16	0.67
- Provision for doubtful trade receivables written back	19.22	1.77
- Others	4.45	5.89
	42.96	**15.22**
d) Other gains and losses		
- Gain on disposal of mutual fund units	14.18	16.57
- Net foreign exchange gains	22.94	13.37
- Net gain arising on financial assets mandatorily measured at FVTPL [Refer Note below]	2.23	2.18
- Gain on sale of property, plant and equipment (net)	-	0.71
	39.35	**32.83**
Total (a+b+c+d)	**87.36**	**55.05**

*Amount below ₹ 1 Lakh

Note:

The amount represents the increase in fair value on non-derivative current investments which are mandatorily measured at fair value [Refer Note 5]

NOTE 24: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	For the year ended March 31, 2021		For the year ended March 31, 2020	
Inventories at the beginning of the year				
Finished goods - storage batteries		339.97		386.55
Work-in-progress		276.58		287.14
Stock-in-trade				
- Storage batteries	17.98		16.58	
- Home UPS	20.06	38.04	16.49	33.07
[A]		**654.59**		**706.76**
Inventories at the end of the year				
Finished goods - storage batteries		333.96		339.97
Work-in-progress		291.16		276.58
Stock-in-trade				
- Storage batteries	81.71		17.98	
- Home UPS	15.61	97.32	20.06	38.04
[B]		**722.44**		**654.59**
(Increase)/decrease in finished goods, work-in-progress and stock-in-trade [A-B]		**(67.85)**		**52.17**

NOTE 25: EMPLOYEE BENEFITS EXPENSE

	As at March 31, 2021	As at March 31, 2020
(a) Salaries and wages	328.13	298.83
(b) Contribution to provident and other funds [Refer Note 32]	43.30	38.88
(c) Staff welfare expenses	54.61	47.47
Total	**426.04**	**385.18**

NOTE 26: FINANCE COSTS

	As at March 31, 2021	As at March 31, 2020
(a) Other borrowing costs:		
(i) Unwinding of discounts on warranty provision	6.58	6.99
(ii) Interest on leases liabilities [Refer Note 36]	3.44	3.88
(iii) Others	0.51	1.32
Total	**10.53**	**12.19**

NOTE 27: DEPRECIATION AND AMORTISATION EXPENSE

	As at March 31, 2021	As at March 31, 2020
Depreciation of property, plant and equipment (including on Right of Use of assets) [Refer Note 3.1 and 3.2]	313.87	299.49
Amortisation of intangible assets [Refer Note 4]	6.52	1.61
Less: Depreciation capitalised to property, plant and equipment/ capital work-in-progress	1.23	0.36
Total	**319.16**	**300.74**

NOTE 28: OTHER EXPENSES

		For the year ended March 31, 2021		For the year ended March 31, 2020
Consumption of stores and spares (including packing material)		97.24		88.51
Tools consumed		0.84		0.71
Power and fuel		212.98		222.82
Rent		1.49		1.90
Repairs and maintenance				
- Plant and machinery		6.53		7.38
- Buildings		3.87		4.14
- Others		6.16		3.74
Insurance		9.85		6.86
Rates and taxes		7.05		6.26
Communication		2.03		2.29
Travelling and conveyance		6.33		20.54
Outward freight and handling charges		203.74		192.02
Advertisement and sales promotion		27.02		30.92
Expenditure on Corporate Social Responsibility (Refer Note 43)		15.20		14.35
Legal and professional		9.89		13.82
Payment to auditors [Refer Note below]		0.95		0.99
Bad trade receivables written off	1.50		1.18	
Less : Provision released	(1.02)		(0.29)	
		0.48		0.89
Provision for doubtful trade receivables		4.91		22.15
Provision for doubtful advances and other receivables		4.34		1.45
Loss on sale of property, plant and equipment (net) / written off		0.91		-
Warranty expenses (net)		102.77		138.67
Service expenses		23.13		25.60
Printing and stationery		1.48		2.05
Miscellaneous expenses		114.11		100.53
Total		**863.30**		**908.59**

Note:
Payment to auditors comprise (net of GST) *

(a) To statutory auditors		
- Statutory audit fee	0.70	0.70
- Limited review fee	0.15	0.15
- Tax audit fee	0.05	0.05
- Reimbursement of expenses	0.01	0.05
(b) To cost auditor for cost audit	0.04	0.04
	0.95	**0.99**

*Excludes payment to other than network firm of ₹0.10 crores (for the year ended March 31, 2020: ₹0.15 crores) in respect of other non-audit services.

NOTE 29: INCOME TAX RECOGNISED IN PROFIT OR LOSS

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Tax		
In respect of the current year	229.50	234.20
In respect of the prior years	0.41	(2.56)
Total	**229.91**	**231.64**
Deferred Tax		
In respect of the current year	(3.39)	(23.48)
Adjustments to deferred tax attributable to changes in tax rates and laws	-	(28.30)
	(3.39)	**(51.78)**
Total income tax expense recognised	**226.52**	**179.86**

The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	**873.33**	**840.68**
Income tax expense calculated at 25.168% (2019-20 : 25.168%)	219.80	211.58
Effect of income that is exempt from taxation	-	(0.55)
Tax effects of amounts which are not deductible in determining taxable profit	8.33	1.65
Effect of concessions (research and development and other allowances)	(1.61)	(1.96)
	226.52	**210.72**
Adjustment recognised in the current year in relation to tax of prior years (net)	-	(30.86)*
Income tax expense recognised in profit or loss	**226.52**	**179.86**

Note:

* During the previous year, the Company elected to exercise the option permitted under section 115BAA of Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Company had recognized provision for Income-tax for the year ended March 31, 2020 and re-measured its deferred tax liabilities (net) based on the rate prescribed in the said Act. The full impact of this change relating to the deferred tax liabilities (net) as at March 31, 2019 has been recognized in the Statement of Profit and Loss during the previous year.

The tax rate used for the year 2020-2021 and 2019-2020 reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax law.

NOTE 30: CONTINGENT LIABILITIES AND COMMITMENTS

	As at March 31, 2021	As at March 31, 2020
(i) Contingent Liabilities (to the extent not provided for) :		
Claims against the Company not acknowledged as debt		
Matters under dispute:		
- Excise duty / Service tax	58.42	7.40
- Sales tax/VAT	10.91	26.11
- Income tax	3.86	0.20
- Electricity related	25.22	25.04
- Other (Building and other construction workers welfare cess, wealth tax, etc.)	8.95	8.95
It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.		
(ii) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	750.66	299.79
(b) The Company has certain outstanding export obligations/ commitments which the Management is confident of meeting within the stipulated period of time / obtaining suitable extensions, wherever required.		

NOTE 31: BASED ON AND TO THE EXTENT OF INFORMATION AVAILABLE WITH THE COMPANY UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT), THE RELEVANT PARTICULARS AS AT REPORTING DATE ARE FURNISHED BELOW:

	As at March 31, 2021	As at March 31, 2020
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	44.14	73.91
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	0.02
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	0.04	-
(vi) Interest due and payable to suppliers under MSMED Act for payments already made	-	0.02
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	0.04

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

NOTE 32: EMPLOYEE BENEFITS

a. Defined contribution plans

The Company makes Provident Fund, Superannuation Fund and Employees' State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. The Company recognised ₹12.12 crores (Year ended March 31, 2020: ₹11.20 crores) for provident fund contributions, ₹15.38 crores (Year ended March 31, 2020: ₹12.92 crores) for Superannuation Fund contributions and ₹3.74 crores (Year ended March 31, 2020: ₹3.85 crores) towards Employees' State Insurance Scheme contributions in the Statement of Profit and Loss.

b. Defined benefit plans

The Company provides to the eligible employees defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The measurement date used for determining retirement benefits for gratuity is March 31.

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Risk Management:

Investment risk - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest rate risk - The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk - The present value of the defined benefit plan is calculated with reference to the future salaries of participants under the plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

(i) Balance Sheet

The assets, liabilities and surplus / (deficit) position of the defined benefit plans at the Balance Sheet date were:

	As at March 31, 2021	As at March 31, 2020
Present value of obligation	55.98	43.67
Fair value of plan assets	(50.06)	(40.13)
Liability recognised in the Balance Sheet	**5.92**	**3.54**

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

	Plan Assets	Plan Obligation	Total Net
As at March 31, 2019	**28.65**	**29.30**	**0.65**
Current service cost	-	2.63	2.63
Past service cost	-	7.57	7.57
Interest cost	-	2.24	2.24
Interest income	2.19	-	(2.19)
Actuarial (gain)/loss arising from changes in financial assumptions	-	2.76	2.76
Contributions	10.23	-	(10.23)
Benefit payments	(1.02)	(1.02)	-
Return on plan assets, excluding interest income	(0.11)	-	0.11
Transfer to Group Companies	0.19	0.19	-

Contd...

	Plan Assets	Plan Obligation	Total Net
As at March 31, 2020	**40.13**	**43.67**	**3.54**
Current service cost	-	3.80	3.80
Past service cost	-	7.31	7.31
Interest cost	-	2.86	2.86
Interest income	2.64	-	(2.64)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(0.03)	(0.03)
Contributions	8.87	-	(8.87)
Benefit payments	(1.70)	(1.70)	-
Return on plan assets, excluding interest income	0.05	-	(0.05)
Transfer to Group Companies	0.07	0.07	-
As at March 31, 2021	**50.06**	**55.98**	**5.92**

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

	As at March 31, 2021	As at March 31, 2020
Employee Benefit Expenses		
Current service cost	3.80	2.63
Interest cost	2.86	2.24
Past service cost	7.31	7.57
Interest income	(2.64)	(2.19)
Net impact on profit before tax	**11.33**	**10.25**
Remeasurement of the net defined benefit plans:		
Actuarial (gain)/loss arising from changes in financial assumptions	(0.03)	2.76
Return on plan assets, excluding interest income	0.05	0.11
Net impact on other comprehensive income before tax	**0.02**	**2.87**

(iv) Assets

The major categories of plan assets as a % of the total plan assets

	As at March 31, 2021	As at March 31, 2020
Funded with Life Insurance Corporation of India	100%	100%

(v) Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

	As at March 31, 2021	As at March 31, 2020
Discount rate	6.57%	6.56%
Salary escalation rate	7.00%	7.00%

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

Demographic assumptions

Mortality in Service: Indian Assured Lives Mortality (2006-08) Ultimate table.

(vi) Sensitivity analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(3.27)	3.69	(2.56)	2.90
Salary escalation rate (1% movement)	3.32	(3.07)	2.69	(2.45)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

(vii) Maturity analysis

Maturity profile of defined benefit obligation:

	As at March 31, 2021	As at March 31, 2020
Within 1 year	6.09	4.83
1-2 year	6.05	4.38
2-3 year	5.83	4.87
3-4 year	6.07	4.33
4-5 year	5.20	4.60
5-10 year	24.67	18.83
> 10 Year	39.06	30.94

The Company expects to contribute ₹9.63 crores to its defined benefit plans during the next fiscal year.

NOTE 33: SEGMENT REPORTING

The Vice Chairman and Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) who evaluates the Company's performance and allocates resources for manufacture and marketing of lead acid storage batteries. Accordingly, manufacturing and trading of lead acid storage batteries is considered as the operating segment of the Company.

Geographical information

The Company operates in India and makes certain sales to customers situated outside India. The revenue from external customers by location of customers is detailed below. All the non-current assets of the Company are situated within India.

Revenue

	As at March 31, 2021	As at March 31, 2020
India	6,268.17	5,980.13
Outside India	881.51	859.33
Total	**7,149.68**	**6,839.46**

Refer to Note 41 on Financial Instruments and related disclosures for information on revenue from major customers.

NOTE 34: RELATED PARTY TRANSACTIONS

(a) Details of related parties

Entity exercising significant influence	
RNGalla Family Private Limited Johnson Controls (Mauritius) Private Limited, Mauritius (Upto June 22, 2019)	
Entity where control exists - Subsidiary	
Amara Raja Batteries Middle East (FZE), U.A.E.	
Key Management Personnel (KMP)	
Jayadev Galla	Vice-Chairman and Managing Director
Relative of Key Management Personnel	
Dr. Ramachandra N. Galla	Chairman and Non-Executive Director
Dr. Ramadevi Gourineni	Non-Executive Director (Appointed as Director w.e.f February 1, 2020)
Entities in which KMP / Relatives of KMP exercise significant influence	
Asistmi Solutions Private Limited	
Amara Raja Electronics Limited	
G2 Healthcare Private Limited	
Nine Nines Lifestyle Private Limited	
Rajanna Trust	
Amara Raja Blaze Technologies Pvt Ltd (w.e.f July 24, 2020)	
Subsidiaries of the entity exercising significant influence	
Amaron Batteries Private Limited (Merged with RNGalla Family Private Limited w.e.f. April 1, 2018)	
Mangal Industries Limited	
Amara Raja Infra Private Limited	
Amara Raja Power Systems Limited	
Amara Raja Media and Entertainment Private Limited	

(b) Transactions with the above related parties during the year were:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of goods (Net of sale returns)		
Amara Raja Power Systems Limited	20.83	17.29
Mangal Industries Limited	0.56	0.44
Amara Raja Infra Private Limited	-	0.02
RNGalla Family Private Limited	0.02	0.04
Amara Raja Batteries Middle East (FZE)	2.31	0.56
Purchase of goods		
Amara Raja Power Systems Limited	105.74	94.15
Amara Raja Electronics Limited	4.41	0.58
Mangal Industries Limited	808.42	781.26
RNGalla Family Private Limited (RFPL)	0.01	0.01
Availing of services		
Amara Raja Infra Private Limited	80.47	74.88
Rajanna Trust	0.12	0.43
G2 Healthcare Private Limited	0.19	-
Amara Raja Batteries Middle East (FZE)	0.51	1.01

Contd...

	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchase of Fixed Assets		
Amara Raja Power Systems Limited	40.07	60.31
Amara Raja Electronics Limited	0.97	0.65
Mangal Industries Limited	43.87	44.31
Amara Raja Infra Private Limited	176.96	197.98
Rent Expense		
Jayadev Galla	4.06	3.87
Dr. Ramachandra N. Galla	0.64	0.61
Dr. Ramadevi Gourineni	3.66	-
Amara Raja Infra Private Limited	0.22	-
Donation Expense		
Rajanna Trust	17.48	14.35
Expenses reimbursed to		
Amara Raja Power Systems Limited	0.01	0.01
Mangal Industries Limited	-	0.04
Amara Raja Infra Private Limited	0.13	1.27
RNGalla Family Private Limited	4.86	-
Dividends Paid (including interim dividend)		
RNGalla Family Private Limited	23.97	75.34
Johnson Controls (Mauritius) Private Limited, Mauritius	-	1.74
Expenses recovered from		
Amara Raja Power Systems Limited	8.57	9.08
Amara Raja Electronics Limited	0.81	1.51
Mangal Industries Limited	11.16	11.77
Amara Raja Infra Private Limited	4.10	5.65
RNGalla Family Private Limited	0.57	0.69
Interest Income		
Amara Raja Power Systems Limited	0.32	1.52
Amara Raja Electronics Limited	0.03	0.03
Mangal Industries Limited	0.43	0.65
Amara Raja Infra Private Limited	0.05	0.07
RNGalla Family Private Limited	0.01	0.01
Investment in subsidiary		
Amara Raja Batteries Middle East (FZE)	-	0.29
Other recoveries		
Mangal Industries Limited	39.63	38.86
Remuneration		
Jayadev Galla	47.35	45.43
Commission		
Dr. Ramachandra N. Galla	28.41	27.26

Contd...

(c) Balances receivable from / payable to related parties are as follows:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Trade Receivables		
Amara Raja Power Systems Limited	7.13	5.72
Mangal Industries Limited	-	9.87
RNGalla Family Private Limited	-	0.00
Amara Raja Infra Private Limited	-	0.01
Amara Raja Batteries Middle East (FZE)	0.94	0.23
Security Deposits		
Jayadev Galla	2.12	2.12
Dr. Ramachandra N. Galla	0.32	0.32
Dr. Ramadevi Gourineni	2.04	-
Interest Receivable		
Amara Raja Power Systems Limited	0.02	0.06
Amara Raja Electronics Limited	0.00	0.00
Mangal Industries Limited	0.02	0.03
Amara Raja Infra Private Limited	0.00	0.01
RNGalla Family Private Limited	0.00	0.00
Advances (including contractually reimbursable expenses)		
Amara Raja Power Systems Limited	6.79	3.91
Amara Raja Electronics Limited	1.67	0.42
Mangal Industries Limited	17.26	7.05
Amara Raja Infra Private Limited	1.57	2.41
RNGalla Family Private Limited	0.08	0.12
Trade payables		
Amara Raja Power Systems Limited	8.27	3.73
Amara Raja Electronics Limited	0.11	0.05
Mangal Industries Limited	27.41	0.99
Amara Raja Infra Private Limited	7.76	7.93
RNGalla Family Private Limited	0.79	-
Amara Raja Batteries Middle East (FZE)	0.05	0.22
Payables on purchase of fixed assets		
Amara Raja Power Systems Limited	8.33	6.14
Amara Raja Electronics Limited	0.05	-
Mangal Industries Limited	5.88	1.11
Amara Raja Infra Private Limited	21.89	7.06
Other Payables		
Rajanna Trust	2.27	-
Investment in subsidiary		
Amara Raja Batteries Middle East (FZE)	0.57	0.57
Other Payables (Employee Related)		
Jayadev Galla	45.06	43.14

Contd...

	For the year ended March 31, 2021	For the year ended March 31, 2020
Commission payable to Non Executive Directors		
Dr. Ramachandra N. Galla	28.41	27.26
Rent Payable		
Jayadev Galla	0.33	0.30
Dr. Ramachandra N. Galla	0.04	0.04
Dr Ramadevi Gourineni	0.25	-
Amara Raja Infra Private Limited	0.21	-
Capital commitments		
Amara Raja Power Systems Limited	236.55	10.86
Amara Raja Electronics Limited	0.07	0.12
Mangal Industries Limited	44.08	15.23
Amara Raja Infra Private Limited	102.64	147.10

NOTE 35: EARNINGS PER SHARE (EPS)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit for the year (₹ in crores) [A]	**646.81**	**660.82**
Weighted average number of equity shares outstanding during the year (No's) [B]	17,08,12,500	17,08,12,500
Earnings per share (Face Value of ₹ 1 per share)		
- Basic and diluted (in ₹) [A/B]	37.87	38.69

NOTE 36: LEASES

Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' using the modified retrospective approach. On transition, the adoption of the new standard resulted in recognition of right-of-use assets amounting to ₹ 175.69 crores (including previously classified as finance lease) and a lease liability of ₹ 45.65 crores.

(i) The following is the breakup of current and non-current lease liabilities

	As at March 31, 2021	As at March 31, 2020
Current liabilities	19.39	15.43
Non-current liabilities	38.59	21.67
Total	**57.98**	**37.10**

(ii) The following is the movement of lease liabilities during the year ended March 31:

	As at March 31, 2021	As at March 31, 2020
Balance at the beginning	37.10	45.65
Additions during the year	37.12	3.40
Finance cost accrued during the year	3.44	3.88
Payment of lease liabilities	(19.68)	(15.83)
Balance at the end	**57.98**	**37.10**

(iii) Maturity analysis of lease liabilities

	As at March 31, 2021	As at March 31, 2020
Less than one year	19.39	15.43
One to five years	34.25	21.67
More than five years	4.34	-
Total	**57.98**	**37.10**

NOTE 37: REVENUE EXPENDITURE CAPITALIZED TO FIXED ASSETS/ CAPITAL WORK-IN-PROGRESS

	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Employee benefits expense	6.55	9.73
(b) Cost of material consumed (net) (Refer Note below)	13.94	7.04
(c) Power and Fuel	5.37	0.75
(d) Depreciation and amortization expense	1.23	0.36
(e) Others	1.09	0.18
Total	**28.18**	**18.06**

Note: Net of income from sale of batteries, scrap, etc., ₹ 27.52 crores (Year ended March 31, 2020: ₹ 4.08 crores)

NOTE 38: DISCLOSURE AS PER REGULATION 53(F) OF SECURITIES EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

(i) Loans and advances in the nature of loans given to Companies in which Directors are interested ₹ Nil (March 31, 2020: ₹ Nil)

(ii) Details of investments made under Section 186 of the Companies Act, 2013 are disclosed in Note 5. There are no loans/guarantees issued under Section 186 of the Companies Act, 2013 read with rules issued thereunder.

NOTE 39: DETAILS OF EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT

	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue Expenditure:		
(a) Cost of materials consumed	0.85	1.05
(b) Consumption of stores and spares (including secondary packing material)	0.15	0.22
(c) Employee benefits expense	8.34	7.53
(d) Power and fuel	0.63	0.85
(e) Others	0.78	0.91
Total Revenue Expenditure [A]	**10.75**	**10.56**
Capital expenditure [B]	0.05	6.35
Total [A+B]	**10.80**	**16.91**

NOTE 40: DETAILS OF PROVISIONS

(a) Provision for warranty is made for estimated warranty claims in respect of sale of certain storage batteries which are still under warranty at the end of the reporting period, the estimated cost of which is accrued at the time of sale. These claims are expected to be settled as and when warranty claims arise. The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Company's obligation for warranties. Management estimates the provision based on historical warranty claim information and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality. The products are generally covered under a free warranty period ranging from 6 months to 42 months.

(b) The disclosure of provisions movement as required under the provisions of Ind AS 37 is as follows:-

	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance as at April 1	**161.17**	**115.25**
Additional provisions recognised	142.24	119.71
Amount utilised / reversed during the year	(123.94)	(80.78)
Unwinding of discount and effect of changes in the discount rate	6.58	6.99
Balance as at March 31	**186.05**	**161.17**
Out of the above,		
Classified under Non-current provisions (Refer Note 16)	77.21	68.59
Classified under Current provisions (Refer Note 16)	108.84	92.58

NOTE 41: FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

A. Capital Management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern. The capital structure of the Company is based on Management's judgment of its strategic day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary, adjust its capital structure.

Equity share capital and other equity are considered for the purpose of Company's Capital Management.

B. Categories of Financial Instruments

	Carrying value		Fair value	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial assets				
Measured at Amortised cost				
(i) Cash and cash equivalents	96.73	32.60	96.73	32.60
(ii) Other bank balances	79.08	51.91	79.08	51.91
(iii) Trade receivables	787.46	636.28	787.46	636.28
(iv) Other financial assets	29.82	17.86	29.82	17.86
(v) Investments	0.01	0.01	0.01	0.01
Measured at cost				
(i) Investment in subsidiary	0.57	0.57	0.57	0.57
Measured at FVTOCI				
(i) Investments in equity instruments	6.54	13.34	6.54	13.34
Measured at FVTPL				
Mandatorily measured:				
Current investment- Mutual funds	273.42	142.25	273.42	142.25
Total Financial assets	**1,273.63**	**894.82**	**1,273.63**	**894.82**
Financial liabilities				
Measured at amortised cost				
(i) Borrowings	34.34	46.80	34.34	46.80
(ii) Trade payables	746.47	614.89	746.47	614.89
(iii) Other financial liabilities	205.32	192.43	205.32	192.43
(iv) Lease Liabilities	57.98	37.10	57.98	37.10
Total Financial liabilities	**1,044.11**	**891.22**	**1,044.11**	**891.22**

C. Financial risk management objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, foreign currency risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard. The key risks and mitigating actions are overseen by the Board of Directors of the Company.

Liquidity Risk

The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilised credit limits with banks. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2021 and March 31, 2020. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Company regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and mutual funds with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The Company's Current assets aggregate to ₹2,820.87 crores (March 31, 2020 ₹2,222.90 crores) including Current investments, Cash and cash equivalents and Other bank balances of ₹449.23 crores (March 31, 2020 ₹226.76 crores) against an aggregate Current liability of ₹1,329.45 crores (March 31, 2020 ₹1,101.96 crores). The table below provides details regarding the contractual maturities of significant non-current financial liabilities as of March 31, 2021 and March 31, 2020. Contractual maturities in respect of lease liabilities has been disclosed in Note 36.

	As at March 31, 2021			
	1-3 years	3-5 years	Above 5 years	Total
Borrowings	13.75	9.64	-	**23.39**

	As at March 31, 2020			
	1-3 years	3-5 years	Above 5 years	Total
Borrowings	17.82	16.52	-	**34.34**

Further, while the Company's total equity stands at ₹4210.26 crores (March 31, 2020: ₹3655.61 crores), it has borrowings of ₹34.34 crores (March 31, 2020: ₹46.80 crores). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

Market Risk

The Company continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at March 31, 2021 is ₹6.54 crores (March 31, 2020 ₹13.34 crores). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

As the Company is virtually debt-free and its deferred payment liabilities do not carry interest, the exposure to interest rate risk from the perspective of financial liabilities is negligible. Further, treasury activities, focused on managing current investments are administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within acceptable risk parameters after due evaluation. The Company invests in Mutual Fund schemes of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the Mutual Fund schemes in which the Company has invested, such price risk is not significant. Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

Foreign Currency Risk

The Company is subject to the risk that changes in foreign currency values impact the Company's export revenues and import of raw materials and property, plant and equipment. The Company is exposed to foreign exchange risk arising from currency exposures, primarily with respect to US Dollars. Financial assets and liabilities denominated in foreign currency, are also subject to reinstatement risk.

The Company manages currency exposures within prescribed limits. The aim of the Company's approach to management of currency risk is to leave the Company with no material residual risk.

The carrying amounts of non-derivative foreign currency denominated financial assets and liabilities are as follows:

	As at March 31, 2021				
	USD	EURO	GBP	Other currencies*	Total
Financial Assets					
- Trade receivables	87.68	-	-	-	**87.68**
- Cash and cash equivalents	8.26	-	-	0.00	**8.26**
Financial Liabilities					
- Trade Payables	(119.90)	(4.30)	(2.36)	(0.34)	**(126.90)**
- Other financial liabilities	(16.39)	(9.01)	-	-	**(25.40)**
Net financial asset / (liability)	**(40.35)**	**(13.31)**	**(2.36)**	**(0.34)**	**(56.36)**

	As at March 31, 2020				
	USD	EURO	GBP	Other currencies*	Total
Financial Assets					
- Trade receivables	61.43	-	-	-	**61.43**
- Cash and cash equivalents	9.49	0.01	-	0.01	**9.51**
Financial Liabilities					
- Trade Payables	(92.03)	(3.21)	(1.61)	(0.30)	**(97.15)**
- Other financial liabilities	(33.89)	(11.35)	(1.71)	(0.67)	**(47.62)**
Net financial asset / (liability)	**(55.00)**	**(14.55)**	**(3.32)**	**(0.96)**	**(73.83)**

* Others includes currencies such as Japanese Yen, Dirhams, Rupiah, South Korean Won, Yuans etc.

Foreign currency sensitivity analysis

For every percentage point increase in the underlying exchange rate of the outstanding foreign currency denominated assets and liabilities, holding all other variables constant, the profit before tax for the year ended March 31, 2021 would change by ₹(0.56) crores [March 31, 2020: ₹(0.74 crores)]. For every percentage point decrease in the underlying exchange rate would have led to an equal but opposite effect.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligation.

Concentration of credit risk with respect to trade receivables are limited, due to Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a monthly basis. The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

The credit risk on cash and bank balances and fixed deposits is limited because the counterparties are banks with high credit ratings.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from top customer from whom the Company receives 10% or more of its revenues	-	-
Revenue from top 5 customers	754.47	818.78

D. Fair value measurement

Fair value hierarchy

The fair value of financial instruments as referred to in Note 41.B above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The following levels have been used for classification:

- **Level 1:** Quoted prices (unadjusted) for identical instruments in active market.
- **Level 2:** Directly or indirectly observable market inputs, other than Level 1 inputs
- **Level 3:** Inputs which are not based on observable market data.

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly for certain unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has classified certain unquoted equity instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

Financial Instrument	Valuation Technique	Key inputs used	Sensitivity
Investments in unquoted equity instrument at FVTOCI [1.65% equity instrument in Andhra Pradesh Gas Power Corporation Limited engaged in generation and distribution of power and domiciled in India]	Discounted Cash Flow Method	Long term growth rates, taking into account management's experience and knowledge of market conditions of the specific industry at 0% (as at March 31, 2020: 1% to 3%). Weighted average cost of capital (WACC) as determined 15% to 16% (as at March 31, 2020: 15% to 16%).	If the Long-term revenue growth rates used were 1% higher/ lower while all other variables were held constant, the carrying amount of the shares would increase / (decrease) by ₹0.26 crores and ₹(0.24) crores respectively [as at March 31, 2020: ₹0.55 crores and ₹(0.48) crores respectively] A 1% increase / (decrease) in WACC or discount rate used while holding all other variables constant would (decrease) / increase the carrying amount of the unquoted equity investments by ₹(0.37) crores and ₹0.42 crores respectively [as at March 31, 2020: ₹(0.80) crores and ₹0.91 crores respectively]

Note:

These investments in equity instruments are not held for trading. Instead, they are held for long term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI irrevocably as the Management believes that this provides a more meaningful presentation for long term strategic investments, than reflecting changes in fair value immediately in profit or loss.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis :

	Fair value hierarchy (Level)	As at March 31, 2021	As at March 31, 2020
Financial assets			
a) Measured at amortised cost			
i) Other financial assets (non-current)	3	4.30	6.33
Sub-total		**4.30**	**6.33**
b) Measured at fair value through OCI			
i) Equity Shares - Quoted	1	0.21	0.14
ii) Equity Shares - Unquoted	3	6.33	13.20
Sub-total		**6.54**	**13.34**
c) Measured at fair value through profit or loss			
i) Investment in Mutual Funds	1	273.42	142.25
Sub-total		**273.42**	**142.25**
Total		**284.26**	**161.92**
Financial liabilities			
a) Measured at amortised cost			
i) Borrowings (non-current)	3	23.39	34.34
(ii) Lease Liabilities	3	57.98	37.10
Total		**81.37**	**71.44**

NOTE 42: DIVIDEND

Dividend on equity shares paid during the year	2020-2021	2019-2020
Final dividend for FY 2019-20 ₹ Nil [for FY 2018-19 ₹ 5.08 per equity share of ₹ 1 each]	-	86.77
Dividend distribution tax on final dividend	-	17.84
Interim dividend for the FY 2020-2021 (₹ 5 per equity share of ₹ 1 each) [for FY 2019-20 ₹ 11 per equity share]	85.41	187.89
Dividend distribution tax on interim dividend *	-	38.63
	85.41	**331.13**

Interim dividend of ₹ 5 per equity share of face value of ₹ 1 each approved by the Board of Directors at its meeting held on February 13, 2021 was paid during the current year. The Board of Directors at its meeting held on May 22, 2021 has recommended a dividend of ₹ 6 per equity share of face value of ₹ 1 each which is subject to approval of its shareholders at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability. The total dividend (including interim dividend) for FY 2020-21 amounts to ₹ 11 per equity share (Previous year ₹ 11 per equity share).

*The Finance Act, 2020 has repealed the Dividend Distribution Tax (DDT). The Company is now required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is also subject to withholding tax at applicable rates.

NOTE 43:

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold needs to spend atleast 2% of its average net profits for the immediate preceding three financial years on corporate social responsibility (CSR) activities. Accordingly, the gross amount required to be spent during the year is ₹ 15.20 crores (March 31, 2020 ₹ 14.35 crores). The entire amount of ₹ 15.20 crores has been spent by the Company during the year on activities specified under Schedule VII of the Companies Act, 2013 (namely promotion of education and employment enhancing vocational skills) and disclosed under Note 28 to the Standalone Financial Statements (March 31, 2020 ₹ 14.35 crores).

NOTE 44:

The Management has considered the possible effects that may arise out of the COVID-19 pandemic in concluding on significant accounting judgments and estimates, inter-alia, recoverability of receivables, inventory and other assets, based on the information available to date, both internal and external, to the extent relevant, while preparing these financial statements as of and for the year ended March 31, 2021. There is no material impact on these financial statements for the year ended March 31, 2021 owing to the pandemic. The eventual outcome of impact of the COVID-19 pandemic may be different from those estimated as on the date of approval of these financial statements.

NOTE 45:

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits has been enacted. However, the date on which the Code will come into effect has not yet been notified. The Management will complete its evaluation and will give appropriate impact in its financial statements in the period in which the Code becomes effective.

Note 46: The financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on May 22, 2021.

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Jayadev Galla
Vice Chairman and Managing Director

S Vijayanand
Chief Executive Officer

Y Delli Babu
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Hyderabad/Tirupati, May 22, 2021

Independent Auditors' Report

To The Members of
AMARA RAJA BATTERIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Amara Raja Batteries Limited** ("the Parent") and its subsidiary, (the Parent and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of subsidiary referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditors' Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors' Response
1.	**Revenue Recognition** Refer Note 2 L "Revenue Recognition" to the Consolidated Financial Statements under Significant Accounting Policies. Revenue is recognised net of returns and discounts, when control over the goods is transferred to the customer which is mainly upon delivery of goods as per terms of the contracts with customers. The timing of revenue recognition is relevant as there is a risk of revenue being recorded before control is transferred.	We have performed the following principal audit procedures in relation to revenue recognised which include a combination of testing internal controls and substantive testing as under: • Assessing the appropriateness of the Group's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. • Evaluating the integrity of the general information and technology ('IT') control environment and testing the operating effectiveness of key IT application controls. • Understanding the revenue recognition process, evaluating the design and implementation of Company's controls in respect of revenue recognition. • Testing the effectiveness of such controls over revenue cut off at year-end. • Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period.

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		Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.
2	**Completeness of provision for warranty obligations** Refer Note 2 D(i) under Significant Accounting Policies for Use of estimates and judgements in relation to provision for warranty obligations and Note 39 to the Consolidated Financial Statements. The rent estimates and provides for liability for product warranties in the year in which the products are sold. These estimates are established using historical information on the nature, frequency, quantum of warranty claims and corrective actions against product failures and the estimates are reviewed annually for any material changes in assumptions. The cost of warranty is net of realisable scrap value and the best estimate of relevant freight expenses. The timing of outflows will vary based on the actual warranty claims. The determination of warranty provision is associated with unavoidable estimation uncertainties. Because of the quantitative significance, complexity and level of judgement involved, there is a risk of inappropriate and inadequate provision for warranty obligation.	We carried out a combination of principal audit procedures involving test of internal controls and substantive testing including: • Understanding the warranty claims process, evaluating the design and implementation of Parent's controls in respect of warranty provisioning. • Testing the operating effectiveness of these controls during the year. • Carrying out reconciliations with the sales data to determine completeness of transactions on which warranty obligation is determined. • Reviewing contracts with customers for terms of warranty contained therein and the estimation of warranty provision on the basis of these terms. • Testing of the data and assumptions used in the calculation of the provision for warranty obligations including those relating to estimates of failure percentages, etc. • Testing documentation relating to actual warranty replacement and an analysis of the actual failure trend with the estimates used in determining future warranty obligation.
3.	The Parent implemented a new IT system which is an enterprise resource planning application used for accounting/financial reporting with effect from June 1, 2020 ("Go-Live date"). Matters which required significant audit attention in relation to the above implementation included: (i) Complete and accurate migration of relevant financial and accounting data/ information / balances from legacy IT system to the new IT system. (ii) Assessment and evaluation of relevant application systems, programs, processes, reports and controls insofar as they relate to accounting and financial reporting. (iii) IT general controls relevant for financial reporting.	We have performed the following principal audit procedures by involving our IT Specialists in relation to the new IT system implementation: • We understood the Management's implementation plan of the new IT system and the changes from legacy versus the new IT system insofar as accounting/ financial reporting is concerned. • Tested the completeness and accuracy of migration of relevant financial and accounting data/ information/ balances from legacy IT system to the new IT system. • We tested the IT general controls of the new IT system relevant to financial reporting. • We tested the design and implementation, and operating effectiveness of the relevant business cycle automated controls of the new IT system. • We tested the completeness and accuracy of information used for controls and also the information produced by the new IT system. The above procedures were in addition to the relevant planned procedures for the legacy IT system used by the Parent up to the Go-Live date.

Information Other than the Financial Statements and Auditors' Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Annexures to the Director's Report (but does not include the consolidated financial statements, standalone financial statements and our auditors' report thereon) of which we obtained the Director's report, Management Discussion and Analysis and Corporate Governance prior to the date of this auditors' report, and the remaining information is expected to be made available to us after that date.
- Our opinion on the consolidated financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary audited by the other auditor, to the extent it relates to the entity and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from its financial statement audited by the other auditor.
- If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
- When we read the remaining information of the Director's report and annexures to the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA "720" ' The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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 Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹1.52 crores as at March 31, 2021, total revenues of ₹2.92 crores and net cash inflows amounting to ₹0.18 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and out opinion on the consolidated financial statements, in so far as it related to the amounts and disclosures included in respect of the subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it related to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on consideration of the report of the other auditor on the separate financial statements of the subsidiary, referred to in the Other Matters section above, we report to the extent applicable that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditor.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Parent, none of the directors of the Parent is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Parent.

g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 of pending litigations on the consolidated financial position of the Group;

   ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;

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

For BRAHMAYYA & Co.
Chartered Accountants
(F.R.N. 000513S)

Karumanchi Rajaj
Partner
Membership No. 202309

Vijayawada, May 22, 2021
UDIN: 21202309AAAAEI5578

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(F.R.N. 117366W/W- 100018)

Sumit Trivedi
Partner
Membership No. 209354

Secunderabad, May 22, 2021
UDIN: 21209354AAAAGM5919

Annexure "A"
to the Independent Auditors' Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of **Amara Raja Batteries Limited** (hereinafter referred to as "Parent"), as of that date. The subsidiary is a company which is incorporated outside India.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the 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 Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Parent's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Parent's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting 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.

For BRAHMAYYA & Co.
Chartered Accountants
(F.R.N. 000513S)

Karumanchi Rajaj
Partner
Membership No. 202309

Vijayawada, May 22, 2021
UDIN: 21202309AAAAEI5578

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(F.R.N. 117366W/W- 100018)

Sumit Trivedi
Partner
Membership No. 209354

Secunderabad, May 22, 2021
UDIN: 21209354AAAAGM5919

Consolidated Balance Sheet

As at March 31, 2021

All amounts are in ₹ crores, except share data and where otherwise stated

	Notes	As at March 31, 2021	As at March 31, 2020
A. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3.1	2,116.03	1,647.61
(b) Right-of-use asset	3.2	243.65	178.48
(c) Capital work-in-progress	3.1	397.56	732.58
(d) Other intangible assets	4	95.08	3.13
(e) Intangible assets under development	4	1.72	94.44
(f) Financial assets			
(i) Investments	5	6.55	13.35
(ii) Other financial assets	6	4.31	6.36
(g) Income tax assets (net)	20	-	26.21
(h) Other non-current assets	11	110.75	74.99
Total non - current assets		**2,975.65**	**2,777.15**
Current assets			
(a) Inventories	7	1,438.93	1,143.00
(b) Financial assets			
(i) Investments	5	273.42	142.25
(ii) Trade receivables	8	786.93	636.30
(iii) Cash and cash equivalents	9	96.93	32.62
(iv) Bank balances other than (iii) above	10	79.08	51.91
(v) Other financial assets	6	25.52	11.53
(c) Other current assets	11	120.43	205.64
Total current assets		**2,821.24**	**2,223.25**
Total assets		**5,796.89**	**5,000.40**
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	17.08	17.08
(b) Other equity	13	4,192.91	3,638.23
Total equity attributable to owners of the Company		**4,209.99**	**3,655.31**
Liabilities			
(a) Financial liabilities			
(i) Borrowings	14	23.39	34.34
(ii) Lease liabilities	15	38.59	21.67
(b) Provisions	16	95.41	83.77
(c) Deferred tax liabilities (net)	17	40.74	44.13
(d) Other non-current liabilities	21	59.26	59.13
Total non - current liabilities		**257.39**	**243.04**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	18		
-Total outstanding dues of Micro enterprises and small enterprises		44.14	73.91
-Total outstanding dues of creditors other than Micro enterprises and small enterprises		702.36	541.04
(ii) Other financial liabilities	19	216.28	204.92
(iii) Lease liabilities	15	19.39	15.43
(b) Provisions	16	118.60	99.41
(c) Current tax liabilities (net)	20	4.18	
(d) Other current liabilities	21	224.56	167.34
Total current liabilities		**1,329.51**	**1,102.05**
Total equity and liabilities		**5,796.89**	**5,000.40**
Group information	**1**		
Significant accounting policies	**2**		

See accompanying notes to the consolidated financial statements

In terms of our report attached

For **Brahmayya & Co.**
Chartered Accountants
(F.R.N : 000513S)

Karumanchi Rajaj
Partner
M. No. 202309

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(F.R.N : 117366W/W-100018)

Sumit Trivedi
Partner
M.No. 209354

Vijayawada/Secunderabad/Hyderabad/Tirupati, May 22, 2021

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Jayadev Galla
Vice Chairman and Managing Director

S Vijayanand
Chief Executive Officer

Y Delli Babu
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Consolidated Statement of Profit & Loss

For the year ended March 31, 2021

All amounts are in ₹crores, except share data and where otherwise stated

		Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	Revenue from operations	22	7,149.78	6,839.17
II	Other income	23	87.36	55.05
III	**Total Income (I+II)**		**7,237.14**	**6,894.22**
IV	**Expenses**			
	Cost of materials consumed		4,382.54	4,219.07
	Purchases of stock-in-trade		430.07	175.92
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(68.23)	51.86
	Employee benefits expense	25	426.64	385.81
	Finance costs	26	10.53	12.19
	Depreciation and amortization expense	27	319.16	300.74
	Other expenses	28	863.08	907.97
	Total Expenses		**6,363.79**	**6,053.56**
V	**Profit before tax (III - IV)**		**873.35**	**840.66**
VI	**Tax expense**	29		
	(i) Current tax		229.91	231.64
	(ii) Deferred tax		(3.39)	(51.78)
	Total tax expense		**226.52**	**179.86**
VII	**Profit for the year (V - VI)***		**646.83**	**660.80**
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss :			
	(a) Remeasurements of the defined benefit plans		(0.02)	(2.87)
	(b) Equity instruments through other comprehensive income		(6.73)	(6.53)
	(ii) Items that will be reclassified to profit or loss:			
	(a) Exchange difference in translating the financial statements of foreign subsidiary		0.01	--
	Total Other Comprehensive Income / (Loss)		**(6.74)**	**(9.40)**
IX	**Total comprehensive income for the year (VII + VIII)***		**640.09**	**651.40**
	Earnings per share (of ₹1/- each)	35		
	Basic and Diluted (₹)		**37.87**	**38.69**
* Attributable to owners of the Company				
Group information		**1**		
Significant accounting policies		**2**		

See accompanying notes to the consolidated financial statements

In terms of our report attached

For **Brahmayya & Co.**
Chartered Accountants
(F.R.N : 000513S)

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(F.R.N : 117366W/W-100018)

Karumanchi Rajaj
Partner
M. No. 202309

Sumit Trivedi
Partner
M.No. 209354

Vijayawada/Secunderabad/Hyderabad/Tirupati, May 22, 2021

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Jayadev Galla
Vice Chairman and Managing Director

S Vijayanand
Chief Executive Officer

Y Delli Babu
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Consolidated Cash Flow Statement

For the year ended March 31, 2021

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2021		For the year ended March 31, 2020	
A. Cash flows from operating activities				
Profit before tax		873.35		840.66
Adjustments for:				
Depreciation and amortisation expense	319.16		300.74	
Loss/(Gain) on sale of property, plant and equipment (net) / written off	0.91		(0.71)	
Finance costs	10.53		12.19	
Interest income on bank deposits	(4.15)		(2.95)	
Dividend income from equity instruments designated at FVTOCI	(0.00)		(0.00)	
Gain on disposal of mutual fund units	(14.18)		(16.57)	
Deferred revenue recognised	(9.65)		(9.46)	
Net gain arising on financial assets mandatorily measured at FVTPL	(2.23)		(2.18)	
Liabilities no longer required written back	(13.16)		(0.67)	
Provision for doubtful trade receivables written back	(19.22)		(1.77)	
Provision for doubtful other receivables and advances	9.25		23.60	
Bad trade receivables written off (net)	0.48		0.89	
Net unrealised foreign exchange gain	(19.42)		(19.75)	
		258.32		283.36
Operating profit before working capital changes		**1,131.67**		**1,124.02**
Movements in working capital				
Adjustments for (increase)/decrease in operating assets:				
- Trade receivables	(135.21)		113.35	
- Inventories	(295.93)		(81.58)	
- Other assets	62.53		83.07	
Adjustments for increase/(decrease) in operating liabilities:				
- Trade payables	143.99		102.07	
- Other liabilities	70.45		30.03	
- Provisions	24.23		41.97	
		(129.94)		288.91
Cash generated from operations		**1,001.73**		**1,412.93**
Income taxes paid (net)		(199.52)		(236.37)
Net cash generated from operating activities [A]		**802.21**		**1,176.56**
B. Cash flows from investing activities				
Purchase of property, plant and equipment	(496.66)		(701.38)	
Proceeds from sale of property, plant and equipment	0.28		1.51	
Purchase of current investments	(1,459.79)		(1,480.00)	
Proceeds from sale / redemption of current investments	1,345.03		1,356.80	
Proceeds from sale of non-current investments	0.07		-	
Bank balances not considered as cash and cash equivalents (net)	(27.68)		(29.47)	

Contd...

Consolidated Cash Flow Statement (contd.)

For the year ended March 31, 2021

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2021		For the year ended March 31, 2020	
Interest received	3.78		3.18	
Dividend income	0.00		0.00	
Net cash (used in) investing activities [B]		**(634.97)**		**(849.36)**
C. Cash flows from financing activities				
Repayment of borrowings	(12.46)		(11.63)	
Repayment of lease liabilities	(19.68)		(15.83)	
Finance costs (including on lease liabilities)	(3.95)		(5.20)	
Dividend paid including tax on dividend [Refer Note 41]	(85.41)		(331.13)	
Net cash (used in) financing activities [C]		**(121.50)**		**(363.79)**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		**45.74**		**(36.59)**
Cash and cash equivalents at the beginning of the year		32.62		50.23
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		18.57		18.98
Cash and cash equivalents at the end of the year (Refer Note 9)		**96.93**		**32.62**

Notes:

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (Ind AS - 7) - Statement of Cash Flow.

(b) Reconciliation of liabilities from financing activities for the year ended March 31, 2021

	As at March 31, 2020	Ind AS 116 aadoption	Cash flows	Non cash changes Current / Non-current Classification	As at March 31, 2021
Borrowings - Non current	34.34	-	-	(10.95)	23.39
Other Financial Liabilities	12.46	-	(12.46)	10.95	10.95
Lease liabilities	37.10	-	(23.12)	44.00	57.98
Total	**83.90**	**-**	**(35.58)**	**44.00**	**92.32**

(c) Reconciliation of liabilities from financing activities for the year ended March 31, 2020

	As at March 31, 2019	Ind AS 116 aadoption	Cash flows	Non cash changes Current / Non-current Classification	As at March 31, 2020
Borrowings - Non current	46.80	-	-	(12.46)	34.34
Other Financial Liabilities	11.63	-	(11.63)	12.46	12.46
Lease liabilities	-	45.65	(15.83)	7.28	37.10
Total	**58.43**	**45.65**	**(27.46)**	**7.28**	**83.90**

See accompanying notes to the consolidated financial statements

In terms of our report attached

For **Brahmayya & Co.**
Chartered Accountants
(F.R.N : 000513S)

Karumanchi Rajaj
Partner
M. No. 202309

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(F.R.N : 117366W/W-100018)

Sumit Trivedi
Partner
M.No. 209354

Vijayawada/Secunderabad/Hyderabad/Tirupati, May 22, 2021

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Jayadev Galla
Vice Chairman and Managing Director

S Vijayanand
Chief Executive Officer

Y Delli Babu
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Consolidated Statement of Changes in Equity

For the year ended March 31, 2021

All amounts are in ₹crores, except share data and where otherwise stated

Equity share capital	Amount
Balance at March 31, 2019	**17.08**
Changes in equity share capital during the year	-
Balance at March 31, 2020	**17.08**
Changes in equity share capital during the year	-
Balance at March 31, 2021	**17.08**

	Reserves and surplus				Foreign Currency Translation Reserve account	Equity investments through other comprehensive income	Total
	Securities premium	Capital reserve*	General reserve	Retained earnings			
Balance at March 31, 2019	**31.19**	**0.00**	**451.83**	**2,824.42**	**(0.02)**	**10.54**	**3,317.96**
Profit for the year	-	-	-	660.80	-	-	660.80
Other comprehensive income for the year, net of income tax	-	-	-	(2.87)	-	(6.53)	(9.40)
Total comprehensive income for the year 2019-20	**-**	**-**	**-**	**657.93**	**-**	**(6.53)**	**651.40**
Payment of dividends (including tax thereon) [Refer Note 41]	-	-	-	(331.13)	-	-	(331.13)
Transfer for General reserve	-	-	66.08	(66.08)	-	-	-
Balance at March 31, 2020	**31.19**	**0.00**	**517.91**	**3,085.14**	**(0.02)**	**4.01**	**3,638.23**
Profit for the year	-	-	-	646.83	-	-	646.83
Other comprehensive income for the year, net of income tax	-	-	-	(0.02)	0.01	(6.73)	(6.74)
Total comprehensive income for the year 2019-2020	**-**	**-**	**-**	**646.81**	**0.01**	**(6.73)**	**640.09**
Payment of dividends [Refer Note 41]	-	-	-	(85.41)	-	-	(85.41)
Transfer for General reserve	-	-	64.68	64.68	-	-	-
Balance at March 31, 2021	**31.19**	**0.00**	**582.59**	**3,581.86**	**(0.01)**	**(2.72)**	**4,192.91**

*Amount below ₹ 1 Lakh

See accompanying notes to the consolidated financial statements

In terms of our report attached

For **Brahmayya & Co.**
Chartered Accountants
(F.R.N : 000513S)

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Chief Financial Officer

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Company Secretary

Notes to the consolidated financial statements

All amounts are in ₹ crores, except share data and where otherwise stated

1. Group Information

The Consolidated Financial Statements comprise financial statements of Amara Raja Batteries Limited ("the parent" or "the Company") and its wholly-owned subsidiary Amara Raja Batteries Middle East (FZE) U.A.E. (collectively, the Group).

The Company is one of the largest manufacturers of lead-acid storage batteries for industrial and automotive applications in India. The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited. The Company's products are supplied to customer groups viz., Telecom, Railways, Power Control, Solar and UPS under Industrial Battery business; and to Automobile OEMs, Replacement Market and Private Label Customers under Automotive Battery business. The Company's products are exported to various countries in the Indian Ocean Rim. The Company also provides installation, commissioning and maintenance services. The leading automotive and industrial battery brands of the Company are Amaron®, PowerZone™, Power Stack®, AmaronVolt™ and Quanta®.

The subsidiary is incorporated for trading of lead acid storage batteries in the Middle East.

2. Significant Accounting Policies

A. Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The consolidated financial statements have also been prepared in accordance with the relevant presentation requirements of the Act.

B. Basis of preparation of Consolidated Financial Statements

These consolidated financial statements have been prepared on historical cost convention and on an accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. These consolidated financial statements are presented in Indian Rupees (₹).

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 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.

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Group in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment. Such assessment requires the exercise of judgment and is disclosed by way of note in the Consolidated Financial Statements. The Group is considered not to be in control of entities where it is unclear as to whether it enjoys such power over the investee.

The assets, liabilities, income and expenses of subsidiaries are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the Consolidated Financial Statements. Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Consolidated Statement of Profit and Loss as it arises and is not reversed.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

C. Operating Cycle

All assets have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act and Ind AS 1 – Presentation of Financial Statements, based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

D. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgements and estimates that have been made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the Consolidated Financial Statements.

i) **Provision for warranty**

The Group estimates and provides for liability for product warranties in the year in which the products are sold. These estimates are established using historical information on the nature, frequency, quantum of warranty claims and corrective actions against product failures and the estimates are reviewed annually for any material changes in assumptions. The cost of warranty is net of realisable scrap value and the best estimate of relevant freight expenses. The timing of outflows will vary based on the actual warranty claims.

ii) **Useful lives of Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by Management at the time the asset is acquired and is reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. This reassessment may result in change in depreciation expense in future periods.

iii) **Fair value measurement of financial instruments**

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Group also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

iv) **Income Taxes**

The Parent's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

v) **Actuarial Valuation**

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Consolidated Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors. Information about such valuation is provided in the notes to the consolidated financial statements.

vi) **Other estimates**

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of consolidated financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Group estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

vii) **Estimation uncertainty relating to COVID-19 outbreak**

In respect of estimation uncertainty relating to COVID-19 outbreak refer Note 45 of the consolidated financial statements.

E. Inventories

Inventories are stated at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The method of determination of cost of various categories of inventories is as follows:

(i) **Raw materials and bought-out components, stores and spares and loose tools:** Weighted average cost. Cost includes purchase cost and other attributable expenses.

(ii) **Finished Goods and Work-in-progress:** Weighted average cost of production which comprises direct material cost, direct wages and appropriate overheads based on normal level of activity.

(iii) **Stock-in-trade:** Weighted average cost.

F. Property, plant and equipment

(i) **Recognition and measurement:**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at April 1, 2015 measured as per the Accounting Standards notified under Section 133 of the Act, read together with Rule 7 of the Companies (Accounts) Rules, 2014, which the Group elected in accordance with Ind AS 101.

Cost comprises the 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 in making the asset ready for its intended use. Machinery spares which can be used only in connection with an item of property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the spares or the principal item of the relevant assets, whichever is lower.

Capital work in progress are items of property, plant and equipment which are not yet ready for their intended use and are carried at cost, comprising direct cost and related incidental expenses.

(ii) 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 Act except in respect of the following category of assets, in which case the life of the assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support, etc., Freehold land is not depreciated.

Asset	Useful lives (in years)
Plant and machinery (including electrical installations and moulds)	1-10

Property, plant and equipment's residual values and useful lives are reviewed at each Consolidated Balance Sheet date and changes, if any, are treated as changes in accounting estimate and accounted for on a prospective basis.

Assets individually costing ₹5,000 and below are fully depreciated in the year of acquisition.

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 asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss when the asset is de-recognised.

G. Intangible assets

Intangible assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially for separately acquired assets, at cost comprising of the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the assets for its intended use. The useful life of an intangible asset is considered finite where there is a likelihood of technical and technological obsolescence.

Intangible assets that have a finite lives are amortised over their estimated useful lives as per the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, but the effect of any change in estimates being accounted for on a prospective basis.

Intangible assets comprising software are amortised over a period of 5 years. The amortisation period for Technical Know-how has been assessed as 8 years, representing the period over which economic benefits from the use of Technical Know-how is expected to be utilized.

All intangible asses are tested for impairment. Amortisation expenses, impairment losses and reversal of impairment losses are considered in the Consolidated Statement of Profit and Loss. After initial recognition an intangible asset is carried at its costs less accumulated amortization and /or impairment losses.

H. Impairment of assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment loss recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

I. Foreign currency transactions and translations

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rate of exchange prevailing at the dates of the transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the end of each reporting period are translated at the exchange rates prevailing at that date. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

Translation of financial statements of foreign entities

On consolidation, the assets and liabilities of foreign operations are translated into ₹ (Indian Rupees) at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in consolidated statement of other comprehensive income ('OCI'). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to the Consolidated Statement of Profit and Loss.

J. **Government grants**

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Group will comply with the conditions attached to the grant.

Government grants related to revenue are recognised on a systematic basis in the Consolidated Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognised as deferred revenue in the Consolidated Balance Sheet and transferred to the Consolidated Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

K. **Employee benefits**

(i) **Defined contribution plans**

The Group's contributions to Provident Fund (Government administered), Employees' State Insurance Scheme and Superannuation Fund (under a scheme of Life Insurance Corporation of India), considered as defined contribution plans are charged as an expense in the Consolidated Statement of Profit and Loss when the employees have rendered services entitling them to the contributions.

(ii) **Defined benefit plans**

For defined benefit plans in the form of gratuity fund, administered under a scheme of the Life Insurance Corporation of India, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The defined benefit obligations recognized in the Consolidated Balance Sheet represents the present value of the defined obligations as reduced by the fair value of plan assets, if applicable. Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the Consolidated Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur and are not re-classified to the Consolidated Statement of Profit and Loss in the subsequent periods. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Consolidated Statement of Profit and Loss.

(iii) **Short term and other long term employee benefits**

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Group recognises actuarial gains and losses immediately in the Consolidated Statement of Profit and Loss.

L. **Revenue recognition**

Sale of goods:

Revenue is recognised net of returns and discounts, when control over the goods is transferred to the customer which is mainly upon delivery of goods as per the terms of contracts with customers.

Sales related warranties associated with batteries cannot be purchased separately and they serve as an assurance that the products sold comply with agreed upon specifications. Accordingly, the Group accounts for warranties in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Sale of services:

Revenue from installation, commissioning and maintenance services is recognised based on the contracts with customers and when the services are rendered by measuring progress towards satisfaction of performance obligation for such services.

Other Income:

Interest income is recognised using effective interest method. Dividend income is accounted for in the year when the right to receive such dividend is established and the amount of dividend can be measured reliably.

M. **Financial instruments, Financial assets, Financial liabilities**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument and 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 measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial asset or financial liabilities at fair value through profit or loss are recognized immediately in the Consolidated Statement of Profit and Loss.

Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on the trade date i.e. the date when the Group commits to purchase or sell the asset.

The classification of financial instruments depends on the objective of the Group's business model for which it is held and on the substance of the contractual terms / arrangements. Management determines the classification of its financial instruments at initial recognition.

(i) **Financial assets**

Recognition: Financial assets include Investments, Trade receivables, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Consolidated Statement of Profit and Loss.

Classification: Financial assets are classified as those measured at:

(a) amortised cost, where the financial assets are held within a business model solely for collection of cash flows arising from payments of principal and/ or interest as per contractual terms. Such assets are subsequently measured at amortised cost using the effective interest method, less any impairment loss.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Consolidated Statement of Profit and Loss in the period in which they arise.

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

Trade receivables, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election on an instrument by instrument basis at initial recognition may be made to present subsequent changes in fair value through other comprehensive income. This election is not permitted if the equity instrument is held for trading.

Impairment: The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

As a practical expedient, the Group uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

Reclassification: When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Consolidated Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Consolidated Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously recognized in other comprehensive income and accumulated in the "equity instruments through other comprehensive income" will not be reclassified to profit or loss on disposal of the investments.

(ii) **Financial liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry. The difference between the carrying amount of the financial liabilities de-recognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

N. **Leases**

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether, (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

O. **Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Consolidated Statement of Profit and 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.

Current Tax

Current tax is measured at the amount expected to be paid to or recovered from the taxation authorities based on the taxable profit for the year. Taxable profit differs from "Profit before tax" as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the tax laws. The tax rates and tax laws used to compute the current tax amount are those that are enacted by the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of such deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date. The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the parent and subsidiary Company as per their applicable laws and then aggregated. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the corresponding current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

P. **Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle such obligation and a reliable estimate can be made of the amount of such obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be recovered and the amount of the receivable can be measured reliably.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Q. Research and development expenses

Revenue expenditure pertaining to research is charged to the Consolidated Statement of Profit and Loss. Development costs of products are also charged to the Consolidated Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for property, plant and equipment.

R. Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

S. Cash and cash equivalents

Cash and cash equivalents for purposes of cash flow statement include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Group's cash management system.

Notes to the consolidated financial statements

All amounts are in ₹ crores, except share data and where otherwise stated

NOTE 3.1: PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

	As at March 31, 2021	As at March 31, 2020
Carrying amounts of:		
Land		
- Freehold	1.24	1.24
- Leasehold	-	-
Leasehold improvements	8.57	17.77
Buildings	615.18	478.57
Plant and Equipment (including electrical installations)	1,430.38	1,099.02
Furniture and fixtures	11.85	10.02
Vehicles	12.06	10.57
Office equipment	30.96	23.77
Computers	5.79	6.65
	2,116.03	**1,647.61**
Capital work-in-progress	397.56	732.58
	397.56	**732.58**

NOTE 3.1: PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (CONTD.)

	Freehold land	Leasehold land	Leasehold improvements	Buildings	Plant and Equipment (including electrical installations)	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
(A) Cost or deemed cost										
Balance at March 31, 2019	**1.24**	**72.29**	**49.76**	**615.08**	**1,760.83**	**16.71**	**15.48**	**50.66**	**24.39**	**2,606.44**
Additions	-	-	-	23.70	213.13	0.51	1.79	6.03	4.00	249.16
Disposals	-	-	-	-	(1.85)	-	(1.12)	(0.01)	(0.05)	(3.03)
Reclassified on account of adoption of Ind AS 116 (Refer Note 3.2 and Refer Note 36)	-	(72.29)	-	(49.48)	(12.11)	-	-	(0.01)	(0.29)	(134.18)
Balance at March 31, 2020	**1.24**	**-**	**49.76**	**589.30**	**1,960.00**	**17.22**	**16.15**	**56.67**	**28.05**	**2,718.39**
Additions	-	-	-	161.87	572.40	3.56	4.44	16.90	2.19	761.36
Disposals	-	-	-	(0.13)	(1.81)	-	(0.70)	(0.04)	(0.34)	(3.02)
Balance at March 31, 2021	**1.24**	**-**	**49.76**	**751.04**	**2,530.59**	**20.78**	**19.89**	**73.53**	**29.90**	**3,476.73**
(B) Accumulated depreciation and impairment										
Balance at March 31, 2019	**-**	**2.49**	**23.23**	**85.61**	**636.08**	**5.50**	**4.45**	**23.86**	**16.17**	**797.39**
Depreciation expense	-	-	8.76	27.00	226.62	1.70	1.95	9.05	5.28	280.36
Eliminated on disposal	-	-	-	-	(1.36)	-	(0.82)	(0.01)	(0.04)	(2.23)
Reclassified on account of adoption of Ind AS 116 (Refer Note 3.2 and Refer Note 36)	-	(2.49)	-	(1.88)	(0.36)	-	-	-	(0.01)	(4.74)
Balance at March 31, 2020	**-**	**-**	**31.99**	**110.73**	**860.98**	**7.20**	**5.58**	**32.90**	**21.40**	**1,070.78**
Depreciation expense		-	9.20	25.14	240.54	1.73	2.45	9.70	2.99	291.75
Eliminated on disposal	-	-	-	(0.01)	(1.31)	-	(0.20)	(0.03)	(0.28)	(1.83)
Balance at March 31, 2021	**-**	**-**	**41.19**	**135.86**	**1,100.21**	**8.93**	**7.83**	**42.57**	**24.11**	**1,360.70**
(C) Carrying amount										
Balance at March 31, 2020	**1.24**	**-**	**17.77**	**478.57**	**1,099.02**	**10.02**	**10.57**	**23.77**	**6.65**	**1,647.61**
Balance at March 31, 2021	**1.24**	**-**	**8.57**	**615.18**	**1,430.38**	**11.85**	**12.06**	**30.96**	**5.79**	**2,116.03**

Note:

The amount of expenditure recognised in the carrying amount of property, plant and equipment (including capital work-in progress) in the course of construction is ₹27.22 crores (March 31, 2020: ₹11.15 crores) [Refer Note 37]

NOTE 3.2: RIGHT-OF-USE ASSET

	As at March 31, 2021	As at March 31, 2020
Right-of-use asset	243.65	178.48
	243.65	**178.48**

	Leasehold land	Buildings	Plant and Equipment (including electrical installations)	Office equipment	Computers	Total
(A) Cost or deemed cost						
Balance at April 1, 2019 (Refer Note 36)	**-**	**46.25**	**-**	**-**	**-**	**46.25**
Additions	10.79	9.82	1.84	-	0.02	22.47
Disposals	-	(0.74)	-	-	-	(0.74)
Reclassified and Transition impact on account of adoption of Ind AS 116 (Refer Note 3.1)	69.80	47.60	11.75	0.01	0.28	129.44
Balance at March 31, 2020	**80.59**	**102.93**	**13.59**	**0.01**	**0.30**	**197.42**
Additions	34.47	49.07 *	4.90	-	0.05	88.49
Disposals	-	(9.36)	-	-	-	(9.36)
Balance at March 31, 2021	**115.06**	**142.64**	**18.49**	**0.01**	**0.35**	**276.55**
(B) Accumulated amortisation and impairment						
Balance at April 1, 2019	**-**	**-**	**-**	**-**	**-**	**-**
Amortisation expense	0.73	18.28	0.12	-	-	19.13
Eliminated on disposal	-	(0.19)	-	-	-	(0.19)
Balance at March 31, 2020	**0.73**	**18.09**	**0.12**	**-**	**-**	**18.94**
Amortisation expense	0.99	20.97	0.16	-	-	22.12
Eliminated on disposal	-	(8.16)	-	-	-	(8.16)
Balance at March 31, 2021	**1.72**	**30.90**	**0.28**	**-**	**-**	**32.90**
(C) Carrying amount						
Balance at March 31, 2020	**79.86**	**84.84**	**13.47**	**0.01**	**0.30**	**178.48**
Balance at March 31, 2021	**113.34**	**111.74**	**18.21**	**0.01**	**0.35**	**243.65**

*Includes factory building admeasuring a super built up area of 1,35,274 sq. ft. leased by the Parent Company for a period of 8 years (Cost - ₹14.72 crores), which lease agreement is pending registration.

NOTE 4: OTHER INTANGIBLE ASSETS

	As at March 31, 2021	As at March 31, 2020
Carrying amounts of:		
Technical Know-how	71.43	-
Software	23.65	3.13
	95.08	**3.13**
Intangible assets under development (Refer Note below)	1.72	94.44
	1.72	**94.44**

	Technical Know-how	Software	Total
(A) Cost or deemed cost			
Balance at March 31, 2019	**-**	**10.04**	**10.04**
Additions	-	1.03	1.03
Disposals	-	-	-
Balance at March 31, 2020	**-**	**11.07**	**11.07**
Additions	72.70	25.77	98.47
Disposals	-	-	-
Balance at March 31, 2021	**72.70**	**36.84**	**109.54**
(B) Accumulated amortisation and impairment			
Balance at March 31, 2019	**-**	**6.33**	**6.33**
Amortisation expense	-	1.61	1.61
Eliminated on disposals	-	-	-
Balance at March 31, 2020	**-**	**7.94**	**7.94**
Amortisation expense	1.27	5.25	6.52
Eliminated on disposals	-	-	-
Balance at March 31, 2021	**1.27**	**13.19**	**14.46**
(C) Carrying amount			
Balance at March 31, 2020	**-**	**3.13**	**3.13**
Balance at March 31, 2021	**71.43**	**23.65**	**95.08**

Note:

The amount of expenditure recognised in the carrying amount of intangible assets in the course of development is ₹0.96 crores (March 31, 2020: ₹6.91 crores)

NOTE 5: INVESTMENTS

	As at March 31, 2021	As at March 31, 2020
Non-current		
(I) Investments in equity instruments		
Quoted investments (fully paid) [at FVTOCI]		
(i) Standard Batteries Limited 125 (March 31, 2020: 125) equity shares of ₹1 each *	0.00	0.00
(ii) Nicco Corporation Limited 25 (March 31, 2020: 25) equity shares of ₹2 each *	0.00	0.00
(iii) Exide Industries Limited 10,000 (March 31, 2020: 10,000) equity shares of ₹1 each	0.19	0.13
(iv) HBL Power Systems Limited 5,500 (March 31, 2020: 5,500) equity shares of ₹1 each	0.02	0.01
Total aggregate quoted investments [A]	**0.21**	**0.14**
Unquoted investments (fully paid)		
Investments in others (at FVTOCI)		
(i) Indian Lead Limited 1,128 (March 31, 2020: 1,128) equity shares of ₹10 each *	0.00	0.00
(ii) Atria Wind Private Limited 2,500 (March 31, 2020: 10,000) equity shares of ₹100 each	0.03	0.10
(iii) Andhra Pradesh Gas Power Corporation Limited 1,206,000 (March 31, 2020: 1,206,000) equity shares of ₹10 each	6.30	13.10
Total aggregate unquoted investments [B]	**6.33**	**13.20**
Total investments in equity instruments [C = A+B]	**6.54**	**13.34**
(II) Investments carried at amortised cost		
6 years National Savings Certificates (Refer Note below) [D]	0.01	0.01
Total Non-current investments [E=C+D]	**6.55**	**13.35**
Note: The 6 years National Savings Certificates have been lodged as security with government departments		
Aggregate book value of quoted investments - at cost	0.01	0.01
Aggregate market value of quoted investments	0.21	0.14
Aggregate carrying value of unquoted investments	6.33	13.20
Current		
Investments mandatorily measured at fair value through profit or loss (FVTPL)		
Quoted investments in mutual funds		
SBI Savings Fund - Direct Plan - Growth 17,607.18 units of ₹34.20 (March 31, 2020 1,24,501.56 units of ₹32.37)	0.06	0.40
SBI Savings Fund - Regular Plan - Growth 2,37,84,493.64 units of ₹32.57 (March 31, 2020 : 2,06,85,522.44 units of ₹31.00)	77.47	64.12
SBI Liquid Fund - Direct Growth 859.50 units of ₹3,221.62 (March 31, 2020: Nil)	0.28	-
HDFC Liquid Fund - Direct Plan - Growth Option 30,558.04 units of ₹4,045.00 (March 31, 2020 : Nil)	12.36	-

Contd...

	As at March 31, 2021	As at March 31, 2020
HDFC Ultra short term Fund - Direct - Growth 1,26,69,141.53 units of ₹11.94 (March 31, 2020 : Nil)	15.13	-
ICICI Prudential Liquid - Direct Plan - Growth 19,28,499.57 units of ₹304.74 (March 31, 2020 : 22,04,410.15 units of ₹293.78)	58.77	64.77
UTI - Liquid Cash Plan - Direct Growth Plan 1,36,967.46 units of ₹3,370.49 (March 31, 2020 : 39,874.24 units of ₹3,251.44)	46.16	12.96
Kotak Liquid - Direct Plan Growth 4,867.28 units of ₹4,159.05 (March 31, 2020 : Nil)	2.02	-
Aditya Birla Sun Life Saving Fund - Growth- Direct 13,09,651.72 units of ₹426.84 (March 31, 2020 : Nil)	55.90	-
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan 1,58,909.38 units of ₹331.53 (March 31, 2020 : Nil)	5.27	-
Total Quoted investments measured at FVTPL	**273.42**	**142.25**
Total Current investments	**273.42**	**142.25**
Aggregate book value of quoted investments - at cost	271.19	140.07
Aggregate market value of quoted investments	273.42	142.25

* Amounts below ₹1 lakh

NOTE 6: OTHER FINANCIAL ASSETS

	As at March 31, 2021	As at March 31, 2020
Non-current		
Security deposits*	4.31	6.36
Total	**4.31**	**6.36**
Current		
(a) Advances to related parties:		
- Reimbursable expenses	15.84	4.08
(b) Security deposits#	4.96	2.76
(c) Interest accruals:		
- Interest accrued on deposits	4.42	4.57
- Interest accrued on overdue trade receivables	0.04	0.12
(d) Others	0.26	-
Total	**25.52**	**11.53**

* Includes to related parties ₹1.03 crores (As at March 31, 2020 : ₹1.81 crores)
# Includes to related parties ₹3.45 crores (As at March 31, 2020 : ₹0.63 crores)

NOTE 7: INVENTORIES

	As at March 31, 2021	As at March 31, 2020
(at lower of cost and net realisable value)		
(a) Raw materials and bought-out components	587.33	395.18
(b) Work-in-progress	291.16	276.58
(c) Finished goods	333.96	339.97
(d) Stock-in-trade (goods purchased for resale)	98.01	38.35
(e) Stores and spares (including secondary packing material)	127.86	92.39
(f) Loose tools	0.61	0.53
Total	**1,438.93**	**1,143.00**
Raw materials includes material-in-transit	141.58	62.97

Notes:

(i) The cost of inventories recognised as an expense during the year has been disclosed on the face of the Statement of Profit and Loss, Notes 24 and 28.

(ii) The cost of inventories recognised as an expense includes ₹2.21 crores (during 2019-20: ₹2.58 crores) in respect of write-downs of inventory to net realisable value, and has been reduced by ₹ Nil (during 2019-20 : ₹ Nil) in respect of reversal of such write-downs.

(iii) There are no inventories expected to be liquidated after more than twelve months.

(iv) The mode of valuation of inventories has been stated in Note 2.E.

NOTE 8: TRADE RECEIVABLES

	As at March 31, 2021	As at March 31, 2020
(a) Unsecured, considered good	786.93	636.30
(b) Doubtful	9.20	24.53
	796.13	**660.83**
Allowance for doubtful receivable	(9.20)	(24.53)
Total	**786.93**	**636.30**

Notes:

(i) The average credit period for after market sales is one week and for sales to other customers is in the range of 30 - 60 days. No interest is charged on overdue receivables, except for overdue balances of related parties.

(ii) There are no customers who represent more than 10% of the total balance of trade receivables as at March 31, 2021 (As at March 31, 2020: ₹ 81.33 crores was due from one of the Group's large customers).

(iii) The Group has used a practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the receivables which are due and the rates used in the provision matrix.

(iv) **Movement in the expected credit loss allowance**

	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at the beginning of the year	**24.53**	**4.44**
Add: Provision created during the year	4.91	22.15
Less: Provision reversed/released during the year	20.24	2.06
Balance at the end of the year	**9.20**	**24.53**

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NOTE 9 CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
(a) Balances with banks		
- in current accounts	85.60	23.02
- in EEFC accounts	8.26	9.49
(b) Cash on hand	0.02	0.11
(c) Cheques on hand	3.05	-
Cash and cash equivalents as per the cash flow statement	**96.93**	**32.62**

NOTE 10: OTHER BANK BALANCES

	As at March 31, 2021	As at March 31, 2020
(a) In deposit accounts		
(i) original maturity more than 3 months but less than 12 months	74.20	47.80
(b) In earmarked accounts		
(i) Dividend accounts	3.60	4.11
(ii) Balances held as margin money against guarantees given	1.28	-
Total	**79.08**	**51.91**

NOTE 11: OTHER ASSETS

	As at March 31, 2021	As at March 31, 2020
Non-current		
(a) Capital advances	50.05	24.03
(b) Capital advances to related parties	8.20	5.23
(c) Prepaid expenses	1.29	0.36
(d) Balances with government authorities	13.33	10.65
(e) Other deposits (Electricity deposits, for other utilities, etc.)	37.88	34.72
Total	**110.75**	**74.99**
Current		
(a) Contractually reimbursable expenses	2.80	2.82
(b) Commercial advances	57.90	62.44
(c) Advances to employees	0.30	0.56
(d) Balances with government authorities (Advances, GST credit and VAT credit)	23.24	94.58
(e) Prepaid expenses	8.84	6.94
(f) Other receivables (export incentives, etc.)	27.35	38.30
Total	**120.43**	**205.64**

NOTE 12: SHARE CAPITAL

	As at March 31, 2021		As atMarch 31, 2020	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised				
Equity shares of ₹ 1/- each	20,00,00,000	20.00	20,00,00,000	20.00
(b) Issued				
Equity shares of ₹ 1/- each	17,50,28,500	17.50	17,50,28,500	17.50
(c) Subscribed and fully paid-up				
Equity shares of ₹ 1/- each	17,08,12,500	17.08	17,08,12,500	17.08
	17,08,12,500	**17.08**	**17,08,12,500**	**17.08**

Notes:

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

Equity shares	Number of shares	Share capital (Amount)
Balance at March 31, 2019	**17,08,12,500**	**17.08**
Changes during year	-	-
Balance at March 31, 2020	17,08,12,500	17.08
Changes during year	-	-
Balance at March 31, 2021	**17,08,12,500**	**17.08**

(ii) Rights, preferences and restrictions attached to the equity shares:

The Parent Company has only one class of shares referred to as equity shares having a face value of ₹ 1 each. Each holder of equity share is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees and foreign currency. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Parent Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

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

	As at March 31, 2021		As at March 31, 2020	
	Number of shares	%	Number of shares	%
RNGalla Family Private Limited	4,79,32,452	28.06	4,79,32,452	28.06
Clarios ARBL Holdings LP (formerly known as Panther ARBL Holdings LP)*	4,09,95,000	24.00	4,09,95,000	24.00
Nalanda India Equity Fund Limited	1,68,80,938	9.88	1,68,80,938	9.88

*During the previous year consequent to the sale of the power solution business by Johnson Controls International PLC, the shareholders' agreement with Johnson Controls (Mauritius) Private Limited was terminated. Accordingly 24% of the equity shares of the Company held by Johnson Controls (Mauritius) Private Limited was acquired by Clarios ARBL Holdings LP (formerly known as Panther ARBL Holdings LP) and 2% equity shares of the Company was acquired by RNGalla Family Private Limited from Johnson Controls (Mauritius) Private Limited.

NOTE 13: OTHER EQUITY

	As at March 31, 2021	As at March 31, 2020
(a) General reserve	582.59	517.91
This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.		
(b) Capital reserve*	0.00	0.00
Any profit or loss on purchase, sale, issue or cancellation of the company's own equity instruments is transferred to capital reserve.		
(c) Securities premium	31.19	31.19
This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013		
(d) Equity instruments through other comprehensive income	(2.72)	4.01
Change in fair value of equity instruments through other comprehensive income.		
(e) Retained earnings	3,581.86	3,085.14
Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013.		
(f) Foreign Currency Translation Reserve	(0.01)	(0.02)
This reserve contains balance of foreign exchange differences from translation of financial statements of the Group's foreign subsidiary arising at the time of consolidation of such subsidiary. Exchange differences accounted in this reserve are reclassified to profit or loss on the disposal of the foreign subsidiary.		
Total	**4,192.91**	**3,638.23**

*Amount below ₹ 1 Lakh

NOTE 14: NON-CURRENT BORROWINGS

	As at March 31, 2021	As at March 31, 2020
Unsecured - at amortised cost		
Deferred Payment Liabilities		
Sales tax deferment loans [Refer Note below]	34.34	46.80
Less: Current maturities of sales tax deferment loans disclosed under Note 19 - Other financial liabilities - Current	10.95	12.46
Total	**23.39**	**34.34**

Note:
The interest free sales tax deferment loans were availed by the Group under the Government of Andhra Pradesh TARGET 2000 New Industrial Policy as per which the loans are repayable at the end of the 14th year from the year in which these loans were availed. The Group has also entered into agreements with the Deputy Commissioner of Commercial Taxes, Chittoor in respect of the aforementioned loans as per which the repayment schedule of the loans have been determined as being repayable at the end of the 14th year from the month in which these loans were availed. The Management is however of the view that these loans are repayable at the end of the 14th year from the year in which these loans were availed in terms of the sanction of these loans by the Government of Andhra Pradesh, Commissionerate of Industries and are accordingly making an yearly repayment of these loans.

NOTE 15: LEASE LIABILITIES*

	As at March 31, 2021	As at March 31, 2020
Non-current		
Lease liabilities	38.59	21.67
	38.59	**21.67**
Current		
Lease Liabilities	19.39	15.43
	19.39	**15.43**

* Also Refer Note 36

NOTE 16 : PROVISIONS

	As at March 31, 2021	As at March 31, 2020
Non-current		
Employee benefits		
(a) Leave encashment	18.20	15.16
(b) Gratuity [Refer Note 32]	-	0.02
Other provisions		
(a) Product warranty [Refer Note 39]	77.21	68.59
Total	**95.41**	**83.77**
Current		
Employee Benefits		
(a) Leave encashment	3.82	3.29
(b) Gratuity [Refer Note 32]	5.94	3.54
Other provisions		
(a) Product warranty [Refer Note 39]	108.84	92.58
Total	**118.60**	**99.41**

17. DEFERRED TAX LIABILITIES (NET)

	As at March 31, 2021	As at March 31, 2020
The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet :		
Deferred tax assets	15.86	18.95
Deferred tax liabilities	(56.60)	(63.08)
Total	**(40.74)**	**(44.13)**

2020-2021 Deferred tax (liabilities) / assets in relation to :	Opening balance	Recognised in Profit and loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(63.08)	7.17	-	(55.91)
Financial assets measured at FVTOCI	5.32	-	-	5.32
Provision for doubtful debts	6.54	(4.22)	-	2.32
Provision for employee benefits	5.53	2.69	-	8.22
Others	1.56	(2.25)	-	(0.69)
	(44.13)	**3.39**	**-**	**(40.74)**

2019-2020 Deferred tax (liabilities) / assets in relation to :	Opening balance	Recognised in Profit and loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(109.86)	46.78	-	(63.08)
Financial assets measured at FVTOCI	5.32	-	-	5.32
Provision for doubtful debts	1.55	4.99	-	6.54
Provision for employee benefits	5.62	(0.09)	-	5.53
Others	1.46	0.10	-	1.56
	(95.91)	**51.78**	**-**	**(44.13)**

NOTE 18: TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
-Total outstanding dues of Micro enterprises and small enterprises [Refer Note 31]	44.14	73.91
-Total outstanding dues of creditors other than Micro enterprises and small enterprises	702.36	541.04
Total	**746.50**	**614.95**

NOTE 19: OTHER FINANCIAL LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Current		
(a) Current maturities of Non-current borrowings [Refer Note 14]	10.95	12.46
(b) Unpaid dividends	3.60	4.11
(c) Other payables:		
- Payables on purchase of property, plant and equipment	71.52	68.69
- Others (employee related, others) [Refer Note below]	130.21	119.45
Total	**216.28**	**204.92**

Note:
Other liabilities includes employees related payables (including payable to Vice-Chairman and Managing Director), commission payable to Non-Executive Chairman and Other Directors, outstanding liabilities for incentives and trade schemes, etc.

NOTE 20: INCOME TAX ASSETS / LIABILITIES (NET)

	As at March 31, 2021	As at March 31, 2020
Non-Current		
Advance tax / TDS receivable (net of provisions)	-	26.21
Total	**-**	**26.21**
Current		
Income tax payable (net of advance tax)	4.18	-
Total	**4.18**	**-**

NOTE 21: OTHER LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Non-current		
a) Revenue received in advance		
- Deferred revenue arising from government grant [Refer Note below]	59.26	59.13
Total	**59.26**	**59.13**
Current		
(a) Revenue received in advance		
- Deferred revenue arising from government grant [Refer Note below]	11.69	14.16
(b) Statutory remittances (GST, PF, VAT, TDS, etc.)	43.16	19.37
(c) Advances from customers	27.12	19.50
(d) Others (includes accruals relating to trade promotion schemes)	142.59	114.31
Total	**224.56**	**167.34**

Note:

The deferred revenue of ₹70.95 crores (March 31, 2020: ₹73.29 crores) arises primarily as a result of duty benefit received on import of plant and equipment under Export Promotion Capital Goods (EPCG) schemes of the Government of India. The deferred revenue will be recognised in the Statement of Profit and Loss in the proportion of depreciation charged on such assets.

NOTE 22: REVENUE FROM OPERATIONS

	For the year ended March 31, 2021	For the year ended March 31, 2020
a. Sale of products (Refer Note (i) below)	7,091.59	6,774.17
b. Sale of services (Refer Note (ii) below)	41.65	38.62
c. Other operating revenues (Refer Note (iii) below)	16.54	26.38
Total	**7,149.78**	**6,839.17**

Notes:

(i) Sale of products comprises:		
Manufactured goods		
- Storage batteries	6,682.26	6,597.98
Sub-total - Sale of manufactured goods	**6,682.26**	**6,597.98**
Traded goods		
- Storage batteries	317.31	97.86
- Home UPS	92.02	78.33
Sub-total - Sale of traded goods	**409.33**	**176.19**
Total - Sale of products	**7,091.59**	**6,774.17**
(ii) Sale of services comprise:		
- Installation and Commissioning	4.26	3.26
- Annual Maintenance	13.09	0.68
- Others (subject and other matters experts, service charges, etc.)	24.30	34.68
Total - Sale of services	**41.65**	**38.62**

Contd...

(iii) Other operating revenues comprise:		
- Sale of process scrap	4.28	1.12
- Export benefits (including MEIS & EPCG benefits) [Refer Note (iv) below]	12.26	25.26
Total - Other operating revenues	**16.54**	**26.38**

(iv) Includes ₹9.65 crores (for the year ended March 31, 2020: ₹9.46 crores) recognised as income in proportion to the depreciation charged to the Statement of Profit and Loss. [Refer Note 21]

NOTE 23: OTHER INCOME

	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Interest income		
Interest income earned on financial assets that are not designated as at FVTPL		
- Bank deposits (at amortised cost)	4.15	2.95
- Other financial assets carried at amortised cost	0.73	3.76
- Unwinding of discounts on rental deposits	0.17	0.29
	5.05	**7.00**
b) Dividend income		
Dividend from equity investments designated as at FVTOCI *	0.00	0.00
	0.00	**0.00**
c) Other non-operating income		
- Interest income on other deposits	1.26	2.18
- Sale of non process scrap	4.87	4.71
- Liabilities no longer required written back	13.16	0.67
- Provision for doubtful trade receivables written back	19.22	1.77
- Others	4.45	5.89
	42.96	**15.22**
d) Other gains and losses		
- Gain on disposal of mutual fund units	14.18	16.57
- Net foreign exchange gains	22.94	13.37
- Net gain arising on financial assets mandatorily measured at FVTPL [Refer Note below]	2.23	2.18
- Gain on sale of property, plant and equipment (net)	-	0.71
	39.35	**32.83**
Total (a+b+c+d)	**87.36**	**55.05**

*Amount below ₹1 Lakh

Note:

The amount represents the increase in fair value on non-derivative current investments which are mandatorily measured at fair value [Refer Note 5].

NOTE 24: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	For the year ended March 31, 2021		For the year ended March 31, 2020	
Inventories at the beginning of the year				
Finished goods - storage batteries		339.97		386.55
Work-in-progress		276.58		287.14
Stock-in-trade				
- Storage batteries	18.29		16.58	
- Home UPS	20.06	38.35	16.49	33.07
[A]		**654.90**		**706.76**
Inventories at the end of the year				
Finished goods - storage batteries		333.96		339.97
Work-in-progress		291.16		276.58
Stock-in-trade				
- Storage batteries	82.40		18.29	
- Home UPS	15.61	98.01	20.06	38.35
[B]		**723.13**		**654.90**
(Increase)/decrease in finished goods, work-in-progress and stock-in-trade [A-B]		**(68.23)**		**51.86**

NOTE 25: EMPLOYEE BENEFITS EXPENSE

	As at March 31, 2021	As at March 31, 2020
(a) Salaries and wages	328.53	299.31
(b) Contribution to provident and other funds [Refer Note 32]	43.34	38.90
(c) Staff welfare expenses	54.77	47.60
Total	**426.64**	**385.81**

NOTE 26: FINANCE COSTS

	As at March 31, 2021	As at March 31, 2020
(a) Other borrowing costs:		
- Unwinding of discounts on warranty provision	6.58	6.99
- Interest on Lease Liabilities [Refer Note 36]	3.44	3.88
- Others	0.51	1.32
Total	**10.53**	**12.19**

NOTE 27: DEPRECIATION AND AMORTISATION EXPENSE

	As at March 31, 2021	As at March 31, 2020
Depreciation of property, plant and equipment (including on Right of Use of assets) [Refer Notes 3.1 & 3.2]	313.87	299.49
Amortisation of intangible assets [Refer Note 4]	6.52	1.61
Less: Depreciation capitalised to property, plant and equipment/ capital work-in-progress	1.23	0.36
Total	**319.16**	**300.74**

NOTE 28: OTHER EXPENSES

		For the year ended March 31, 2021		For the year ended March 31, 2020
Consumption of stores and spares (including packing material)		97.24		88.51
Tools consumed		0.84		0.71
Power and fuel		212.98		222.82
Rent		1.58		1.97
Repairs and maintenance				
- Plant and machinery		6.53		7.38
- Buildings		3.87		4.14
- Others		6.16		3.74
Insurance		9.85		6.86
Rates and taxes		7.13		6.27
Communication		2.05		2.31
Travelling and conveyance		6.35		20.66
Outward freight and handling charges		203.74		192.02
Advertisement and sales promotion		27.02		30.92
Expenditure on Corporate Social Responsibility (Refer Note 44)		15.20		14.35
Legal and professional		9.93		13.94
Payment to auditors [Refer Note below]		0.97		1.00
Bad trade receivables written off	1.50		1.18	
Less : Provision released	(1.02)		(0.29)	
		0.48		0.89
Provision for doubtful trade receivables		4.91		22.15
Provision for doubtful advances and other receivables		4.34		1.45
Loss on sale of property, plant and equipment (net) / written off		0.91		-
Warranty expenses (net)		102.77		138.67
Service expenses		23.13		25.60
Printing and stationery		1.48		2.05
Miscellaneous expenses		113.62		99.56
Total		**863.08**		**907.97**

Note:
Payment to auditors comprise (net of GST) *

	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) To statutory auditors		
- Statutory audit fee	0.72	0.71
- Limited review fee	0.15	0.15
- Tax audit fee	0.05	0.05
- Reimbursement of expenses	0.01	0.05
(b) To cost auditor for cost audit	0.04	0.04
	0.97	**1.00**

* Excludes payment to other than network firm of ₹0.10 crores (for the year ended March 31, 2020: ₹0.15 crores) in respect of other non-audit services.

NOTE 29: INCOME TAX RECOGNISED IN PROFIT OR LOSS

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Tax		
In respect of the current year	229.50	234.20
In respect of the prior years	0.41	(2.56)
	229.91	**231.64**
Deferred Tax		
In respect of the current year	(3.39)	(23.48)
Adjustments to deferred tax attributable to changes in tax rates and laws	-	(28.30)
	(3.39)	**(51.78)**
Total income tax expense recognised	**226.52**	**179.86**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit before tax	**873.35**	**840.66**
Income tax expense calculated at 25.168% (2019-20 : 25.168%)	219.80	211.58
Effect of income that is exempt from taxation	-	(0.55)
Tax effects of amounts which are not deductible in determining taxable profit	8.33	1.65
Effect of concessions (research and development and other allowances)	(1.61)	(1.96)
	226.52	**210.72**
Adjustment recognised in the current year in relation to tax of prior years (net)	-	(30.86)*
Income tax expense recognised in profit or loss	**226.52**	**179.86**

Note:

*During the previous year, the Parent Company elected to exercise the option permitted under section 115BAA of Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Parent Company has recognized provision for Income-tax for the year ended March 31, 2020 and re-measured its deferred tax liabilities (net) based on the rate prescribed in the said Act.

The tax rate used for the year 2020-2021 and 2019-2020 reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax law.

NOTE 30: CONTINGENT LIABILITIES AND COMMITMENTS

	As at March 31, 2021	As at March 31, 2020
(i) Contingent Liabilities (to the extent not provided for) :		
Claims against the Company not acknowledged as debt		
Matters under dispute:		
- Excise duty / Service tax	58.42	7.40
- Sales tax/VAT	10.91	26.11
- Income tax	3.86	0.20
- Electricity related	25.22	25.04
- Other (Building and other construction workers welfare cess, wealth tax, etc.)	8.95	8.95
It is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.		
(ii) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	750.66	299.79
(b) The Group has certain outstanding export obligations/ commitments which the Management is confident of meeting within the stipulated period of time / obtaining suitable extensions, wherever required.		

NOTE 31: BASED ON AND TO THE EXTENT OF INFORMATION AVAILABLE WITH THE COMPANY UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT), THE RELEVANT AS AT REPORTING DATE ARE FURNISHED BELOW:

	As at March 31, 2021	As at March 31, 2020
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	44.14	73.91
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	0.02
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	0.04	-
(vi) Interest due and payable to suppliers under MSMED Act for payments already made	-	0.02
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	0.04

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

NOTE 32: EMPLOYEE BENEFITS

The Parent Company has adopted Indian Accounting Standard - 19 (Ind AS 19) on 'Employee Benefits'. These consolidated financial statements include the obligations as per the requirement of this standard except for the subsidiary which is incorporated outside India which has determined the valuation provision for employee benefits as per the requirements of Sharjah, U.A.E. In the opinion of the Management the impact of this deviation is not considered material.

a. Defined contribution plans

The Parent Company makes Provident Fund, Superannuation Fund and Employees' State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. The Parent Company recognised ₹12.12 crores (Year ended March 31, 2020: ₹11.20 crores) for provident fund contributions, ₹15.38 crores (Year ended March 31, 2020: ₹12.92 crores) for Superannuation Fund contributions and ₹3.74 crores (Year ended March 31, 2020: ₹3.85 crores) towards Employees' State Insurance Scheme contributions in the Consolidated Statement of Profit and Loss.

b. Defined benefit plans

The Group provides to the eligible employees defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The measurement date used for determining retirement benefits for gratuity is March 31.

These plans typically expose the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Risk Management:

Investment risk - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest rate risk - The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk - The present value of the defined benefit plan is calculated with reference to the future salaries of participants under the plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities..

(i) Balance Sheet

The assets, liabilities and surplus / (deficit) position of the defined benefit plans at the Balance Sheet date were:

	As at March 31, 2021	As at March 31, 2020
Present value of obligation	56.00	43.69
Fair value of plan assets	(50.06)	(40.13)
Liability recognised in the Balance Sheet	**5.94**	**3.56**

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

	Plan Assets	Plan Obligation	Total Net
As at March 31, 2019	**28.65**	**29.30**	**0.65**
Current service cost	-	2.65	2.65
Past service cost	-	7.57	7.57
Interest cost	-	2.24	2.24
Interest income	2.19	-	(2.19)
Actuarial (gain)/loss arising from changes in financial assumptions	-	2.76	2.76
Contributions	10.23	-	(10.23)
Benefit payments	(1.02)	(1.02)	-
Return on plan assets, excluding interest income	(0.11)	-	0.11
Transfer to Group Companies	0.19	0.19	-
As at March 31, 2020	**40.13**	**43.69**	**3.56**

Contd...

	Plan Assets	Plan Obligation	Total Net
Current service cost	-	3.80	3.80
Past service cost	-	7.31	7.31
Interest cost	-	2.86	2.86
Interest income	2.64	-	(2.64)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(0.03)	(0.03)
Contributions	8.87	-	(8.87)
Benefit payments	(1.70)	(1.70)	-
Return on plan assets, excluding interest income	0.05	-	(0.05)
Transfer to Group Companies	0.07	0.07	-
As at March 31, 2021	**50.06**	**56.00**	**5.94**

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

	Year ended March 31, 2021	Year ended March 31, 2020
Employee Benefit Expenses		
Current service cost	3.80	2.65
Interest cost	2.86	2.24
Past service cost	7.31	7.57
Interest income	(2.64)	(2.19)
Net impact on profit before tax	**11.33**	**10.27**
Remeasurement of the net defined benefit plans:		
Actuarial (gain)/loss arising from changes in financial assumptions	(0.03)	2.76
Return on plan assets, excluding interest income	0.05	0.11
Net impact on other comprehensive income before tax	**0.02**	**2.87**

(iv) Assets

The major categories of plan assets as a % of the total plan assets

	As at March 31, 2021	As at March 31, 2020
Funded with Life Insurance Corporation of India	100%	100%

(v) Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

	As at March 31, 2021	As at March 31, 2020
Discount rate	6.57%	6.56%
Salary escalation rate	7.00%	7.00%

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

Demographic assumptions

Mortality in Service: Indian Assured Lives Mortality (2006-08) Ultimate table.

(vi) Sensitivity analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(3.27)	3.69	(2.56)	2.90
Salary escalation rate (1% movement)	3.32	(3.07)	2.69	(2.45)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

(vii) Maturity analysis

Maturity profile of defined benefit obligation:

	As at March 31, 2021	As at March 31, 2020
Within 1 year	6.09	4.83
1-2 year	6.05	4.38
2-3 year	5.83	4.87
3-4 year	6.07	4.33
4-5 year	5.20	4.60
5-10 year	24.67	18.83
> 10 Year	39.06	30.94

The Group expects to contribute ₹9.63 crores to its defined benefit plans during the next fiscal year.

NOTE 33: SEGMENT REPORTING

The Vice Chairman and Managing Director of the Parent Company has been identified as the Chief Operating Decision Maker (CODM) who evaluates the Company's performance and allocates resources for manufacture and marketing of lead acid storage batteries. Accordingly, manufacturing and trading of lead acid storage batteries is considered as the operating segment of the Group.

Geographical information

The Group operates in India and makes certain sales to customers situated outside India. The revenue from external customers by location of customers is detailed below. All the non-current assets of the Group are situated within India.

Revenue

	For the year ended March 31, 2021	For the year ended March 31, 2020
India	6,268.17	5,980.13
Outside India	881.61	859.04
Total	**7,149.78**	**6,839.17**

Refer to Note 40 on Financial Instruments and related disclosures for information on revenue from major customers.

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NOTE 34: RELATED PARTY TRANSACTIONS

(a) Details of related parties

Entity exercising significant influence	
RNGalla Family Private Limited Johnson Controls (Mauritius) Private Limited, Mauritius (Upto June 22, 2019)	
Key Management Personnel (KMP)	
Jayadev Galla	Vice-Chairman and Managing Director
Relative of Key Management Personnel	
Dr. Ramachandra N. Galla	Chairman and Non-Executive Director
Dr. Ramadevi Gourineni	Non-Executive Director (Appointed as Director w.e.f February 1, 2020)
Entities in which KMP / Relatives of KMP exercise significant influence	
Asistmi Solutions Private Limited	
Amara Raja Electronics Limited	
G2 Healthcare Private Limited	
Nine Nines Lifestyle Private Limited	
Rajanna Trust	
Amara Raja Blaze Technologies Pvt Ltd (w.e.f July 24, 2020)	
Subsidiaries of the entity exercising significant influence	
Amaron Batteries Private Limited (Merged with RNGalla Family Private Limited w.e.f. April 1, 2018)	
Mangal Industries Limited	
Amara Raja Infra Private Limited	
Amara Raja Power Systems Limited	
Amara Raja Media and Entertainment Private Limited	

(b) Transactions with the above related parties during the year were:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of goods (Net of sale returns)		
Amara Raja Power Systems Limited	20.83	17.29
Mangal Industries Limited	0.56	0.44
Amara Raja Infra Private Limited	-	0.02
RNGalla Family Private Limited	0.02	0.04
Purchase of goods		
Amara Raja Power Systems Limited	105.74	94.15
Amara Raja Electronics Limited	4.41	0.58
Mangal Industries Limited	808.42	781.26
RNGalla Family Private Limited (RFPL)	0.01	0.01
Availing of services		
Amara Raja Infra Private Limited	80.47	74.88
Rajanna Trust	0.12	0.43
G2 Healthcare Private Limited	0.19	-

Contd...

	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchase of Fixed Assets		
Amara Raja Power Systems Limited	40.07	60.31
Amara Raja Electronics Limited	0.97	0.65
Mangal Industries Limited	43.87	44.31
Amara Raja Infra Private Limited	176.96	197.98
Rent Expense		
Jayadev Galla	4.06	3.87
Dr. Ramachandra N. Galla	0.64	0.61
Dr. Ramadevi Gourineni	3.66	-
Amara Raja Infra Private Limited	0.22	-
Donation Expense		
Rajanna Trust	17.48	14.35
Expenses reimbursed to		
Amara Raja Power Systems Limited	0.01	0.01
Mangal Industries Limited	-	0.04
Amara Raja Infra Private Limited	0.13	1.27
RNGalla Family Private Limited	4.86	-
Dividends Paid (including interim dividend)		
RNGalla Family Private Limited	23.97	75.34
Johnson Controls (Mauritius) Private Limited, Mauritius	-	1.74
Expenses recovered from		
Amara Raja Power Systems Limited	8.57	9.08
Amara Raja Electronics Limited	0.81	1.51
Mangal Industries Limited	11.16	11.77
Amara Raja Infra Private Limited	4.10	5.65
RNGalla Family Private Limited	0.57	0.69
Interest Income		
Amara Raja Power Systems Limited	0.32	1.52
Amara Raja Electronics Limited	0.03	0.03
Mangal Industries Limited	0.43	0.65
Amara Raja Infra Private Limited	0.05	0.07
RNGalla Family Private Limited	0.01	0.01
Other recoveries		
Mangal Industries Limited	39.63	38.86
Remuneration		
Jayadev Galla	47.35	45.43
Commission		
Dr. Ramachandra N. Galla	28.41	27.26

(c) Balances receivable from / payable to related parties are as follows:

	As at March 31, 2021	As at March 31, 2020
Trade Receivables		
Amara Raja Power Systems Limited	7.13	5.72
Mangal Industries Limited	-	9.87
RNGalla Family Private Limited	-	0.00
Amara Raja Infra Private Limited	-	0.01
Security Deposits		
Jayadev Galla	2.12	2.12
Dr. Ramachandra N. Galla	0.32	0.32
Dr. Ramadevi Gourineni	2.04	-
Interest Receivable		
Amara Raja Power Systems Limited	0.02	0.06
Amara Raja Electronics Limited	0.00	0.00
Mangal Industries Limited	0.02	0.03
Amara Raja Infra Private Limited	0.00	0.01
RNGalla Family Private Limited	0.00	0.00
Advances (including contractually reimbursable expenses)		
Amara Raja Power Systems Limited	6.79	3.91
Amara Raja Electronics Limited	1.67	0.41
Mangal Industries Limited	17.26	7.05
Amara Raja Infra Private Limited	1.57	2.42
RNGalla Family Private Limited	0.08	0.12
Trade payables		
Amara Raja Power Systems Limited	8.27	3.73
Amara Raja Electronics Limited	0.11	0.05
Mangal Industries Limited	27.41	0.99
Amara Raja Infra Private Limited	7.76	7.93
RNGalla Family Private Limited	0.79	-
Payables on purchase of fixed assets		
Amara Raja Power Systems Limited	8.33	6.14
Amara Raja Electronics Limited	0.05	-
Mangal Industries Limited	5.88	1.11
Amara Raja Infra Private Limited	21.89	7.06
Other Payables		
Rajanna Trust	2.27	-
Other Payables (Employee Related)		
Jayadev Galla	45.06	43.14
Commission payable to Non Executive Directors		
Dr. Ramachandra N. Galla	28.41	27.26
Rent Payable		
Jayadev Galla	0.33	0.30
Dr. Ramachandra N. Galla	0.04	0.04
Dr. Ramadevi Gourineni	0.25	-
Amara Raja Infra Private Limited	0.21	-
Capital commitments		
Amara Raja Power Systems Limited	236.55	10.86
Amara Raja Electronics Limited	0.07	0.12
Mangal Industries Limited	44.08	15.23
Amara Raja Infra Private Limited	102.64	147.10

NOTE 35: EARNINGS PER SHARE (EPS)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit for the year (in ₹ crores) [A]	**646.83**	**660.80**
Weighted average number of equity shares outstanding during the year (No's) [B]	17,08,12,500	17,08,12,500
Earnings per share (Face Value of ₹ 1 per share)		
- Basic and diluted (in ₹) [A/B]	**37.87**	**38.69**

NOTE 36: LEASES

Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' using the modified retrospective approach. On transition, the adoption of the new standard resulted in recognition of right-of-use assets amounting to ₹ 175.69 crores (including previously classified as finance lease) and a lease liability of ₹ 45.65 crores.

(i) The following is the breakup of current and non-current lease liabilities

	As at March 31, 2021	As at March 31, 2020
Current liabilities	19.39	15.43
Non-current liabilities	38.59	21.67
	57.98	**37.10**

(ii) The following is the movement of lease liabilities during the year ended March 31:

	As at March 31, 2021	As at March 31, 2020
Balance at the beginning	37.10	45.65
Additions during the year	37.12	3.40
Finance cost accrued during the year	3.44	3.88
Payment of lease liabilities	(19.68)	(15.83)
Balance at the end	**57.98**	**37.10**

(iii) Maturity analysis of lease liabilities

	As at March 31, 2021	As at March 31, 2020
Less than one year	19.39	15.43
One to five years	34.25	21.67
More than five years	4.34	-
Total	**57.98**	**37.10**

NOTE 37: REVENUE EXPENDITURE CAPITALIZED TO FIXED ASSETS/ CAPITAL WORK-IN-PROGRESS

	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Employee benefits expense	6.55	9.73
(b) Cost of material consumed (net) (Refer Note below)	13.94	7.04
(c) Power and Fuel	5.37	0.75
(d) Depreciation and amortization expense	1.23	0.36
(e) Others	1.09	0.18
Total	**28.18**	**18.06**

Note: Net of income from sale of batteries, scrap, etc., ₹ 27.52 crores (Year ended March 31, 2020: ₹ 4.08 crores)

NOTE 38: DETAILS OF EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT

	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue Expenditure:		
(a) Cost of materials consumed	0.85	1.05
(b) Consumption of stores and spares (including secondary packing material)	0.15	0.22
(c) Employee benefits expense	8.34	7.53
(d) Power and fuel	0.63	0.85
(e) Others	0.78	0.91
Total Revenue Expenditure [A]	**10.75**	**10.56**
Capital expenditure [B]	0.05	6.35
Total [A+B]	**10.80**	**16.91**

NOTE 39: DETAILS OF PROVISIONS

(a) Provision for warranty is made for estimated warranty claims in respect of sale of certain storage batteries which are still under warranty at the end of the reporting period, the estimated cost of which is accrued at the time of sale. These claims are expected to be settled as and when warranty claims arise. The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Company's obligation for warranties. Management estimates the provision based on historical warranty claim information and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality. The products are generally covered under a free warranty period ranging from 6 months to 42 months.

(b) The disclosure of provisions movement as required under the provisions of Ind AS 37 is as follows:-

	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance as at April 1	**161.17**	**115.25**
Additional provisions recognised	142.24	119.71
Amount utilised / reversed during the year	(123.94)	(80.78)
Unwinding of discount and effect of changes in the discount rate	6.58	6.99
Balance as at March 31	**186.05**	**161.17**
Out of the above,		
Classified under Non-current provisions (Refer Note 16)	77.21	68.59
Classified under Current provisions (Refer Note 16)	108.84	92.58

NOTE 40: FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

A. Capital Management

The Group's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Group funds its operations through internal accruals. The Group aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern. The capital structure of the Group is based on Management's judgment of its strategic day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders. The Group may take appropriate steps in order to maintain, or if necessary, adjust its capital structure.

Equity share capital and other equity are considered for the purpose of Group's Capital Management.

B. Categories of Financial Instruments

	Carrying value		Fair value	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial assets				
Measured at Amortised cost				
(i) Cash and cash equivalents	96.93	32.62	96.93	32.62
(ii) Other bank balances	79.08	51.91	79.08	51.91
(iii) Trade receivables	786.93	636.30	786.93	636.30
(iv) Other financial assets	29.83	17.89	29.83	17.89
(v) Investments	0.01	0.01	0.01	0.01
Measured at FVTOCI				
(i) Investments in equity instruments	6.54	13.34	6.54	13.34
Measured at FVTPL				
Mandatorily measured:				
Current investment- Mutual funds	273.42	142.25	273.42	142.25
Total Financial assets	**1,272.74**	**894.32**	**1,272.74**	**894.32**
Financial liabilities				
Measured at amortised cost				
(i) Borrowings	34.34	46.80	34.34	46.80
(ii) Trade payables	746.50	614.95	746.50	614.95
(iii) Other financial liabilities	205.33	192.46	205.33	192.46
(iv) Lease Liabilities	57.98	37.10	57.98	37.10
Total Financial liabilities	**1,044.15**	**891.31**	**1,044.15**	**891.31**

C. Financial risk management objectives

The Group has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, foreign currency risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard. The key risks and mitigating actions are overseen by the Board of Directors of the Group.

Liquidity Risk

The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Group has unutilised credit limits with banks. The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2021 and March 31, 2020. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Group regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and mutual funds with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The Group's Current assets aggregate to ₹2,821.24 crores (March 31, 2020 ₹2,223.25 crores) including Current investments, Cash and cash equivalents and Other bank balances of ₹449.43 crores (March 31, 2020 ₹226.78 crores) against an aggregate Current liability of ₹1,329.51 crores (March 31, 2020 ₹1,102.05 crores). The table below provides details regarding the contractual maturities of significant Non-current financial liabilities as of March 31, 2021 and March 31, 2020. Contractual maturities in respect of lease liabilities has been disclosed in Note 36.

	As at March 31, 2021			
	1-3 years	3-5 years	Above 5 years	Total
Borrowings	13.75	9.64	-	**23.39**

	As at March 31, 2020			
	1-3 years	3-5 years	Above 5 years	Total
Borrowings	17.82	16.52	-	**34.34**

Further, while the Group's total equity stands at ₹4209.99 crores (March 31, 2020: ₹3655.31 crores), it has borrowings of ₹34.34 crores (March 31, 2020: ₹46.80 crores). In such circumstances, liquidity risk or the risk that the Group may not be able to settle or meet its obligations as they become due does not exist.

Market Risk

The Group continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at March 31, 2021 is ₹6.54 crores (March 31, 2020 ₹13.34 crores). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

As the Group is virtually debt-free and its deferred payment liabilities do not carry interest, the exposure to interest rate risk from the perspective of financial liabilities is negligible. Further, treasury activities, focused on managing current investments are administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within acceptable risk parameters after due evaluation. The Group invests in Mutual Fund schemes of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the Mutual Fund schemes in which the Group has invested, such price risk is not significant. Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

Foreign Currency Risk

The Group is subject to the risk that changes in foreign currency values impact the Group's export revenues and import of raw materials and property, plant and equipment. The Group is exposed to foreign exchange risk arising from currency exposures, primarily with respect to US Dollars. Financial assets and liabilities denominated in foreign currency, are also subject to reinstatement risk.

The Group manages currency exposures within prescribed limits. The aim of the Group's approach to management of currency risk is to leave the Group with no material residual risk.

The carrying amounts of non-derivative foreign currency denominated financial assets and liabilities are as follows:

As at March 31, 2021	USD	EURO	GBP	Other Currencies*	Total
Financial Assets					
- Trade receivables	86.74	-	-	0.41	87.15
- Cash and cash equivalents	8.26	-	-	0.00	8.26
Financial Liabilities					
- Trade Payables	(118.96)	(4.30)	(2.36)	(0.35)	(125.97)
- Other financial liabilities	(16.39)	(9.01)	-	-	(25.40)
Net financial asset / (liability)	**(40.35)**	**(13.31)**	**(2.36)**	**0.06**	**(55.96)**

As at March 31, 2020	USD	EURO	GBP	Other Currencies*	Total
Financial Assets					
- Trade receivables	60.76	-	-	-	60.76
- Cash and cash equivalents	9.50	0.01	-	0.02	9.53
Financial Liabilities					
- Trade Payables	(92.95)	(3.21)	(1.61)	(0.08)	(97.85)
- Other financial liabilities	(33.89)	(11.35)	(1.71)	(0.67)	(47.62)
Net financial asset / (liability)	**(56.58)**	**(14.55)**	**(3.32)**	**(0.73)**	**(75.18)**

* Others includes currencies such as Japanese Yen, Dirhams, Rupiah, South Korean Won, Yuans etc.

Foreign currency sensitivity analysis

For every percentage point increase in the underlying exchange rate of the outstanding foreign currency denominated assets and liabilities, holding all other variables constant, the profit before tax for the year ended March 31, 2021 would change by ₹(0.56) crores [March 31, 2020: ₹(0.74 crores)]. For every percentage point decrease in the underlying exchange rate would have led to an equal but opposite effect.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligation.

Concentration of credit risk with respect to trade receivables are limited, due to Group's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a monthly basis. The Group's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management..

The credit risk on cash and bank balances and fixed deposits is limited because the counterparties are banks with high credit ratings.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from top customer from whom the Company receives 10% or more of its revenues	-	-
Revenue from top 5 customers	754.47	818.78

D. Fair value measurement

Fair value hierarchy

The fair value of financial instruments as referred to in Note 40.B above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The following levels have been used for classification:

Level 1: Quoted prices (unadjusted) for identical instruments in active market.

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs

Level 3: Inputs which are not based on observable market data.

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly for certain unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has classified certain unquoted equity instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

Financial Instrument	Valuation Technique	Key inputs used	Sensitivity
Investments in unquoted equity instrument at FVTOCI [1.65% equity instrument in Andhra Pradesh Gas Power Corporation Limited engaged in generation and distribution of power and domiciled in India]	Discounted Cash Flow Method	Long term growth rates, taking into account management's experience and knowledge of market conditions of the specific at 0% (as at March 31, 2020: 1% to 3%). Weighted average cost of capital (WACC) as determined 15% to 16% (as at March 31, 2020: 15% to 16%).	If the Long-term revenue growth rates used were 1% higher/lower while all other variables were held constant, the carrying amount of the shares would increase / (decrease) by ₹0.26 crores and ₹(0.24) crores respectively [as at March 31, 2020: ₹0.55 crores and ₹(0.48) crores respectively] A 1% increase / (decrease) in WACC or discount rate used while holding all other variables constant would (decrease) / increase the carrying amount of the unquoted equity investments by ₹(0.37) crores and ₹0.42 crores respectively [as at March 31, 2020: ₹(0.80) crores and ₹0.91 crores respectively]

Note:
These investments in equity instruments are not held for trading. Instead, they are held for long term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments as at FVTOCI irrevocably as the Management believes that this provides a more meaningful presentation for long term strategic investments, than reflecting changes in fair value immediately in profit or loss.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis :

	Fair value hierarchy (Level)	As at March 31, 2021	As at March 31, 2020
Financial assets			
a) Measured at amortised cost			
i) Other financial assets (non-current)	3	4.31	6.36
Sub-total		**4.31**	**6.36**
b) Measured at fair value through OCI			
i) Equity Shares - Quoted	1	0.21	0.14
ii) Equity Shares - Unquoted	3	6.33	13.20
Sub-total		**6.54**	**13.34**
c) Measured at fair value through profit or loss			
i) Investment in Mutual Funds	1	273.42	142.25
Sub-total		**273.42**	**142.25**
Total		**284.27**	**161.95**
Financial liabilities			
a) Measured at amortised cost			
i) Borrowings (non-current)	3	23.39	34.34
(ii) Lease Liabilities	3	57.98	37.10
Total		**81.37**	**71.44**

NOTE 41: DIVIDEND

Dividend on equity shares paid during the year	2020-2021	2019-2020
Final dividend for FY 2019-20 ₹Nil [for FY 2018-19 ₹5.08 per equity share of ₹1 each]	-	86.77
Dividend distribution tax on final dividend *	-	17.84
Interim dividend for the FY 2020-2021 (₹ 5 per equity share of ₹1 each) [for FY 2019-20 ₹11 per equity share]	85.41	187.89
Dividend distribution tax on interim dividend *	-	38.63
	85.41	331.13

Interim dividend of ₹5 per equity share of face value of ₹1 each approved by the Board of Directors of the Parent Company at its meeting held on February 13, 2021 was paid during the current year. The Board of Directors at its meeting held on May 22, 2021 has recommended a dividend of ₹6 per equity share of face value of ₹1 each which is subject to approval of its shareholders at the ensuing Annual General Meeting of the Parent Company and hence is not recognized as a liability. The total dividend (including interim dividend) for FY 2020-21 amounts to ₹11 per equity share (Previous year ₹11 per equity share).

*The Finance Act, 2020 has repealed the Dividend Distribution Tax (DDT). The Company is now required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is also subject to withholding tax at applicable rates.

NOTE 42:THE WHOLLY-OWNED SUBSIDIARY (WHICH ALONG WITH AMARA RAJA BATTERIES LIMITED, THE PARENT, CONSTITUTE THE GROUP) CONSIDERED IN THE PREPARATION OF THESE CONSOLIDATED FINANCIAL STATEMENTS IS :

Name	Country of Incorporation	Percentage of ownership as at March 31, 2021
Amara Raja Batteries Middle East (FZE)	Sharjah, UAE	100%

These Consolidated Financial Statements are based, in so far as they relate to amounts included in respect of the wholly-owned subsidiary on the audited financial statements prepared for consolidation in accordance with the requirements of Indian Accounting Standard - 110 (Ind AS 110) on "Consolidated Financial Statements"

NOTE 43: 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:

Name of the entity	As at March 31, 2021							
	Net Assets		Share in Profit or (loss)		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated Profit or (Loss)	Amount	As % of consolidated other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Amara Raja Batteries Middle East (FZE)	0.01%	0.47	0.01%	0.10	-0.15%	0.01	0.02%	0.11

Name of the entity	As at March 31, 2020							
	Net Assets		Share in Profit or (loss)		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated Profit or (Loss)	Amount	As % of consolidated other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Amara Raja Batteries Middle East (FZE)	(0.00%)	(0.37)	0.008%	0.05	0.00%	-	0.00%	0.05

NOTE 44:

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold needs to spend atleast 2% of its average net profits for the immediate preceding three financial years on corporate social responsibility (CSR) activities. Accordingly, the gross amount required to be spent during the year is ₹15.20 crores (March 31, 2020 ₹14.35 crores). The entire amount of ₹15.20 crores has been spent by the Parent Company during the year on activities specified under Schedule VII of the Companies Act, 2013 (namely promotion of education and employment enhancing vocational skills) and disclosed under Note 28 to the Consolidated Financial Statements (March 31, 2020 ₹14.35 crores).

NOTE 45:

The Management has considered the possible effects that may arise out of the COVID-19 pandemic in concluding on significant accounting judgments and estimates, inter-alia, recoverability of receivables, inventory and other assets based on the information available to date, both internal and external, to the extent relevant, while preparing these consolidated financial statements as of and for the year ended March 31, 2021. There is no material impact on these financial statements for the year ended March 31, 2021 owing to the pandemic. The eventual outcome of impact of the COVID-19 pandemic may be different from those estimated as on the date of approval of these consolidated financial statements.

NOTE 46:

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits has been enacted. However, the date on which the Code will come into effect has not yet been notified. The Management will complete its evaluation and will give appropriate impact in its financial statements in the period in which the Code becomes effective.

NOTE 47:

The consolidated financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on May 22, 2021.

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Jayadev Galla
Vice Chairman and Managing Director

S Vijayanand
Chief Executive Officer

Y Delli Babu
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Hyderabad/Tirupati, May 22, 2021

Notice of the Annual General Meeting

To the members of
AMARA RAJA BATTERIES LIMITED

NOTICE is hereby given that the 36th Annual General Meeting (AGM) of the members of Amara Raja Batteries Limited will be held on Saturday, August 14, 2021 at 3:00 P.M IST through video conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

Ordinary Business:

To consider, and if thought fit, to pass, the following resolution nos. from 1 to 4, as an **ordinary resolution(s)**.

1. **To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2021, the report of the Auditors' thereon and the report of the Board of Directors'.**

   "**RESOLVED** that the audited standalone financial statements of the Company for the financial year ended March 31, 2021, the report of the auditors' thereon and the report of the Board of Directors for the financial year ended March 31, 2021 as circulated to the members of the Company along with the notice of the 36th Annual General Meeting and submitted to this meeting be and are hereby received, considered and adopted."

2. **To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2021 together with the Auditors' report thereon.**

   "**RESOLVED** that the audited consolidated financial statements of the Company for the financial year ended March 31, 2021 and the report of the auditor's thereon as circulated to the members of the Company along with the notice of the 36th Annual General Meeting and submitted to this meeting be and are hereby received, considered and adopted."

3. **To declare final dividend on the equity shares of the Company for the financial year ended March 31, 2021.**

   "**RESOLVED** that the final dividend of ₹6 per share (600%) as recommended by the Board of Directors be and is hereby declared on the equity shares of ₹1 each of the Company for the year ended March 31, 2021 and the same be paid to those shareholders, in case of shares held in physical form, whose names appear in the register of members as of the close of business hours on July 30, 2021 and in case of shares held in dematerialised form to the beneficiaries as of the close of business hours on July 30, 2021 as per details furnished by the depositories for this purpose."

4. **To resolve not to fill the casual vacancy caused by retirement of Dr. Ramachandra N Galla (DIN: 00133761) who retires by rotation at the conclusion of this Annual General Meeting.**

   "**RESOLVED** that pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time ("Act"), the casual vacancy caused by retirement of Dr. Ramachandra N Galla (DIN: 00133761), who retires by rotation at the conclusion of this Annual General Meeting and who does not offer himself for re-appointment, be not filled-up."

Special Business:

To consider, and if thought fit, to pass, the resolution nos. 5, 7, 9, 10 and 12 as an **ordinary resolution(s)** and the resolution nos. 6, 8 and 11 as **special resolution(s)**.

5. **To appoint Mr. Harshavardhana Gourineni (DIN: 07311410) as a Director, liable to retire by rotation.**

   "**RESOLVED** that pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time ("Act"), Mr. Harshavardhana Gourineni (DIN: 07311410) who was appointed as an Additional Director of the Company with effect from June 12, 2021 by the Board of Directors, who holds office upto the date of this Annual General Meeting under Section 161 of the Act and Article 17.3 of the Articles of Association of the Company, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, and being eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation with effect from the date of this meeting."

   "**RESOLVED FURTHER** that the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. **To appoint Mr. Harshavardhana Gourineni (DIN: 07311410) as an Executive Director of the Company and fix his remuneration.**

   "**RESOLVED** that pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and read with Schedule V, as amended from time to time ("Act") and pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("Listing Regulations"), approval of the members of the Company be and is hereby accorded for the appointment of Mr. Harshavardhana Gourineni (DIN : 07311410) as Whole-time Director designated as an Executive Director of the Company for a period of 5 years with effect from June 12, 2021 to June 11, 2026 on the terms and conditions of appointment including remuneration as recommended by the Nomination and Remuneration Committee and the Board of Directors, which is set out in the explanatory statement annexed to the notice convening this annual general meeting.

RESOLVED FURTHER that Mr. Harshavardhana Gourineni (DIN: 07311410) on re-appointment as a director liable to retirement by rotation, shall continue to hold his office of Executive Director and the reappointment as such director shall not be deemed to constitute a break in his office of Executive Director.

RESOLVED FURTHER that the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter and vary the terms and conditions of the said appointment including inter-alia designation, remuneration including authority to determine/ vary from time to time the structure of remuneration i.e amount of salary, perquisites, other benefits and allowances, variable performance pay and commission payable to Mr. Harshavardhana Gourineni in such manner as may be agreed to between the Board and Mr. Harshavardhana Gourineni, subject to the total remuneration not exceeding two and half percent (2.50%) of the net profits of the Company calculated as per Section 198 of the Act, per annum and to execute all such documents, instruments, writings and to do all such acts , deeds, matters and things as it may, in its sole and absolute discretion deem necessary, expedient, usual or proper to give effect to this resolution."

7. **To appoint Mr. Vikramadithya Gourineni (DIN: 03167659) as a Director, liable to retire by rotation.**

"RESOLVED that pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time ("Act"), Mr. Vikramadithya Gourineni (DIN: 03167659) who was appointed as an Additional Director of the Company with effect from June 12, 2021 by the Board of Directors, who holds office upto the date of this Annual General Meeting under Section 161 of the Act and Article 17.3 of the Articles of Association of the Company, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, and being eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation with effect from the date of this meeting."

"RESOLVED FURTHER that the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

8. **To appoint Mr. Vikramadithya Gourineni (DIN: 03167659) as an Executive Director of the Company and fix his remuneration.**

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and read with Schedule V, as amended from time to time ("Act") and pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (" Listing Regulations"), approval of the members of the Company be and is hereby accorded for the appointment Mr. Vikramadithya Gourineni (DIN: 03167659) as Whole-time Director designated as an Executive Director of the Company for a period of 5 years with effect from June 12, 2021 to June 11, 2026 on the terms and conditions of appointment including remuneration as recommended by the Nomination and Remuneration Committee and the Board of Directors which is set out in the explanatory statement annexed to the notice convening this annual general meeting.

RESOLVED FURTHER that Mr. Vikramadithya Gourineni (DIN: 03167659) on re-appointment as a director liable to retirement by rotation, shall continue to hold his office of Executive Director and the reappointment as such director shall not be deemed to constitute a break in his office of Executive Director

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter and vary the terms and conditions of the said appointment including inter-alia designation, remuneration including authority to determine/ vary from time to time the structure of remuneration i.e amount of salary, perquisites, other benefits and allowances, variable performance pay and commission payable to Mr. Vikramadithya Gourineni in such manner as may be agreed to between the Board and Mr. Vikramadithya Gourineni, subject to the total remuneration not exceeding two and half percent (2.50%) of the net profits of the Company calculated as per Section 198 of the Act per annum and to execute all such documents, instruments, writings and to do all such acts , deeds, matters and things as it may, in its sole and absolute discretion deem necessary, expedient, usual or proper to give effect to this resolution."

9. **To appoint Mr. Annush Ramasamy (DIN: 01810872) as an Independent Director of the Company.**

"RESOLVED that pursuant to the provisions of Sections 149, 152, 160 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV, as amended from time to time ("Act") and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time("Listing Regulations"), Mr. Annush Ramasamy (DIN: 01810872) who was appointed as an Additional Director categorized as an Independent Director with effect from June 12, 2021 by the Board of Directors, who holds office upto the date of this Annual General Meeting under Section 161 of the Act and Article 17.3 of the Articles of Association of the Company, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years from June 12, 2021 to June 11, 2026."

"RESOLVED FURTHER that the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

10. To approve entering into transactions with Mangal Industries Limited and authorise the Board to enter into agreement(s)/ contract(s) with MIL

"RESOLVED that in supersession of resolution passed by the members at the annual general meeting held on August 7, 2017 and pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time ("Act") and the Company's policy on the related party transactions, approval of the members of the Company be and is hereby accorded to the Board of Directors or Committee of the Board of Directors (hereinafter referred to as the "Board") for entering into contract/arrangement/transactions with Mangal Industries Limited (MIL), a related party for the purchase, sale or supply of products, materials, equipment(s), goods availing or rendering of services or any other obligations including leasing of property on such terms and conditions as the Board may deem fit upto a maximum amount of ₹1,500 crores in each financial year commencing from FY 2021-22 onwards, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis.

RESOLVED FURTHER that the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Audit Committee of the Board) be and is hereby authorised to decide upon the nature and value of products, materials, equipment(s), goods or services to be transacted with MIL within the aforesaid limits and to do all such acts, deeds and things, as it may in its absolute discretion deem necessary or expedient, to give effect to the aforesaid resolution."

11. To amend the main objects clause of the Memorandum of Association of the Company

"RESOLVED that pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, subject to such other requisite approvals, if any, in this regard from appropriate authorities and term(s), condition(s), amendment(s) or modification(s) as may be required or suggested by such appropriate authorities and agreed to by the Board of Directors (hereinafter referred to as "Board" which term shall include any of committees of the Board or one or more directors),consent of the members of the Company be and is hereby accorded for amendment of the Main objects of the Company i.e Clause III of the Memorandum of Association of the Company in the manner set out hereunder:

a. To add the following new sub clause (3) after sub clause (2)

To undertake, take up, carry on, engage, either alone or jointly, into the business of manufacturing, processing, assembling, trading, marketing, repairing and distribution, deal in all kind of materials, equipment for use in all kind of applications in market segments such as e-mobility, automotive, domestic, commercial, industrial, or for any other purposes and the matters ancillary thereto, including but not limited to energy storage & management products and technologies, Lead Acid Batteries, lithium cells; aluminum fuel cells, or fuel cells ("battery cells"); or such other chemistries and components of battery cells; and batteries packs composed of such battery cells including module making & other systems; electric vehicles; power conversion and evacuation systems etc.; integrated power systems; mobility solutions; battery swapping stations; power/energy management system; public or private charging network; chargers, invertors, capacitors; solar energy cells, including PV cells and modules or such other alternative energy generating devices and parts thereof.

RESOLVED FURTHER that the Board be and is hereby authroised to undertake all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be deem necessary, proper, desirable and expedient in its absolute discretion including the powers to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of the Directors or to any Director of the Company or officer(s) or Employee (s) or any person, for the purpose of giving effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard.

12. To ratify the remuneration of the Cost Auditors for the financial year 2021-22.

"RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time ("Act"), M/s. Sagar & Associates, Cost Accountants, Hyderabad, Firm Registration No. 000118, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2021-22 at a remuneration of ₹4,75,000 (Rupees Four lakhs Seventy Five Thousand only) plus reimbursement of out of pocket expenses and applicable taxes be and is hereby ratified.

RESOLVED FURTHER that any of the Directors or Key Managerial Personnel of the Company be and they are hereby severally authorised to do all acts and take all steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors
For **Amara Raja Batteries Limited**

Place: Hyderabad
Date: June 12, 2021

Vikas Sabharwal
Company Secretary

Corporate Identification Number (CIN): L31402AP1985PLC005305

Registered Office:
Renigunta-Cuddapah Road
Karakambadi, Tirupati, Andhra Pradesh – 517 520
Tel: 91 (877) 226 5000 | Fax: 91 (877) 228 5600
E-mail id: investorservices@amararaja.com
Website: www.amararajabatteries.com

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") issued general circular nos. 14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively and general circular no. 02/2021 dated January 13, 2021 and the Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to "Circulars") permitted the holding of 36th Annual General Meeting ("AGM") through Video Conference (VC) or Other Audio Visual Means (OVAM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, the Rules made thereunder (Act) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and aforesaid Circulars, the 36th AGM of the Company will be held through VC / OAVM. The deemed venue for the 36th AGM shall be the Registered Office of the Company.

2. The VC/OAVM facility for members to join the meeting, shall be kept open 30 minutes before the start of the AGM and shall be closed on expiry of 30 minutes after start of the AGM. Members can attend and participate in the AGM through VC/OAVM only the following the instructions given in Serial No. 24 of this Notice.

3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy so appointed need not be a member of the Company. Since this AGM is being held pursuant to the aforesaid Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route map are not annexed to this Notice.

4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization should be sent to the Scrutinizer by email through its registered email address to vsureshpcs@gmail.com with a copy marked to evoting@nsdl.com.

5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), the Rules made thereunder and pursuant to the relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), which sets out details relating to the special business to be transacted at the meeting, is annexed hereto as an **Annexure - I** and forms part of the notice. The Board of Directors of the company at its meeting held on June 12, 2021 considered that the special businesses under item number 5 to 12, are unavoidable, and hence need to be transacted at the 36th AGM of the Company.

7. Brief profile of Mr. Harshavardhana Gourineni, Mr. Vikramadithya Gourineni and Mr. Annush Ramasamy, Directors proposed to be appointed along with the names of the Companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and other details as required under Secretarial Standard on General Meetings and Listing Regulations are furnished as an **Annexure - II** and forms part of the notice.

8. In compliance with the aforesaid Circulars, the Annual Report 2020-21 including the notice of the AGM, inter-alia, indicating the process and manner of remote e-voting, attending AGM through VC/OVAM and instructions for members for e-voting on the day of AGM are being sent by electronic mode to all the members whose e-mail address are registered with the Company/Depositories for communication purposes. Members holding shares in physical / demat form who have not registered their email address with the Company can get the same registered with the Company as per the procedure provided in Serial No. 21.

9. Members may also note that the notice of the AGM and the Annual Report 2020-21 would be posted on the Company's website www.amararajabatteries.com, and also on the websites of the stock exchanges i.e BSE Limited and The National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM notice will be also available on the website of NSDL www.evoting.nsdl.com

10. The registers i.e Register of Directors and Key Managerial Personnel and their shareholding and Register of Contracts or Arrangements in which directors are interested maintained under Section 170 and Section 189 of the Act respectively will be available electronically for inspection by members during the AGM. All documents referred to in this Notice and the Explanatory Statement annexed hereto will also be available for electronic inspection without any fee by the members from the date of circulation of this notice up to the date of AGM, i.e. August 14, 2021. Members seeking to inspect such documents can send an email to investorservices@amararaja.com.

11. The register of members and share transfer books of the Company will remain closed from Saturday, July 31, 2021 to Friday, August 6, 2021 (both days inclusive), for the purpose of determining the entitlement of member to the final dividend for the financial year 2020-21, if declared at the meeting.

12. The final dividend, if declared, shall be paid on or before September 13, 2021 to those members whose name appear in the register of members as of the close of business hours on July 30, 2021 and in case of shares held in dematerialised form to the beneficiaries as of the close of business hours on July 30, 2021 as per details furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

13. Pursuant to the amendments in the Income Tax Act, dividend income is taxable in the hands of the members effective from April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending email to the Company's email address at investorservices@amararaja.com and investor@cameoindia.com.

For more details, members are requested to refer **"communication on tax deduction at source on dividend distribution"** appended to this notice.

14. The recorded transcript of the AGM, shall also be made available on the website of the Company www.amararajabatteries.com in the Investors section as soon as possible, after the meeting is concluded.

15. **Questions prior to AGM :** Members seeking any information or ask questions with regard to the financial statements of the Company or on any matter in the annual report 2020-21, are requested to write from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investorservices@amararaja.com on or before August 10, 2021. Such information sought or questions by the members shall be furnished or replied by the Company suitably.

16. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrars and Transfer Agents, Cameo Corporate Services Limited, Unit: Amara Raja Batteries Limited, V Floor, Subramanian Building, Club House Road, Anna Salai, Chennai - 600002 ("Cameo" or "RTA") for assistance in this regard.

17. To support the 'Green Initiative', members who have not registered their e-mail addresses so far are requested to register their e-mail address with their Depository participants (DPs), in case the shares are held by them in electronic form/Demat form and with Cameo Corporate Services Limited in case the shares are held by them in physical form for receiving all communication(s) including Annual Report, Notices, Circulars, etc. from the Company electronically. Alternatively, members holding shares in physical form are requested to visit https://investors.cameoindia.com to register their e-mail address and mobile number with the Company.

18. Members are requested to register or intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc to their Depository Participants with whom they are maintaining their demat accounts in case the shares are held by them in electronic form/demat form and to Cameo Corporate Services Limited in case the shares are held by them in physical form.

19. Pursuant to the provisions of Section 124(5) of the Act, the amount of final dividend declared/paid up to the financial year 2012-13 and remaining unpaid for 7 years has been transferred, from time to time on respective due dates, to the Investors Education and Protection Fund (IEPF). Due date for transfer of unclaimed/unpaid dividend for FY 2013-14 and thereafter to IEPF are given in other requirements/information part of the Corporate Governance report. Details of unpaid/unclaimed dividends lying with the Company as on March 31, 2021 is available on the website of the Company i.e. www.amararajabatteries.com

20. As per the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017 and amendments made thereunder ("Rules"), all shares in respect of which dividend remains unpaid or unclaimed for seven years, or more, are required to be transferred to the Investor Education and Protection Fund (IEPF) Authority. The shareholders are requested to claim their unpaid/unclaimed dividend in order to avoid transfer of shares to IEPF Authority. The Company has transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as per Rules. The details of shares transferred to IEPF have also been uploaded on the website of the IEPF Authority and the same can be accessed at www.iepf.gov.in. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed from IEPF. Concerned members/investors are advised to visit the weblink: http://www.iepf.gov.in/IEPF/refund.html or contact Cameo Corporate Services Limited for lodging claim for refund of shares and / or dividend from the IEPF Authority.

21. **Members who have not registered their e-mail ids with Company or with Depository Participant may follow the process detailed below for registration of email id to obtain the Annual Report in electronic mode; to receive all future communication from the Company and updation of bank account mandate for receipt of dividend:**

Type	Process to be followed
Members holding shares in Physical mode	Send a request to the Registrar and Transfer Agents of the Company, Cameo Corporate Services Limited or to the Company at agm@cameoindia.com or investorservices@amararaja.com respectively providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card). **The following additional details/documents need to be provided for updation of Bank Account Details:** a) Name and Branch of the Bank in which you wish to receive the dividend, b) the Bank Account type, c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions d) 9 digit MICR Code Number, and e) 11 digit IFSC Code f) a scanned copy of the cancelled cheque bearing the name of the first shareholder.
Members holding shares in demat mode	**For e-mail address registration and updation of bank details:** Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

22. **Voting through Electronics Means ("Remote e-voting"):**

i. In compliance with the provisions of Section 108, 110 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the Listing Regulations, the Company is pleased to provide e-voting facility to the members to exercise their right to vote on resolutions set forth in the notice convening the 36th Annual General Meeting (AGM) by electronic means. The members may cast their vote using an electronic voting system from a place other than the venue of the meeting ('Remote e-voting'). The Company has engaged the services of National Securities Depository Limited (NSDL) as the authorised agency to provide e-voting facilities. The instructions for remote e-voting are given in Serial No. 23.

ii. The remote e-voting event number (EVEN) is 116395. The remote e-voting will commence on August 10, 2021 (9:00 a.m IST) and ends on August 13, 2021 (5:00 p.m IST). During this period, members of the Company, holding shares either in physical form or in dematerialised form as on August 7, 2021 i.e cut off date may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the member shall not be allowed to change it subsequently or cast the vote again.

iii. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. August 7, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990** and **1800 22 44 30** . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. August 7, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

iv. The members who have cast their vote by e-voting prior to the meeting may also attend the AGM through VC/OAVM but shall not be entitled to cast their vote again.

v. The facility for remote e-voting shall be made available during the AGM and those members who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM. The procedure for e-Voting on the day of the AGM is same as the instructions given in Serial No. 23 for Remote e-voting.

vi. The voting rights of the members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date i.e August 7, 2021. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories as on the cut-off date i.e. August 7, 2021 shall only be entitled to avail the facility of remote e-voting and during the AGM.

vii. The Board of Directors has appointed Mr. V. Suresh (Membership No. FCS 2969 and CP No. 6032) and failing him Mr. Udaya Kumar K

R (Membership No. 42435 and CP No. 21973) of V Suresh Associates, Practising Company Secretaries as a Scrutinizer to scrutinize the remote e-voting process and during the AGM in a fair and transparent manner.

viii. The Scrutinizer shall, immediately after the conclusion of voting during the meeting, would first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later than 48 hours from the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman or a person authorised by the Chairman for counter signature.

ix. The Results shall be declared by the Chairman or by an authorised person of the Chairman and the resolutions will be deemed to have been passed on the date of AGM, subject to receipt of requisite number of votes in favour of the resolutions.

x. After declaration of the results, the same shall be placed along with the Scrutinizer's Report(s) on the website of the Company www.amararajabatteries.com and on NSDL's website https://evoting.nsdl.com and communicated to the Stock Exchanges i.e BSE Limited and The National Stock Exchange of India Limited, where the shares of the Company are listed for placing the same on their website(s).

23. Instructions for remote e-voting:

The way to vote electronically on NSDL e-voting system consists of 'Two Steps' which are mentioned below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If your are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at: https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Demat mode with CDSL	Existing users who have opted for Easi / Easiest, they can login through their user ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System - Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at : https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in Demat mode) login through their depository participants	You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login is complete, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at the above-mentioned website.

Helpdesk for Individual Shareholders holding securities in Demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

a. **Individual Shareholders holding securities in Demat mode with NSDL :** Members facing any technical issue to login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 224 430

b. **Individual Shareholders holding securities in Demat mode with CDSL :** Members facing any technical issue to login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at +91 22 2305 8738 or +91 22 2305 8542-43

B. **Login Method for e-Voting and attending the AGM through VC/ OAVM shareholders other than Individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode.**

Step 1: How to Log-in to NSDL e-voting website?

i. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com either on a personal computer or on a mobile.

ii. Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholders/Member" section.

iii. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

iv. **Your User ID details are given below:**

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
For Members holding shares in Physical Form.	EVEN followed by Folio Number registered with the company For example if EVEN is 116395 and folio number is 001*** and then user ID is 116395001***

v. **Password details for shareholders other than Individual shareholders are given below:**

a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-voting system for the first time, you will need your 'initial password'. The details of 'initial password' are given in c (i) and (ii) below. Once you have your 'initial password', you need to enter the 'initial password' on the login page and the system will force you to change your password.

c) Initial password:

i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL in your mailbox from evoting@nsdl.com. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii) In case you have not registered your email address with the Company/Depository, please follow process for procuring User ID and password and registration of e-mail ID for e-voting as mentioned in serial no. 17.

vi. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

a) If you are holding shares in your demat account with NSDL or CDSL, click on **"Forgot User Details/Password?"** option available on www.evoting.nsdl.com.

b) If you are holding shares in physical mode, click on **"Physical User Reset Password?"** option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.

vii. After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.

viii. Now, you will have to click on "Login" button.

ix. After you click on the "Login" button, Home page of e-voting will open.

Step 2 : Cast your vote electronically and join General Meeting on NSDL e-Voting system

i. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

ii. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

iii. Now you are ready for e-voting as the Voting page opens.

iv. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

v. Upon confirmation, the message "Vote cast successfully" will be displayed.

vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

i. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to vsureshpcs@gmail.com with a copy marked to evoting@nsdl.co.in

ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on https://www.evoting.nsdl.com to reset the password.

iii. In case of any queries relating to e-voting you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of https://www.evoting.nsdl.com or call on tollfree no.: 1800-222-990 or send a request at evoting@nsdl.co.in

In case of any grievances connected with facility for e-voting, please contact Mrs. Sarita Mote, Assistant Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: evoting@nsdl.co.in or Toll free no. 1800 1020 990 /1800 224 430

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

i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

ii. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

iii. Members are encouraged to join the meeting through laptops instead of mobiles for better experience.

iv. Further, members are requested to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

v. Registration as speaker at AGM: Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investorservices@amararaja.com from August 7, 2021 (9:00 a.m IST) to August 10, 2021 (5:00 p.m IST) .

vi. Those members who have registered themselves as a speaker in advance will only be allowed to express their views/ask questions during the AGM.

vii. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

viii. In case any assistance is needed, members may contact:

a. NSDL on evoting@nsdl.co.in or at toll free no. 1800 1020 990 and 1800 22 44 30

b. Mrs. Sarita Mote, Assistant Manager, NSDL at evoting@nsdl.co.in or at toll free no. 1800 1020 990 and 1800 22 44.

By order of the Board of Directors
For **Amara Raja Batteries Limited**

Place: Hyderabad
Date: June 12, 2021

Vikas Sabharwal
Company Secretary

Annexure - I

Statement pursuant to Section 102 (1) of the Companies Act, 2013("Act"), rules, standards made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

The following statement sets out all material facts relating to ordinary / special business mentioned in the accompanying notice dated June 12, 2021 and shall be taken as forming part of the notice.

Item No. 4: Ordinary Resolution

Dr. Ramachandra N Galla, was appointed as a Director at the last Annual General Meeting held on August 7, 2020. Being the longest-serving Non-Executive Director on the Board, he is liable to retire by rotation at the conclusion of this 36th Annual General Meeting. He had expressed his desire not to offer himself for re-appointment and to take up full time philanthropic activities. He firmly believes that this will pave way for the next generation to succeed him and lead the Company to pursue new and emerging growth opportunities.

Dr. Galla steered the Company for 36 years and occupied various positions in the Company including the office of the Chairman and Managing Director and at present he holds the office of the Non-Executive Chairman of the Company. He was instrumental in navigating the Company to establish itself into a leadership position through significant transformation of products, technologies and business models.

The Board of Directors had placed on record their appreciation for his vision, valuable guidance and advice extended by him during his tenure as a Director of the Company. His values, outlook, and ideals, as documented in 'The Amara Raja Way®', will continue to serve future generations of the Company.

Accordingly, the Board, based on the recommendation of the Nomination and Remuneration Committee, unanimously recommends the ordinary resolution as set out at item no. 4 of this notice.

Dr. Ramachandra N Galla, Chairman, Mr. Jayadev Galla, Mr. Harshavardhana Gourineni and Mr. Vikramadithya Gourineni are related to each other and are concerned or interested in the resolution as set out at item no. 4 of this notice.

None of the other directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item no. 4 of this notice.

Item Nos. 5 and 6: Ordinary Resolution and Special Resolution

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) has appointed Mr. Harshavardhana Gourineni (Mr. Harsha) as an Additional Director of the Company under Section 161 of the Companies Act and Articles of Association, with effect from June 12, 2021.

In terms of Section 161 of the Companies Act, Mr. Harsha holds office only upto the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director. The Company has received a Notice under Section 160 of the Companies Act from a Member signifying his intention to propose Mr. Harsha's appointment as a Director.

The Board (based on the recommendation of Nomination and Remuneration Committee) has also appointed Harsha as the Executive Director of the Company for a period of five years from June 12, 2021 upto June 11, 2026, upon the terms & conditions hereinafter indicated, subject to approval of the Members.

In his capacity as an Executive Director, Mr. Harsha will be focusing on driving the Lead acid battery value maximisation strategies apart from other key initiatives. The members of the Company are also requested to note that, Dr. Ramadevi Gourineni, non-executive director tendered her resignation due to pre-occupation in her medical profession. Further, Dr. Ramachandra N Galla, Chairman expressed his desire not to seek his re-appointment at this Annual General Meeting.

The members of the Company are requested to note that, as per Regulation 17 (6)(e) of Listing Regulations, approval of the members by way of special resolution is required in case of annual remuneration payable to executive directors who are promoters or members of the promoter group exceeds INR 5 crore or 2.5% of the net profits of the listed entity, whichever is higher or where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the Company.

The approval of the members by way of special resolution is sought for appointment of Mr. Harsha as an Executive Director and for payment of remuneration to him for a period of 5 years from June 12, 2021 to June 11, 2026. The broad particulars of the terms and conditions of appointment including remuneration payable to Mr. Harsha are as follows:

1. Mr. Harsha, Executive Director, shall, subject to the supervision and control of the Board of Directors and shall carry out such duties and exercise such powers as may be entrusted or delegated to him by the Board of Directors.
2. **Period of agreement:** 5 years from June 12, 2021 to June 11, 2026.
3. **Remuneration comprising of salary, perquisites/benefits and commission shall be as follows:**

   A. Salary : ₹12,00,000/- per month

   B. Perquisites/Benefits :

   i. **Housing:** Rent Free accommodation or House Rent Allowance as may be applicable to the employees of the Company or provision of furnished accommodation.

   ii. **Medical reimbursement:** Reimbursement of medical expenses incurred for self and family and dependent parents, subject to a ceiling of one month's salary per year.

   iii. **Leave travel concession:** Leave Travel Concession for self and family to and from any place in India, once in a year in accordance with the rules of the Company.

iv. **Provident fund:** Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

v. **Leave encashment:** Encashment of leave at the end of tenure as per the rules of the Company.

vi. **Gratuity:** Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

vii. **Car:** Chauffeur driven car for business purposes.

viii. **Telephone/Mobile:** Telephone / Communication facilities at residence and mobile phone for business purposes.

ix. **Club fee:** Club fee subject to a maximum of two clubs. No admission and life membership fee will be paid.

C. Commission: Two and half per cent (2.50%) of the net profits of the Company, inclusive of salary and perquisites/Benefits.

4. **Overall remuneration**

The aggregate of salary, perquisites and Commission in any financial year shall not exceed 2.50% of the net profits of the Company calculated as per Section 198 of the Act.

5. **Minimum remuneration**

Where in any financial year, during the tenure of Mr. Harsha, Executive Director, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Harsha, Executive Director, remuneration by way of salary, commission and perquisites not exceeding the limits as specified under Section II of Part II of Schedule V to the Act, as amended from time to time.

6. Mr. Harsha, Executive Director shall be entitled to reimbursement of all actual expenses or charges including travel, entertainment or other out of pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business.

7. The terms and conditions of the said appointment and/ or agreement may be altered, enhanced or varied from time to time by the Board as it may, in its discretion, deem fit.

8. The agreement may be terminated by either party after giving the other party three (3) months' notice.

9. Mr. Harsha, Executive Director shall not be entitled to receive any fees for attending meetings of the Board/Committee.

The particulars of Mr. Harsha viz., qualification and directorships and memberships of other Board Committees, shareholding and other details as required under secretarial standards and Listing Regulations are furnished hereunder as **Annexure II**.

The Board, based on the recommendation of the Nomination and Remuneration Committee, unanimously recommends the ordinary resolution and special resolution as set out at item nos. 5 and 6 of this notice respectively.

Dr. Ramachandra N Galla, Mr. Jayadev Galla, Mr. Harshavardhana Gourineni, and Mr. Vikramadithya Gourineni are related to each other and their relatives are concerned or interested in the resolutions as set out at item nos. 5 and 6 of this notice.

None of the other directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item nos. 5 and 6 of this notice.

Item Nos. 7 and 8: Ordinary Resolution and Special Resolution

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) has appointed Mr. Vikramadithya Gourineni (Mr. Vikram) as an Additional Director of the Company under Section 161 of the Companies Act and Articles of Association, with effect from June 12, 2021.

In terms of Section 161 of the Companies Act, Mr. Vikram holds office only upto the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director. The Company has received a Notice under Section 160 of the Companies Act from a Member signifying his intention to propose Mr. Vikram's appointment as a Director.

The Board (based on the recommendation of Nomination and Remuneration Committee) has also appointed Mr. Vikram as the Executive Director of the Company for a period of five years from June 12, 2021 upto June 11, 2026, upon the terms & conditions hereinafter indicated, subject to approval of the Members.

In his capacity as an Executive Director, Mr. Vikram will be focusing on New Energy strategy apart from other key initiatives. The members of the Company are also requested to note that, Dr. Ramadevi Gourineni, non-executive director tendered her resignation due to pre-occupation in her medical profession. Further, Dr. Ramachandra N Galla, Chairman expressed his desire not to seek his re-appointment at this Annual General Meeting.

The members of the Company are requested to note that, as per Regulation 17 (6)(e) of Listing Regulations, approval of the members by way of special resolution is required in case of annual remuneration payable to executive directors who are promoters or members of the promoter group exceeds INR 5 crore or 2.50% of the net profits of the listed entity, whichever is higher or where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the Company.

The approval of the members by way of special resolution is sought for appointment of Mr. Vikram as an Executive Director and for payment of remuneration to him for a period of 5 years from June 12, 2021 to June 11, 2026 The broad particulars of the terms and conditions of appointment including remuneration payable to Mr. Harsha are as follows:

1. Mr. Vikram, Executive Director, shall, subject to the supervision and control of the Board of Directors and shall carry out such duties and exercise such powers as may be entrusted or delegated to him by the Board of Directors.

2. **Period of agreement:** 5 years from June 12, 2021 to June 11, 2026.

3. **Remuneration comprising of salary, perquisites/benefits and commission shall be as follows:**

A. Salary : ₹12,00,000/- per month

B. Perquisites/Benefits:

i. **Housing:** Rent Free accommodation or House Rent Allowance as may be applicable to the employees of the Company or provision of furnished accommodation

ii. **Medical reimbursement:** Reimbursement of medical expenses incurred for self and family and dependent parents, subject to a ceiling of one month's salary per year.

iii. **Leave travel concession:** Leave Travel Concession for self and family to and from any place in India, once in a year in accordance with the rules of the Company.

iv. **Provident fund:** Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

v. **Leave encashment:** Encashment of leave at the end of tenure as per the rules of the Company.

vi. **Gratuity:** Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

vii. **Car:** Chauffeur driven car for business purposes.

viii. **Telephone/Mobile:** Telephone / Communication facilities at residence and mobile phone for business purposes.

ix. **Club fee:** Club fee subject to a maximum of two clubs. No admission and life membership fee will be paid.

C. Commission: Two and half per cent (2.50%) of the net profits of the Company, inclusive of salary and perquisites/Benefits.

4. **Overall remuneration**

The aggregate of salary, perquisites and Commission in any financial year shall not exceed 2.50% of the net profits of the Company calculated as per Section 198 of the Act.

5. **Minimum remuneration**

Where in any financial year, during the tenure of Mr. Vikram, Executive Director, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Vikram, Executive Director, remuneration by way of salary, commission and perquisites not exceeding the limits as specified under Section II of Part II of Schedule V to the Act, as amended from time to time.

6. Mr. Vikram, Executive Director shall be entitled to reimbursement of all actual expenses or charges including travel, entertainment or other out of pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business.

7. The terms and conditions of the said appointment and/ or agreement may be altered, enhanced or varied from time to time by the Board as it may, in its discretion, deem fit.

8. The agreement may be terminated by either party after giving the other party three (3) months' notice.

9. Mr. Vikram, Executive Director shall not be entitled to receive any fees for attending meetings of the Board/Committee.

The particulars of Mr. Vikram viz., qualification and directorships and memberships of other Board Committees, shareholding and other details as required under secretarial standards and Listing Regulations are furnished hereunder as **Annexure II**.

The Board, based on the recommendation of the Nomination and Remuneration Committee, unanimously recommends the ordinary resolution and special resolution as set out at item no. 7 and 8 of this notice respectively.

Dr. Ramachandra N Galla, Mr. Jayadev Galla, Mr. Harshavardhana Gourineni, and Mr. Vikramadithya Gourineni are related to each other and their relatives are concerned or interested in the resolutions as set out at item nos. 7 and 8 of this notice.

None of the other directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item nos. 7 and 8 of this notice.

Item No. 9: Ordinary Resolution

The Board appointed Mr. Annush Ramasamy (DIN: 01810872), as an Additional Director of the Company by the Board with effect from June 12, 2021, categorized as independent by the Board for a term of five years with effect from June 12, 2021 up to June 11, 2026, subject to the approval of shareholders of the company at the AGM.

The Company has received a notice from a member proposing the candidature of Mr. Annush Ramasamy for appointment as an Independent Director of the Company.

Mr. Annush Ramasamy, had given his consent and also declaration that he meets with the criteria of independence as provided in Section 149(6) of the Act and Regulations. The Board of Directors reviewed the said declarations and in the opinion of the Board, Mr. Annush Ramasamy fulfills the conditions specified in the Act, the rules made thereunder, Regulations for his appointment as an Independent Director and he is independent of the management.

The particulars of Mr. Annush Ramasamy viz., qualification and directorships and memberships of other Board Committees, shareholding and other details as required under secretarial standards are furnished hereunder as **Annexure II**.

Pursuant to Sections 149, 152, 160 and all other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV to the Act and Regulations, approval of the members by way of resolution is required for the appointment of Mr. Annush Ramasamy for a term of five consecutive years from June 12, 2021 to June 11, 2026

The Board, based on the recommendation of the Nomination and Remuneration Committee, unanimously recommends the ordinary resolution as set out at item no. 9 of this notice.

Except Mr. Annush Ramasamy and his relatives, none of the other directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item no. 9 of this notice.

A copy of the draft letter of appointment of Mr. Annush Ramasamy setting out the terms and conditions is available for inspection without any fee at the registered office of the Company during normal business hours on working days upto the date of the Annual General Meeting.

Item No. 10 : Ordinary Resolution

RNGalla Family Private Limited (RFPL) and Mangal Industries Limited (MIL) are the promoters of the Company. MIL is a wholly owned subsidiary of RFPL, who holds 28.06% of the paid up equity share capital of the Company. RFPL is owned and controlled by the members of the Galla

Family headed by Dr. Ramachandra N Galla, Chairman of the Company. MIL, is a related party as per Section 2 (76) of the Companies Act, 2013 and Regulation 2 (zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations").

MIL was promoted by the Galla Family as a means to source quality components for batteries. Out of the total transactions, purchase of quality components from MIL needed for the batteries and other related parts forms major part of the transactions with MIL. The pricing of the components is competitive and are at an arm's length basis. The Audit Committee review all the transactions with the related parties on a quarterly basis and an independent third party review of all related party transactions is in place to ensure that all the transactions are at an arm's length basis.

The Members at the AGM held on August 7, 2017 had authorised the Board to enter into transactions with MIL upto an amount of ₹1,000 crores in any financial year commencing from the FY 2017-18 onwards. The cumulative transactions with MIL for the financial year 2020-21 were at ₹904.07 crores, which exceeded 10% of the audited turnover of the Company and are "material" in nature as defined under Regulation 23 of the Listing Regulations. Keeping in view of the growing business projections in the future years, ongoing manufacturing capacity additions by the Company and the inflationary cost trends in key commodities, the cumulative transactions with MIL are estimated to grow to ₹1500 crores over a period of time.

Accordingly, pursuant to the Regulation 23 of Listing Regulations, approval of the members is sought by way of an ordinary resolution as set out in item no. 10 of the notice to authorize the Board or Committee of the Board to enter into transactions with MIL upto ₹1500 crores for each of the financial year commencing from 2021-22 onwards.

The Board unanimously recommends the ordinary resolution as set out at item no. 10 of this notice.

Dr. Ramachandra N Galla, Mr. Jayadev Galla, Mr. Harshavardhana Gourineni, and Mr. Vikramadithya Gourineni, and their relatives are concerned or interested in the resolutions as set out at item no. 10 of this notice.

None of the other directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item no. 10 of this notice.

Item No. 11: Special Resolution

The Company is mainly in the business of manufacture and marketing of lead acid storage batteries used for both automotive and industrial applications.

The Company intend to explore the opportunities in all kinds of energy storage products and technologies including but not limited to Li-ion batteries, Sodium-ion batteries, etc; and also intends to explore and engage in the manufacture of all kinds of energy storage products of various chemistries including but not limited to lithium cells, aluminum cells, or such other advanced cell chemistry for energy storage. In the EV space, the Company intends to explore and offer e-mobility solutions including battery swapping stations and set up charging stations. Further, the Company also intends to deal with Solar cells, PV cells including modules required for clean energy generation.

Also, the Company intends to offer complete energy storage solutions to the customers and intend to manufacture or deal in all kind of energy storage devices, balance of systems including charging systems, Battery Management Systems, Power management systems, energy management systems, inverters, power conversion and evacuation systems etc.

In order to engage in the above businesses, it is proposed to amend the objects clause of the Memorandum of Association of the Company by substitution of existing objects and addition of new clauses as provided in the resolution. As per the provisions of Section 13 of the Companies Act, 2013 and the rules made thereunder requires approval of the members by way of special resolution.

Accordingly, approval of the members is sought by way of special resolution as set out in item no. 11 of the notice to amend the main objects clause of Memorandum of Association of the Company.

A draft copy of the Memorandum of Association of the Company after incorporating the above objects clause is available for e-inspection and also available on the website of the Company i.e. www.amararajabatteries.com

The Board unanimously recommends the special resolution as set out at item no. 11 of this notice.

None of the other directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item no. 11 of this notice.

Item No. 12 : Ordinary Resolution

The Board of Directors at their meeting held on May 22, 2021, on recommendation of the Audit Committee, approved the appointment of M/s. Sagar & Associates, Cost Accountants, Hyderabad, Firm Registration No. 000118, as cost auditors of the Company to conduct the audit of the cost records of the Company in respect of products manufactured by the Company falling under CETA code 8507 i.e Electric Accumulators, including separators for the financial year 2021-22 on a remuneration of ₹4,75,000 (Rupees Four Lakhs Seventy Five Thousand only) plus reimbursement of out of pocket expenses and applicable taxes.

Pursuant to the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, approval of the members is sought by way of an ordinary resolution as set out at item no. 12 of the notice ratifying the remuneration payable to the Cost Auditors for the financial year 2021-22.

The Board, based on the recommendation of the Audit Committee, unanimously, recommends the ordinary resolution as set out in item no. 12 of this notice.

None of the directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item no. 12 of this notice.

By order of the Board of Directors
For **Amara Raja Batteries Limited**

Place: Hyderabad
Date: June 12, 2021

Vikas Sabharwal
Company Secretary

Annexure II

Brief particulars of the directors proposed for appointment at the Annual General Meeting and other details pursuant to Secretarial Standard-2 on General Meetings and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. Mr. Harshavardhana Gourineni (DIN: 07311410)

Mr. Harshavardhana Gourineni (age 32 years) was the MD and CEO of Mangal Industries Ltd. (MIL), part of the Amara Raja group of companies and India's leading manufacturer of auto components and storage solutions. He has demonstrated a proven track record of managing different business verticals and steering the business on a path of profitability and a consistent growth. He started his career as an Operations Supervisor and later handled the Demand planning function at the Milwaukee, Wisconsin based Johnson Controls, the largest battery manufacturer in the world.

Mr. Harshavardhana has also worked in different positions at RN Galla Family Pvt. Ltd., Amara Raja Infra Pvt. Ltd., and the group's media arm – Amara Raja Media and Entertainment Pvt. Ltd, in alignment with his passion for technology and organizational behavior. Under his leadership, MIL has executed many mission critical projects in a time-bound manner, thereby earning him accolades from key clientele as well as the industry.

He is fluent in conversational Spanish and has earned a Bachelor of Science degree in Industrial and Organization Psychology from the Purdue University, USA. A firm believer in the stakeholder theory of corporate governance, he believes that organizations owe a duty towards the stakeholders and must leverage their strength at its best for the betterment of society. Embedding this motto into the DNA of the firm's strategy, his current focus area is green energy, sustainability and innovating new technologies that will transform the energy sector and reduce the carbon footprint in the near future.

With a razor sharp focus on reducing overheads and productive inefficiency, Mr. Harshavardhana achieved economies of scale at MIL by breaking operational silos within the company and creating Special Business Units to achieve agility in decision making and execution. This strategy achieved a two-fold return –the storage solutions business turned profitable and transformed MIL into a design led company. He also played an instrumental role behind the establishment of two new business segments in the company– Toolworks and Trading House.

MIL continued its momentum during the pandemic by demonstrating a strong organic growth on all fronts during Mr. Harshavardhana's tenure. The company achieved a 53% revenue growth from Rs 605 crore to Rs 925 crore, while sales to new customers grew by 189% from Rs 77 crore to 223 crore. MIL started a state of the art operations a facility at Chennai and added well-known business groups like Samsung and IKEA as its clients.

Mr. Harshavardhana believes that intersection of technology into manufacturing and challenging the status quo can open up new avenues for business organizations. Pursuant to this, he has successfully implemented Blockchain technology for the tool life maintenance function at MIL and established a design hub at its Chennai regional office in order to deliver an enhanced service to its customers. He recently helmed a team that won the prestigious Prize for Leadership in HR excellence, awarded at the 10th National HR Excellence Awards.

As his first appointment is on June 12, 2021, the attendance details and remuneration paid in FY 2020-21 are not applicable.

He is the grandson of Dr. Ramachandra N Galla, Chairman and nephew of Mr. Jayadev Galla, Vice Chairman and Managing Director. He does not hold any equity shares in the Company. However, he is a shareholder of RNGalla Family Private Limited, which holds 28.06% of the paid up share capital of the Company.

Details of Directorships and Committee memberships of Mr. Harshavardhana Gourineni other than Amara Raja Batteries Limited, as on June 12, 2021 are as follows:

Name of the Company	Chairmanship/Directorship	Committee	Chairman/ Member
Mangal Industries Limited	Director	-	-
RNGalla Family Private Limited	Director	-	-
Amara Raja Infra Private Limited	Director	-	-
Amara Raja Media and Entertainment Private Limited	Director	-	-

2. **Mr. Vikramadithya Gourineni (DIN: 03167659)**

As one of the key transformational leaders in the Amara Raja Group, Mr. Vikramadithya Gourineni (age 31 years) holds several key board positions. He was the Managing Director and Chief Executive Officer of Amara Raja Power Systems Limited (ARPSL) as well as the Managing Director of Amara Raja Electronics Limited (AREL). He was responsible for managing the day-to-day operations across these entities where he shaped operational policy, growth strategy and future vision for these firms.

He joined the group in 2013 as a Management Executive, handling various functional responsibilities across businesses. Since then, he has been a driving force behind the design and implementation of the growth strategy for these businesses, transforming them into key pillars of the group.

Having graduated from University of Wisconsin - Madison with a degree in Biochemistry, Mr. Vikramadithya has developed a strategy focused on industry collaboration, leadership development, and organizational transformation to spearhead the next phase of growth in an industry characterized by rapid change.

Under his adept leadership, both ARPSL and AREL have consistently seen a steady and sustained growth in revenue. For the year ending March 31, 2021, ARPSL achieved a revenue of INR 424 crore. In the same year, AREL made significant improvements in its operational performance in addition to growing the revenue two-fold during a year marred by the outbreak of Covid-19.

Under his leadership, AREL was able to attract several new customers like Lucas TVS, Mitsubishi Electric, Robert Shaw, Atomberg, Pricol, and Motherson Sumi, among others. It also signed an exclusive manufacturing agreement with global power supply maker Salom for their Indian subsidiary as well as IOT device maker Blaze Automation. Embracing the tide of digitalization, the company also undertook several value adding improvements to streamline the manufacturing process and increase competitiveness.

He led ARPSL to successfully bid for several electrical infrastructure projects and effectively drove timely project execution. This includes the commissioning of a 400 KV substation for Telangana Transmission Company and the construction of solar evacuation substations with a cumulative evacuation of 3 GW. During his tenure, the company added to its credentials by adding more than 20 MW of solar rooftop installations. The company also successfully forayed into the execution of utility-scale solar projects with the award of 70 MW project by Karnataka Renewable Energy Development Ltd., which was completed in a record time of six months. This was followed up with a successful bid for the 135 MW Balance of System solar project awarded by National Thermal Power Corporation for a project in Anta, Rajasthan.

Mr. Vikramadithya envisions a world powered by renewable energy and believes that the future of mobility lies in electric vehicles. Committed to the same, he has overseen the setting up of an Energy Storage System in Chittoor, Andhra Pradesh, and installation of battery swapping stations for E-Rickshaws in Tirupati. He has led the research and development strategy for developing a range of EV chargers and battery management systems for lithium-ion batteries. His emphasis on the need for industry collaboration has led the Amara Raja group to enter into technology partnerships with leading players like Schneider Electric and RAD Israel to introduce new technologies and products into the Indian markets.

He has also been actively collaborating with the central and state governments. He served as a member of the Andhra Pradesh State Council in the Confederation of Indian Industry and was the co-convener in the state's panel for information technology and electronics. He has actively participated in various national and international professional organizations, including the World Economic Forum, where he represented the Amara Raja Group as the Strategy Officer in the Industry Strategy Meeting.

As his first appointment is on June 12, 2021, the attendance details and remuneration paid in FY 2020-21 are not applicable.

He is the grandson of Dr. Ramachandra N Galla, Chairman and nephew of Mr. Jayadev Galla, Vice Chairman and Managing Director. He does not hold any equity shares in the Company. However, he is a shareholder of RNGalla Family Private Limited, which holds 28.06% of the paid up share capital of the Company.

Directorships and Committee memberships of Mr. Vikramadithya Gourineni other than Amara Raja Batteries Limited, as on June 12, 2021 are as follows:

Name of the Company	Chairmanship/Directorship	Committee	Chairman/ Member
Amara Raja Power Systems Limited	Director	-	-
Amara Raja Electronics Limited	Director	-	-
RNGalla Family Private Limited	Director	-	-
Amara Raja Infra Private Limited	Director	-	-
Amara Raja Media and Entertainment Private Limited	Director	-	-
Amara Raja Blaze Technologies Private Limited	Director	-	-

3. **Mr. Annush Ramasamy (DIN:01810872)**

Mr. Annush Ramasamy (age 46 years) is a Mechanical Engineering graduate from PSG College of Technology, Coimbatore, India and additionally holds a Master's degree in Business Administration (Strategy and Manufacturing Management) from RIT, Rochester, NY.

He is the President & Managing Director of Sri KumaraGuru Mill Limited (SKG). SKG is part of the KG Group, which has its core business in the textiles industry and has also Private Equity investments in Technology, Infrastructure and Real Estate Development.

The group carries out its social responsibilities largely through the various charitable trusts managed by the family members. He is the Managing Trustee of Katya Janani Charitable Trust, which works with improving the lives of underprivileged girl children. The group also runs 6 educational institutions (KG Educational Trust, TKML Trust, KGiSL Trust) and 2 healthcare institutions (K Govindaswamy Naidu Medical Trust) in its charitable trust.

He proactively leads the KG group by focusing on new product and new business development. He has a passion for new technology and advanced solutions.

His vision is built around empowering the proud employees of the SKG family, providing ample opportunities for the talented and well deserving, and creating a culture for becoming "An Employer of Choice"

He is also an active member of the Entrepreneurs Organization, Young Indians, TiE and The Chennai Angels. He has represented these organizations in various national and international forums. He was on the Global Board of the Entrepreneurs Organization where he was the head of GSEA sub- committee. He was also the National Chairman of CII's Young Indians (Yi).

As his first appointment is on June 12, 2021, the attendance details and remuneration paid in FY 2020-21 are not applicable.

Directorships and Committee memberships of Mr. Annush Ramasamy other than Amara Raja Batteries Limited, as on June 12, 2021 are as follows:

Name of the Company	Chairmanship/Directorship	Committee	Chairman/ Member
A R S Stones And Mines India Private Limited (under the process of strike off)	Director	-	-
ARG Promoters Private Limited	Director	-	-
Noyyal Golf Resorts Private Limited	Director	-	-
Noyyal Industrial Park Private Limited	Director	-	-
Shri Govindvenkatesaa Textiles Limited	Director	-	-
Siruvani IT Park Private Limited	Director	-	-
Siruvani Land Developers Private Limited	Director	-	-
Siruvani Properties Private Limited	Director	-	-
Sri Kumaraguru Mill Limited	Managing Director	-	-
Shravojit Holdings Private Limited	Director	-	-
Sri Avanish Holdings Private Limited	Director	-	-
Shree Kugan Holdings Private Limited	Director	-	-
Siruvani Infotech Private Limited	Director	-	-

By order of the Board of Directors
For **Amara Raja Batteries Limited**

Place: Hyderabad
Date: June 12, 2021

Vikas Sabharwal
Company Secretary

Communication on tax deduction at source on dividend distribution

Dear Shareholders,

As you may be aware that as per the revised provisions of the Income Tax Act 1961 ('IT Act"), dividends paid or distributed by a company after April 1, 2020 are taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the applicable rates ("TDS") at the time of making the payment of dividends as and when declared by the Company. **However, no withholding of tax is applicable if the dividend payable to resident individual shareholders having valid PAN is less than ₹5,000 per annum.**

The TDS would vary depending on the residential status of the shareholder and documents submitted by them and accepted by the Company in this regard. Accordingly, the dividend, when declared, will be paid after deducting TDS.

The following table below provides a brief of the applicable TDS provisions under the Act for Resident and Non-Resident shareholder(s) categories along with the required documents.

For Resident Shareholder(s):

Particulars	Applicable TDS Rate	Documents required (if any)
With PAN	10%	Update the PAN, if not already done. with the depositories (in case of shares held in Demat mode) and with the Company's Registrar and Transfer Agents – Cameo Corporate Services Limited at https://investors.cameoindia.com (in case of shares held in physical mode).
Without PAN/ Invalid PAN	20%	N. A.
Submit Form 15G/ Form 15H	NIL	Declaration in Form No. 15G (applicable to resident individual)/ Form 15H (applicable to resident individual who is 60 years and older), fulfilling certain conditions under the Act. Form 15 G/ 15 H can be downloaded from https://investors.cameoindia.com. There is also provision to upload the 15G/15H in the websitehttps://investors.cameoindia.com provided by the Company's Registrar and Share transfer agent M/s Cameo Corporate Services Limited.
Submit Order under Section 197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authority.
Shareholders to whom Section 194 of the Act is not applicable	NIL	Documentary evidence that the said provisions are not applicable.
Persons Covered under Section 196 of the Act (e.g. Mutual Funds, Govt., RBI)	NIL	Documentary evidence that the shareholder is covered under said Section 196 of the Act and Declaration that their income is exempt under Section 10 (23D) of the Income Tax Act, 1961 and therefore no TDS is required under Section 196 (iv) of the Income Tax Act, 1961.
Alternative Investment Funds (AIF) registered with SEBI	Nil	AIF established/incorporated in India - Self-declaration that its income is exempt under Section 10 (23FBA) of the Income Tax Act, 1961 and they are governed by SEBI regulations as Category I or Category II AIF along with self-attested copy of the PAN card and registration certificate

*Notwithstanding the above, tax would not be deducted on payment of dividend to resident individual shareholder(s), if the total dividend to be paid in any financial year does not exceed INR 5,000.

For Non-Resident Shareholder(s):

Particulars	Applicable Rate	Documents required (if any)
Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	None
Other Non-resident shareholders	20% (plus applicable surcharge and cess) or Tax Treaty Rate** **(whichever is lower)**	Non-resident shareholders may opt for tax rate under Double Taxation Avoidance Agreement ("Tax Treaty"). The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the Company: Self-attested copy of the PAN Card, if any, allotted by the Indian authorities. Self-attested Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident. Self-declaration in Form 10F duly filled and signed Self-declaration (as per **Annexure A** to this communication) from Non-resident, primarily covering the following: Shareholder is and will continue to remain a tax resident of the Country of its residence during the financial year for which it is declared; Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company; Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner; Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and Shareholder does not have a taxable presence or a permanent establishment in India during the financial year for which it is declared.
Submitting Order u/s 197 of the Act (i.e. lower or NIL withholding tax certificate)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority.

** The Company is not obligated to apply the beneficial Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident shareholder and review to the satisfaction of the company.

Notes:

1. Shareholders who are exempted from TDS provisions through any circular or notification may need to provide documentary evidence in relation to the same to enable the Company in applying the appropriate TDS on Dividend payment to such shareholder. The aforesaid documents, as applicable, are required to be duly completed, signed and shall be sent to investor@cameoindia.com or investorservices@amararaja.com. The Company shall determine the appropriate TDS / withholding tax rate applicable based on the declarations received by it as on the Record Date(s) fixed by it for the dividend(s) proposed, if any.

2. The updation of PAN, submission of Form 15G/15H, submission of documents including declaration from non-resident shareholders and any documents submission with regard to TDS shall reach the RTA at investor@cameoindia.com.

3. The above communication on TDS sets out the provisions of the law in a summary only and does not purport to be a complete analysis or listing of all potential tax consequences. Shareholders should consult with their own tax advisors for the tax provisions that may be applicable to them.

4. Kindly note that no claim shall lie against the Company for the tax deducted at source on Dividend. It may further be noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from the shareholders, the shareholders may file return of income and claim refund of tax, as appropriate.

5. The Company shall arrange to email the soft copy of TDS certificate at your registered email ID in due course, post payment of the dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at https://www.incometaxindiaefiling.gov.in/

6. If the tax is deducted at a higher rate in absence of receipt of or satisfactory completeness of the afore-mentioned details / documents by

Company before Dividend Processing Period, the shareholder(s) may claim an appropriate refund in the return of income filed with their respective Tax authorities.

7. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

8. In the event the registered shareholder intends to transfer the TDS credit on the dividend income to other persons as per Rule 37BA of the Income Tax Act 1962, such shareholder is required to submit the duly signed Declaration containing the name, address and PAN of the person to whom the TDS credit is to be given and the reasons for giving the credit to such person. Incomplete declaration forms will not be entertained by the company for transfer of TDS credit. The registered shareholder shall indemnify the Company for any incorrect or misleading information furnished in the Declaration.

9. Updating of Bank Account:

Shareholders holding shares in demat mode are requested to ensure that their bank account details are updated with their respective demat accounts, to enable the Company to make timely credit of dividends in their respective bank accounts.

In case of any query you reach out to us by sending an email at investor@cameoindia.com or investorservices@amararaja.com or contact Mr. P Muralidharan, Joint Manager, Cameo Corporate Services Limited at +91 44 28460718.

Annexure A

Format for declaration for claiming benefits under DTAA (only for non-resident shareholders)

Date:

To
Amara Raja Batteries Limited
Renigunta-Cuddapah Road
Karakambadi, Tirupati
Andhra Pradesh - 517520
Dear Sir/Madam,

Re: Declaration provided to Amara Raja Batteries Limited (“The Company”) for claiming the tax treaty benefits for the financial year 2021-22 (ending on March 31, 2022).

Declaration

This is to confirm that,

- ……………………………………..<Name of shareholder>] is a tax resident of …………………………………<Country of residence> as per the provisions of the Agreement for Avoidance of Double Taxation and Prevention of Fiscal Evasion/ Tax Treaty between India and …………………………………<Country of residence> [the “India- Country of residence> Double Taxation Avoidance Agreement (DTAA)]; ·
- I/We will continue to maintain the ‘tax resident’ status in *his/her/its respective Country for the application of the provisions of the India- Country of residence> Tax Treaty, during the financial year 2021-22.
- I/We is/are eligible to claim the benefits under the provisions of India-[COUNTRY OF RESIDENCE] DTAA;
- The claim of benefits by me/us is not impaired in any way;
- I/We are the beneficial owner of [NO OF SHARES] shares held in the Company as per Folio _________ / demat account ________________ (if shares are held under different Folio No., give separate details for all). Further, I/we is/are the beneficial owner of dividend receivable from the Company in relation to aforementioned shares;
- I/We does not have any taxable presence, fixed base or permanent establishment in India as per the provisions of the India- [COUNTRY OF RESIDENCE] DTAA during the Financial Year 2021-22; and
- I/We am/are the holder/ not the holder of (strikethrough whichever is not applicable) PAN allotted by the Income Tax Authorities in India.
- I/We will immediately inform the Company if there is a change in the status.

*I/We hereby confirm that the declarations made above are complete, true and bona fide. This declaration is issued to the Company to enable them to decide upon the withholding tax applicable on the dividend income receivable by me/us.

I/we in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by me, I will be responsible to pay and indemnify such income tax demand (including interest, penalty, etc.) and provide the Company with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

Yours faithfully,

For ………………………………………………………….[Name of shareholder]

Authorized Signatory [Name/designation]

Email address: [Please insert]

Contact Number: [Please insert]

AMARA RAJA
Gotta be a better way

AMARA RAJA BATTERIES LIMITED
Renigunta - Cuddapah Road
Karakambadi, Tirupati
Andhra Pradesh - 517 520

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