

July 19, 2023

National Stock Exchange of India Limited
Listing Compliance Department
“Exchange Plaza”
Bandra – Kurla Complex
Bandra East, Mumbai – 400 051
NSE Symbol: AMARAJABAT

BSE Limited
Corporate Relations Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001
BSE SCRIP CODE: 500008

Dear Sir / Madam,

Sub: Notice of 38th Annual General Meeting (AGM) and Annual Report 2022-23

Ref: Regulation 30 & 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Please refer to our letter dated May 23, 2023 intimating that the 38th Annual General Meeting of the company is scheduled to be held on Saturday, August 12, 2023.

Pursuant to Regulation 30, 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed

- Annual Report for the Financial Year 2022-23
- Notice convening the 38th Annual General Meeting

The aforesaid documents are available on the website of the Company and are being dispatched today i.e. July 19, 2023 to all eligible shareholders in electronic mode, whose email IDs are registered with the Company/ RTA/ Depositories.

Further, find enclosed Key Information related to 38th AGM as **Annexure – I**.

This is for your information and record.

With regards,

For Amara Raja Batteries Limited

Vikas Sabharwal
Company Secretary



Amara Raja Batteries Limited | An Amara Raja Group Company
Corporate Operations Office: TERMINAL A, 1-18/1/AMR/NR, Nanakramguda, Gachibowli, Hyderabad - 500032, India.
Tel No. +91 91 40 2313 9000, Fax No. +91 91 40 2313 9001, E-mail: investorservices@amararaja.com

Registered Office & Works: Karakambadi-517 520, Tirupati, Andhra Pradesh, India. Tel No. +91 877 2265000, Fax No. +91 877 2285600,
E-mail: amararaja@amararaja.com, Website: www.amararajabatteries.com, Corporate Identification Number : L31402AP1985PLC005305.

Annexure - I
Key Information at glance:

Date and time of 38 th AGM	Saturday, August 12, 2023 at 3:00 P.M. (IST) held through VC/OAVM Mode
Books Closure Dates	Saturday, July 29, 2023 to Friday, August 04, 2023 (both days inclusive)
Record Date for Final Dividend	Friday, July 28, 2023
Cut Off Date for (e-Voting eligibility and Attending AGM via VC or OAVM)	Saturday, August 05, 2023
The remote e-voting will commence on	Tuesday, August 08, 2023 (9:00 A.M IST)
The remote e-voting will end on	Friday, August 11, 2023 (5:00 P.M IST)
E-Voting website	https://www.evoting.nsdl.com/
Helpline number for VC participation and e-voting	NSDL on evoting@nsdl.co.in / 1800-222-990/ 022-24994890/ 040-44334178.
Registrar and Share Transfer Agent	Cameo Corporate Services Limited, Unit: Amara Raja Batteries Limited, V Floor, Subramanian Building, No.1, Club House Road, Chennai - 600002, Tel: 91 44 28460390, Email ID: investor@cameoindia.com , Website: www.cameoindia.com
Company	Write a mail to investorservices@amararaja.com Website: www.amararajabatteries.com



BROADENING OUR HORIZONS

AMARA RAJA BATTERIES LIMITED
ANNUAL REPORT 2022-23



CONTENTS

02 CORPORATE OVERVIEW

02 Vision, Purpose & Values

04 Key Performance Indicators

06 Statements from the Management

16 STATUTORY REPORTS

16 Management Discussion & Analysis

96 Leadership Team

98 10-Years' Financials

99 Corporate Information

100 Board's Report & its Annexures

117 Corporate Governance Report

147 Business Responsibility &
Sustainability Report

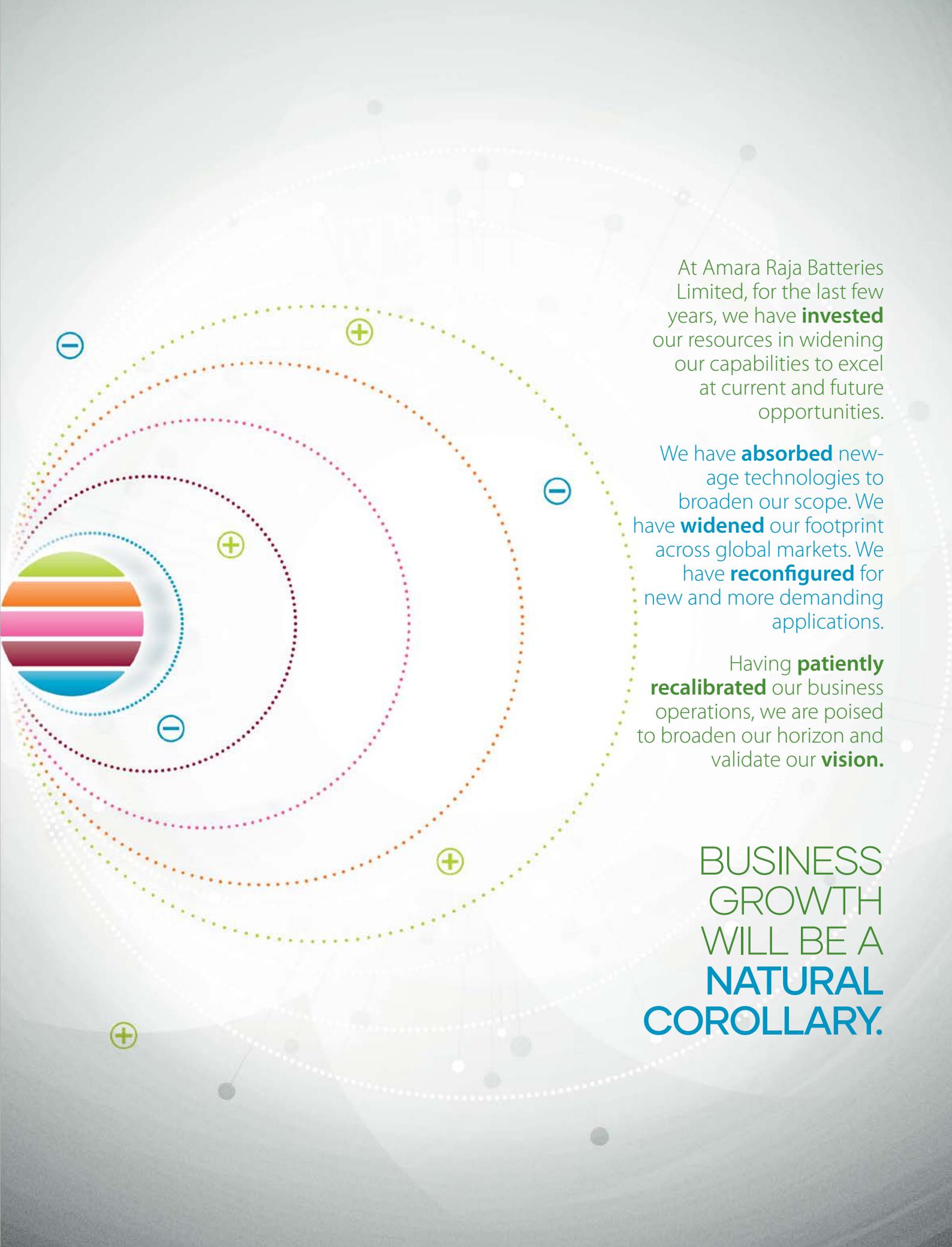
196 FINANCIAL STATEMENTS

196 Standalone Financial Statements

258 Consolidated Financial Statements

316 FOR SHAREHOLDERS

316 Notice



At Amara Raja Batteries Limited, for the last few years, we have **invested** our resources in widening our capabilities to excel at current and future opportunities.

We have **absorbed** new-age technologies to broaden our scope. We have **widened** our footprint across global markets. We have **reconfigured** for new and more demanding applications.

Having **patiently recalibrated** our business operations, we are poised to broaden our horizon and validate our **vision**.

BUSINESS GROWTH WILL BE A NATURAL COROLLARY.



CORE VALUE 1

INNOVATION...

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



CORE VALUE 2

EXCELLENCE...

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



CORE VALUE 3

ENTREPRENEURSHIP...

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



CORE VALUE 4

EXPERIENCES...

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



CORE VALUE 5

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 & Shareholders

VISION

Through the Amara Raja Way and through enduring progressive partnerships we will be a Global Leader in Energy & Mobility Solutions.

CORE PURPOSE

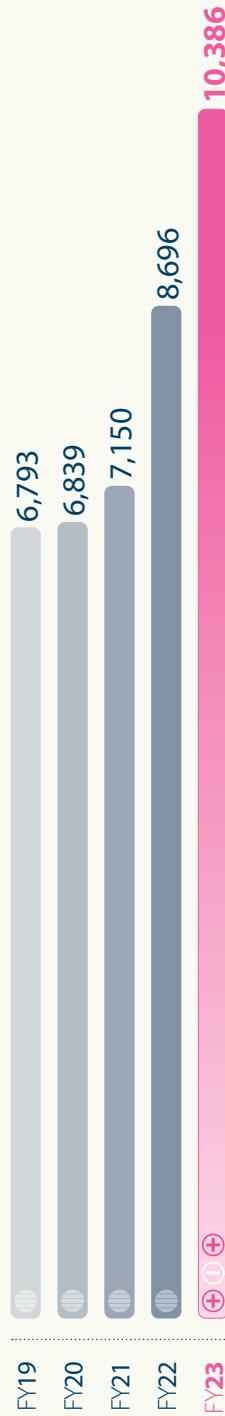
To transform our increasing spheres of influence and to improve the quality of life by building institutions that provide better access to better opportunities to more people...

All the time...

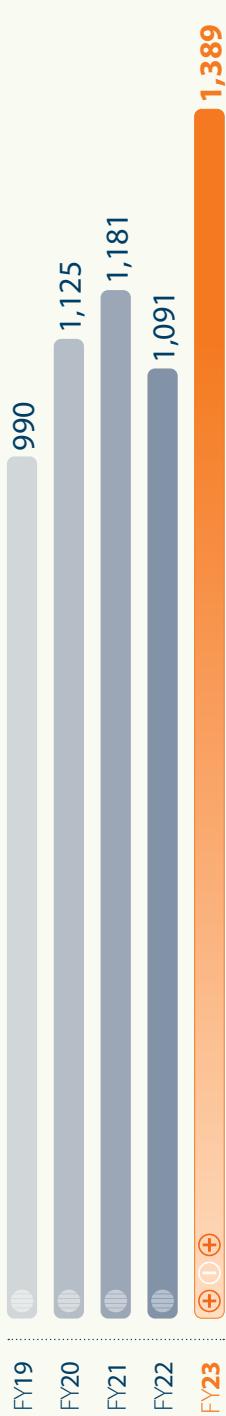


KEY PERFORMANCE INDICATORS

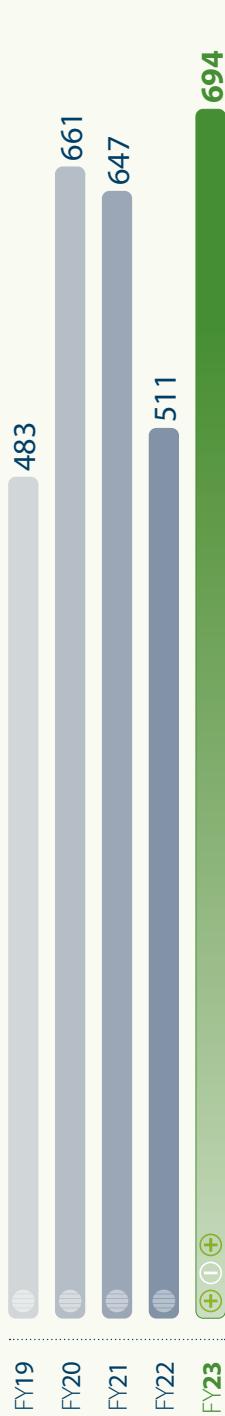
REVENUE
(₹ crore)



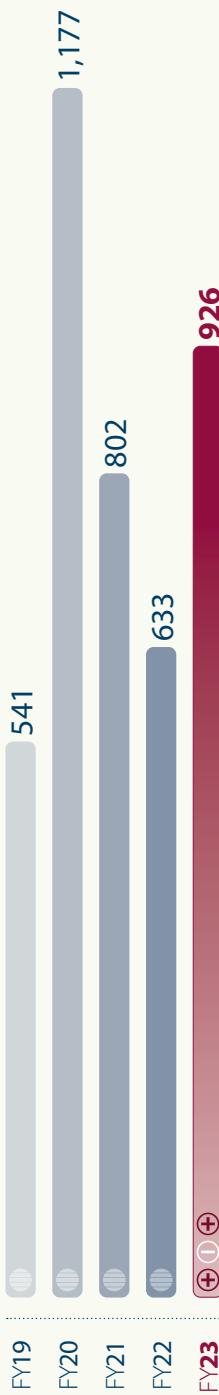
EBITDA
(₹ crore)

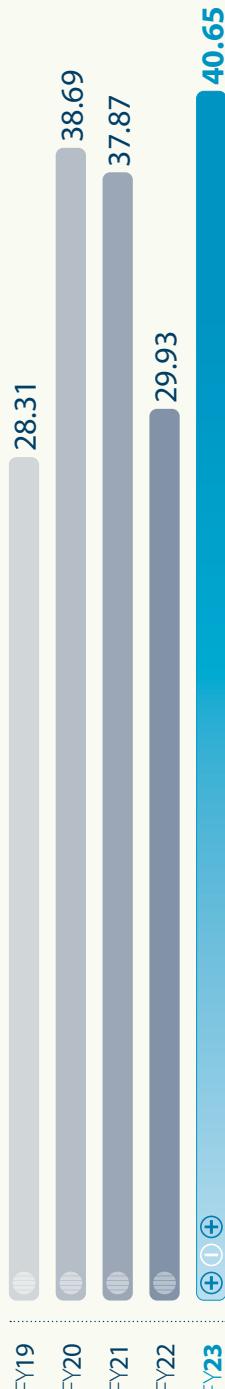
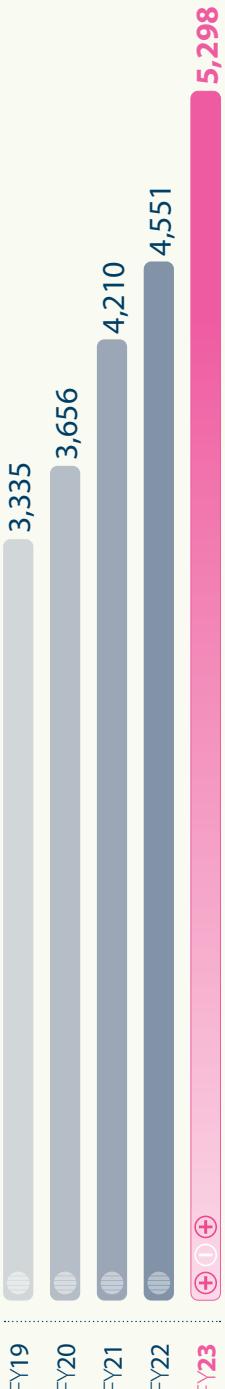
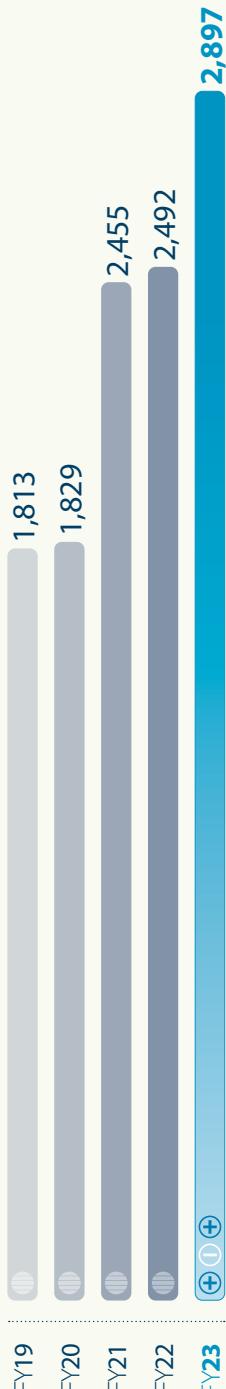
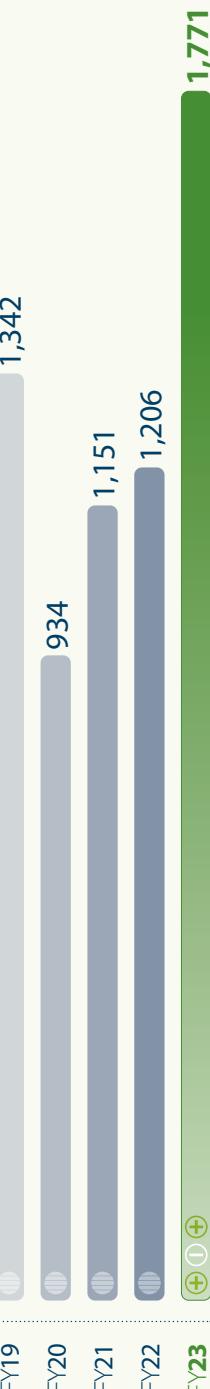


PROFIT AFTER TAX
(₹ crore)



NET CASH FROM OPERATIONS
(₹ crore)



EARNINGS PER SHARE
(₹)NETWORTH
(₹ crore)NET FIXED ASSETS
(₹ crore)NET CURRENT &
OTHER ASSETS
(₹ crore)

⊕ ⊖ ⊕

As the Chairman of the Amara Raja Batteries,

I am filled with gratitude and a sense of accomplishment.

The financial year 2022-23 has been a period of immense challenges and remarkable achievements.

Numerous intrinsically unpredictable forces can have a big effect on any company's success.

Even while this volatility is now accepted as the norm, not all businesses manage to weather the storm with the same fortitude. The people that start early in planning and facing obstacles are also the ones who emerge from the ambiguity with the capacity to perform better throughout the recovery. Our journey was shaped by the evolving global and Indian economic landscapes, and I would like to reflect upon them as we celebrate our success.





⊕ ⊖ ⊕

JAYADEV GALLA

CHAIRMAN & MANAGING
DIRECTOR

⊕ ⊖ ⊕



Dear Shareholders,

As the Chairman of Amara Raja Batteries, I am filled with gratitude and a sense of accomplishment. The financial year 2022-23 has been a period of immense challenges and remarkable achievements. Numerous intrinsically unpredictable forces can have a big effect on any company's success. Even while this volatility is now accepted as the norm, not all businesses manage to weather the storm with the same fortitude.

The people that start early in planning and facing obstacles are also the ones who emerge from the ambiguity with the capacity to perform better throughout the recovery. Our journey was shaped by the evolving global and Indian economic landscapes, and I would like to reflect upon them as we celebrate our success.

On a global scale, CY'22 started on a positive note, with signs of economic recovery after the tumultuous impact of the pandemic. However, this optimism was a short-lived affair as the Russia-Ukraine conflict unleashed a wave of global uncertainties resulting in disruptions in the supply chain, surging commodity prices, heightened inflationary pressures, and escalating interest rates.

These global factors posed significant risks to India's overall growth and macroeconomic stability during the first half of FY'23. Despite these challenges, in the second half, the economy managed to stabilise with a commendable decline in inflation and the rupee finding its foot against

the dollar. In a true testament to the nation's resilience and adaptability, we emerged as one of the fastest-growing economies in 2022-23.

At Amara Raja too, we managed to outperform financially, further strengthened our brands, and continued to pursue value-accretive growth opportunities in the Energy & Mobility space. We diligently mitigated any risks and fortified our growth strategy. In the face of the challenges we encounter, we have become increasingly aware of the pressing need to transition towards cleaner, more efficient, and equitable solutions.

In the last FY, Amara Raja Batteries recorded impressive revenue growth driven by strong volume expansion in both automotive and industrial applications.

While the Lead Acid Business may undergo some consolidation in the years to come, we have ambitious plans for international scaling. As part of our risk diversification efforts, we are also exploring the establishment of manufacturing facilities in newer geographies and increasing the adoption of newer technologies to make the Lead Acid Batteries more value-efficient. Our brand presence is steadily growing in international markets, particularly as we target the west for our next leg of expansion.

We aspire to revolutionise the energy and mobility landscape by championing sustainable, efficient, and resilient solutions and technologies. We did this by establishing our subsidiary Amara Raja Advanced Cell Technologies

(ARACT) for our New Energy business. ARACT is focused on developing advanced cell chemistries tailored to Indian conditions and supplying battery packs and chargers to 2W and 3W OEMs. We have ramped up our in-house R&D capabilities and have also made strategic investments in companies exclusively working on these technologies. We are confident of our proven capabilities to propel us into the next level in this field.

I am delighted to announce that in the outgoing fiscal, we laid the foundation for one of India's largest Giga Corridor for Lithium-Ion Cell and Battery Pack Manufacturing in Telangana, marking a significant milestone.

We have a clear roadmap for building technological capabilities, investing in R&D, expanding our international operations, and establishing large-scale capacities. Our commitment extends to fostering growth in both our Lead Acid and New Energy businesses with unwavering determination and adaptability.

As a large organisation we know that sustainability is imperative for business resiliency and growth, and it is our constant endeavour to better our environmental practices which are already above industry standards. Increasing the share of renewable energy in our operations is also one of our top priorities.

Under the steadfast leadership of our Executive Directors, Harshavardhana Gourineni and Vikramadithya Gourineni, along with the support

of our experienced leadership team, I am confident that we will achieve remarkable success in our future endeavours and I am certain that we will maintain our longstanding track record of superior performance, ultimately creating value for all our stakeholders.



I thank the Board for their guidance, and the entire Amara Raja team for their disciplined effort in elevating the Company.



A big thank you to all our stakeholders, business partners, bankers, and government authorities for the support and assistance throughout our journey.

WARM REGARDS...
JAYADEV GALLA
CHAIRMAN & MANAGING DIRECTOR



⊕ ⊖ ⊕



Dear Shareholders,

I am pleased to present my second annual report, showcasing our remarkable progress over the past 12 months.

While we look at expanding into new areas and technologies, we also recognise the continued importance of Lead Acid Batteries (LAB) in the energy and mobility sectors. This year, the focus was on cleaner, greener, and sustainable batteries.

The LAB business will continue to play an essential role in our energy and mobility strategy.

We recognise the reliability and proven technology of Lead Acid Batteries and are committed to optimising their performance, targeting specific market segments, prioritising sustainability, integrating new technologies, and providing excellent customer support. By doing so, we will continue to meet the diverse needs of our customers and be their preferred brand.

Despite facing challenges such as disruptions in the supply chain, price fluctuations, and global uncertainties, we have achieved outstanding milestones in FY23. As a result of these achievements, our revenue has grown by an impressive 19% year-on-year, while our profit before tax has risen by 35% compared to the previous year. This growth has been exceptional, driven by robust demand in automotive and industrial applications. These sectors have exhibited significant potential due to

evolving industry needs and strong demand from diverse markets.

The automotive battery division experienced significant growth due to increased production of four- and two-wheeler vehicles by original equipment manufacturers (OEMs). Regarding volume, four-wheeler production in India reached 7.4 million units in FY23, increasing from 6.2 million units in FY22. Similarly, two-wheeler production rose from 17.7 million units in FY22 to 19.5 million in FY23. There is also a growing demand for fuel-efficient vehicles that comply with stringent regulatory norms. This increased demand is driving the adoption of technologies like EFB, and AGM, leading to a higher market share for organised battery brands like us. Additionally, we anticipate a rise in demand for auxiliary batteries (LAB) for electric vehicles.

Over the next five years, India's vehicle population is expected to experience exponential growth, with a projected count of approximately 252 million two-wheelers and over 96 million four-wheelers in India by 2028. These projections indicate ample opportunities for battery manufacturers and suppliers. Industry players must stay attuned to these trends and capitalise on the high growth in the automotive battery sector. With a presence in over 50+ countries already, we aim to penetrate Western markets soon. Our overseas



market contribution already stands at approximately 12% of our revenues.

The telecom sector has experienced strong demand, primarily driven by the installation of new 5G towers and upgrading 3G/4G networks to enhance rural teledensity and address spectrum limitations.

Despite pricing pressures, we have successfully maintained our position as the preferred brand in the telecom segment. Moreover, in international markets such as the Middle East and Africa (MEA) and Asia-Pacific (APAC),

we have observed a robust demand. We want to expand our presence in the African MVLRA market to sustain our growth. Lithium products are being used for 5G rollouts, and the actual usage of these is still being tested. ARBL's progression in testing and launching lithium products is continuing as per plan, and we see a good potential for both Lead and Lithium in the Telecom segment.

The increasing demand for continuous power and the expanding potential of data centres has created a larger need for UPS batteries. Data centres are projected to grow from a 950MW installed capacity to 2000MW by 2025. Our batteries have emerged as the preferred choice for many upcoming data centres. Sectors like manufacturing, healthcare, and e-commerce, are expected to experience significant growth in the coming years, thereby driving the demand for UPS batteries. We can leverage these opportunities and deliver value to our customers in these dynamic markets.

The unfortunate fire accident that broke out in one of our manufacturing units in January did cause loss to property, building, and other industrial equipment. However, in the last few months, we have been working on reinstating the plant and have been able to cover the loss with traded volume. In the next 18-24 months, we should be able to reinstate the unit.



Looking ahead, our focus for the upcoming fiscal year will be on research and development, circularity, capacity optimisation, and geographic expansion into new markets. We plan to introduce more value-added products such as AGM batteries, further incorporate stamped grid technology to reduce conversion costs and raw material usage, and delve into bi-polar technology for future performance requirements. LAB technology continues to evolve based on consumer needs and industry demand and we anticipate continued growth in the years to come.

As an organisation, we continue to reduce our environmental footprint and GHG emissions. We have installed 59.1 MW of renewable energy infra and will commission another 7.5 MW to increase our renewable energy mix. We also have world-class ETPs and Zero Liquid Discharge systems along with water efficiency improvement initiatives to further reduce our water consumption. We shall continue to work towards improving groundwater levels through initiatives like check dams, rainwater harvesting, and restoration of ponds.

Towards circular economy, more than 70% of our raw material comes



and anti-corruption, as well as the United Nations' 17 Sustainable Development Goals (SDGs). We have become a member of UNGC during the calendar year 2022 and the Alliance of CEO Climate Action Leaders to support our country's vision of Net Zero by 2070.

I am also very happy to share that ARBL has been certified by the 'Great Place to Work' Institute as the Best Company to Work for in 2023 and has secured a ranking of 55 in the renowned Best Companies to Work for in India (2023) list. This is a testament to the culture of the organisation that extends far beyond our shopfloors and office spaces.

The future holds promising opportunities for us, and we approach it with cautious optimism. We are committed to seizing new opportunities with determination and are sincerely grateful for the support we have received thus far, which we believe will continue to propel us forward.

WITH WARM REGARDS,
HARSHAVARDHANA GOURINENI
*EXECUTIVE DIRECTOR - AUTOMOTIVE &
INDUSTRIAL*

⊕⊖⊕

from recycled sources, and we are setting up our own battery recycling unit with a capacity of 150,000 tons. We have conducted life cycle assessments for some of our main products to better understand and mitigate environmental impact. Our Sustainability Committee is defining our ESG roadmap and monitoring progress on a monthly basis. We have set ambitious targets on energy, carbon, water and wastewater management, along with continuing to do good for communities where we operate. We are committed to the ten principles of the United Nations Global Compact (UNGC) on human rights, labour rights, environment,

⊕ ⊖ ⊕



Dear Shareholders,

Over this past year, significant transformations have occurred in the **New Energy** sector, both internally and externally. The New Energy landscape has evolved from a mere concept to a tangible reality, posing disruptions and opportunity in equal measure to businesses worldwide. In view of this shifting technology landscape and changing business environment, we are proud to share that we have made significant progress in our journey towards becoming the leading Energy & Mobility enterprise of India.

Through the last couple of years, we unveiled our overall Energy & Mobility strategy, and this year several tangible steps have been executed. While a robust strategy is essential, proper business structuring can be a critical enabler.

In November 2022, we established Amara Raja Advanced Cell Technologies (ARACT) to focus exclusively on expanding our lithium pack assembly operations as well as to channel our significant investment towards domestic lithium cell manufacturing. We are delighted to acknowledge significant advancements in terms of talent recruitment, product development, land acquisition, and local government support to accelerate this new subsidiary. Further consolidation of business is being explored to bring capabilities of power electronics, charger manufacturing and large-scale system integration under the umbrella of the New Energy business. In our shift towards becoming an Energy & Mobility enterprise, it is critical that we expand our share of wallet with our customers by looking beyond battery alone but bringing a solution-driven approach to address diverse opportunities across electric mobility and energy storage.

We have signed a Memorandum of Understanding (MoU) with the Government of Telangana to establish research and manufacturing facilities for lithium-ion cells and battery packs. The 'Amara Raja Giga Corridor' project, with an investment of approximately ₹9,500 crore in capital expenditure and new technology, aims to produce Lithium Cells and Battery Packs with capacities of up to 16GWh and 5GWh, respectively. Moreover, this facility will create direct employment for approximately 4,500 individuals and

contribute significantly to the socio-economic development of the region through a larger cell ecosystem as well as significant indirect employment generation. Phase 1 will consist of an R&D centre, a pack assembly facility, our commercial pilot line for cells, and 2 GWh of cell manufacturing. All of the required partners have been onboarded and approval processes are underway at the respective government bodies. We are confident in commencing our construction activities shortly.

A century-old industry is undergoing a reset, presenting equitable opportunities for both existing and new players. In such a scenario, it was imperative for a battery manufacturer like us to be part of this growth story. While we continue to receive daily reports about many emerging chemistries, we remain confident in the prospects of lithium-based battery technologies being the primary option to address electric mobility and energy storage in the near term. Therefore, our development plans will center largely around lithium while we continue to carefully watch and assess where alternate solutions can emerge. A more cost-effective solution for grid-scale energy storage and cheaper hydrogen could prove game-changing. But while many technologies are presenting themselves as an option such as Zinc and Sodium, among others, we feel the maturity of these chemistries is yet to be proven at any scale at this time. Alternately, while green hydrogen is often seen as the holy grail of a clean future, cost and challenges of building out a wider hydrogen distribution network are yet to be addressed. Challenges of building out an electric charging network would pale in comparison

to the cost and technical complexity required to create a nation-wide hydrogen grid.

The electric mobility segment has seen a markedly positive response with a surge in EV adoption on roads. The growth particularly in the 2W and 3W segments has been rapid. We will have to watch the developments over next few months to assess the impact of changes in the FAME subsidy, but we are confident that these segments catering mostly to light and local mobility will continue to trend towards electric. While India will continue to lag in overall battery installation to China, the United States, and Europe, due to the sheer volumes of our 2W and 3W markets as well as rate of electric adoption, I would venture a guess that we may end up having the largest electric vehicle parc in the world before long. As an extension of this thought, Indian players have a unique advantage due to the size of our 2W and 3W markets. By diligently developing cells and batteries that are specifically designed for these vehicle segments in our weather, road, and price conditions, India will emerge as the global leader in reliable solutions for light and local electric mobility. As part of the developing world, we also find ourselves in a unique scenario wherein the growth in electric vehicles is not coming directly at the expense of ICE vehicles. Our vehicle penetration continues to be quite low by global comparison, so we will witness healthy side-by-side growth in both ICE and EV segments. Our mainstay Automotive and Industrial segments will continue to generate substantial revenue, and we are seeing a clear path to growth where the New Energy segment will become the third pillar of business for the company

Employee skill sets, particularly those related to new technology capabilities, are becoming increasingly important for long-



term success as businesses strive to maintain their market leadership. While we continue to make all efforts to hire the necessary talent and partner with experienced organisations, our leadership's top priority is to provide the greatest exposure to local talent and drive company-wide upskilling and reskilling. We are in talks with several local technical institutions to create custom programs and internship opportunities to further drive the priority of building an Indian talent pipeline.

We extend our gratitude to you, our esteemed shareholders, for your unwavering support as we continue to grow and evolve.

Together, we will harness the power of innovation, sustainability, and transformative energy solutions to shape a prosperous future for all.

WITH WARM REGARDS,
VIKRAMADITHYA GOURINENI

**EXECUTIVE DIRECTOR – NEW ENERGY
BUSINESS**

⊕⊖⊕





MANAGEMENT DISCUSSION & **ANALYSIS**

LEADERS KEEP THEIR EYES ON THE HORIZON,
NOT JUST ON THE BOTTOM LINE.
WARREN BENNIS

AN ECONOMIC OVERVIEW



Global Economy

The world economy continued to be on a gradual recovery path in 2022. After registering a growth of 6% in 2021, global GDP has witnessed a healthy growth of 3.4% coming off a high base.

The reopening of all the major economies is complete, almost. Supply-chain disruptions eased out, private consumption improved significantly but inflations spiked drastically. Although, advanced economies seemed to bear the brunt most and growth was limited predominantly to major Asian emerging economies in 2022.

Skyrocketing inflation resulted in synchronised monetary policy tightening the world over. Job markets remained strong amid labour shortages. Tighter monetary policy acted as a speed breaker in global economic activity. It nearly pushed developed economies to the brink of recession and weighed on the overall global economic activity.

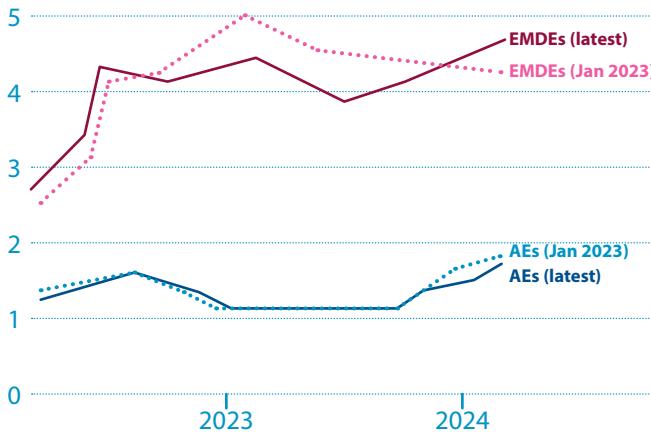
Despite that, global manufacturing activity picked up and grew at 3.8% on the back of easing commodity prices during the second half of the calendar 2022. Manufacturing was strong in the US and APAC while output in Europe had been slow throughout the year.

The surprisingly strong trend reversal in the global economy in the third quarter of 2022 played a decisive role in the overall economic uptick. The sources of these surprises were, in many cases, stronger-than-expected private consumption and investment and greater-than-anticipated fiscal support. Households spent more. Business investment increased.

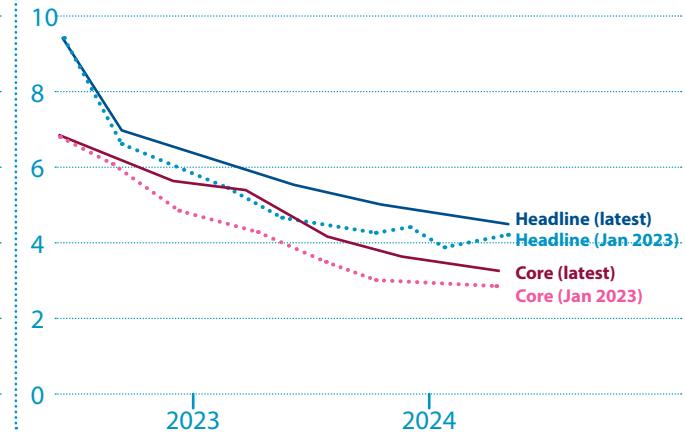
Amid a global recessionary environment, high inflation and peaking interest rates, global trade hit a record US\$32 trillion in 2022. Despite the war, both trade in goods and services showed strong momentum last year. The growth in trade volume signals resilience in global demand.

Outlook: Global economy is set to be slow in 2023 before rebounding next year. Economic recovery in Europe will continue to remain sluggish this year. Despite tight monetary policy and persistent inflation, Asian economies are likely to drive the growth. Headline inflation started falling from the end of 2022 which is expected to continue even further this year. However, ongoing war and monetary tightening will continue to impact the global economy in a negative way. Trade tensions between countries could impact global trade adversely while new free trade agreements are likely to propel global trade in 2023. **And despite global challenges, a downturn in manufacturing is not expected anytime soon.**

Growth projections (Percent; Year-On-Year)



Projected inflation path (Percent; Year-On-Year)



SOURCES: IMF, APRIL 2023 WORLD ECONOMIC OUTLOOK; AND IMF STAFF CALCULATIONS. NOTE: AES = ADVANCED ECONOMIES, EMDEs = EMERGING MARKET AND DEVELOPING ECONOMIES

<https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>
<https://www.imf.org/en/Publications/WEO/Issues/2022/10/11/world-economic-outlook-october-2022>
<https://www.controleng.com/articles/global-manufacturing-industry-growth-reached-3-8-in-2022/>
<https://unctad.org/news/global-trade-set-hit-record-32-trillion-2022-outlook-increasingly-gloomy-2023>



Indian Economy

India continued to be a bright spot in the 2022-23 financial year amid uncertainties in the world economic scenario. Although, GDP growth moderated compared to FY22, it was healthy at 7.2% in FY23 as per the NSO (National Statistical Office), Ministry of Statistical Programme & Implementation (MoSPI) data.

Normal to heavy rainfall supported agricultural output growth estimated at 3.5% in FY23. IIP (Index of Industrial Production) witnessed a modest growth of 5.1% in FY23 compared to the last fiscal.

Majority of the growth was supported by strong investment activity by the Government thrust for infrastructure creation. Also, there was resurgence in household consumption with private final consumption expenditure growing by 7.7% in FY23.

Domestic consumption was underpinned by robust imports (merchandise & services) in the last fiscal with the overall value reaching US\$ 892.18 billion while exhibiting a growth of 17.38%. Exports (merchandise & services) for the full year reached US\$ 770.18 billion witnessing an upside of 13.84% on a year-on-year basis.

Total gross GST collection stood at ₹18.10 lakh crore in 2022-23 witnessing a growth of 22% over last year. A rise in GST collections signals a recovery in consumer spending and a broader economic revival.

Headline inflation remained high throughout the year. It reached its highest in April 2022 to 7.79%. But recurrent monetary tightening by the RBI caused a decline in inflation

by the end of the financial year. The inflation number is still elevated but within the tolerance limit of the central bank.

Outlook: Going forward, the Indian economy is projected to grow at 6.4% in FY24, one of the fastest in the world, according to the NSO report. Inflation will continue to remain elevated but contented in this financial year. Rising borrowing costs and slower income growth will weigh on consumers' discretionary spending which may have a bearing on domestic demand.

Service exports are expected to protect the Indian economy from external risks as merchandise exports are likely to contract because of the slowing global economy. However, powered by budgetary allocation for infrastructure, expansion in gross capital formation should result in net capital accumulation. This, in turn, should translate to an increase in investment activity which may boost income and demand.



<https://www.fortuneindia.com/macro/economy-to-grow-at-4-in-q4-downside-risks-to-nsos-fy23-estimates-report/111859>

<https://pib.gov.in/PressReleasePage.aspx?PRID=1895288>

<https://www.livemint.com/news/india/factory-output-rises-1-10-in-march-grows-by-5-1-in-fy23-11683894387650.html>

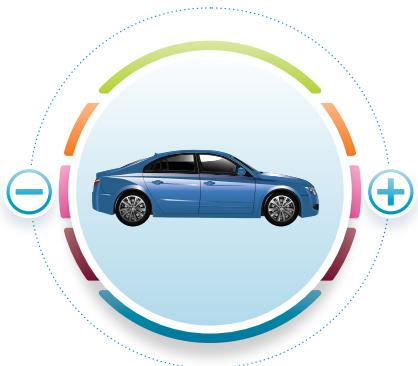
<https://www.deccanherald.com/business/business-news/india-s-gdp-growth-projected-to-slow-to-7-in-2022-23-nso-1178639.html>

<https://timesofindia.indiatimes.com/blogs/toi-edit-page/india-in-all-its-spender-consumption-slowdown-is-temporary-because-post-pandemic-economic-recovery-across-classes-is-still-uneven-spending-will-soon-be-powered-by-a-rapidly-growing-middle-class/>

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1916220>

<https://pib.gov.in/PressReleasePage.aspx?PRID=1912850>

1



AUTOMOTIVE BATTERY DIVISION

- We are the largest player in the automotive aftermarket battery segment in India.
- We are the largest 4W battery exporter in India.
- We are the first to manufacture AGM motorcycle batteries in India.
- We are the first to manufacture Punched Grid motorcycle batteries in the World.
- We are also the first to manufacture AGM car batteries in India.
- You know us as Amaron™ and PowerZone™





OUR advanced technical know-how produces highly reliable, low-maintenance and long-lasting batteries for passenger vehicles, two-wheelers, three-wheelers, commercial vehicles, farm vehicles and home UPS/inverters.

We are the first Company in India to manufacture Valve Regulated Lead-Acid (VRLA) batteries that provide performance reliability, consistency, durability and minimal maintenance, even in the most demanding situations. We are India's first AGM (Absorbent Glass Mat) two-wheeler and car battery manufacturer.

We market our batteries across India under the well-renowned brands Amaron™ and PowerZone™ through our strong distribution network comprising 500+ distributors and 100,000+ retail touchpoints.

Due to our continued commitment to R&D, our excellent product quality, performance and service assistance, we are now recognised as a 'preferred brand' by many leading vehicle manufacturer's (OEMs) in India.

In addition to the Indian automobile market, our products are exported to 50+ other nations worldwide.



Performance in FY23

Driven by tremendous resilience, innovation and robust demand, Indian automobile industry recorded one of its best-ever performance last financial year. Aligned to our user segments, we also registered a stellar performance.

OE performance: Owing to post-Covid pent-up demand and easing supply-chain shortages, our OE business witnessed double-digit growth in FY23 in both the four-wheelers and two-wheelers segments.

Over the years, our continuing efforts to cement long-term relationships with almost all leading OEMs in both automotive segments yielded satisfying results as we reported robust sales volumes during the year under review.

Aftermarket performance: In the aftermarket segment, we registered double-digit growth in both four- and two-wheeler segments. It showcases customer preference for our brands. As a result, our market share in both segments moved a few notches higher.

Brand initiatives: We launched our brand mascot '**Ron**' last fiscal. The 'Rons' represent energy in its powerful, modern and sustainable form. Created in Amaron's green brand color, 'Rons' are surrounded by rings of energy that represent the power our batteries deliver.

Digitisation: In an era of severe global supply-chain disruptions, digital transformation of the entire supply chain, including adopting related technologies, transformed from a 'good-to-have' option to a 'must

have' business mandate. In FY23, we invested significantly in digitising our entire supply chain. This strategic initiative will help track inventory, manage orders, and optimise transportation routes. In addition, it will provide real-time visibility of our expansive supply chain, an essential prerequisite for making informed decisions.

Outsourcing: To cope with the demand for in tubular batteries for home inverter applications, the Company outsourced the manufacturing of these batteries to quality-conscious vendors while maintaining strict control of the process and quality parameters.

International business: At the end of FY23, Amara Raja markets its globally acclaimed automotive batteries in 50 countries around the world.

AMARON™ is a 'Make in India' success story, which has contributed significantly to establish the quality and superiority of not only automotive batteries from India but also to the reputation of Made in India products in general.

The Company's focus thus far had been the Indian Ocean Rim (IOR) geography, where it is established already.

Having done that the Company is looking at the world as its market.

The Company has reinforced the international team to establish its brand and products in important global markets. The Global market is now looked at as four business blocks, to achieve world wide reach.

The Company plans to establish its presence in demanding markets such as Europe, North America and South America. Efforts are also on to increase distribution reach in existing markets simultaneously. We will improve our global market fit by introducing products complying with the BCI standards in addition to the JIS and DIN standard products.



The Company is working towards introducing world-class proprietary 'Duraframe' plate technology and expanding the product portfolio leveraging its cutting-edge AGM and EFB technologies.

Expanding the product range to cater to new geographies and customising product structures to better suit local demands is also on the anvil. This will allow Amara Raja to offer a differentiated product and deliver higher value to its global customers.

The imminent launch of PowerZone™ in the international markets will improve the reach of ARBL products in all markets.

Opportunities & Optimism

The auto industry is all set to accelerate into 2024 with 'cautious optimism' amid concerns over muted economic growth, high to moderate inflation and rising interest rates. A low base (even post a 7-9% growth YoY in FY2023) is expected to aid a moderate y-o-y growth (i.e., 10-12%) for the industry in FY2024.

India's Automotive Industry is valued worth US\$222 Bn and contributes 8% of the country's total export. It also accounts for 7.1% of India's GDP. It is expected to be a market worth US\$300 Bn by 2030. The key growth drivers are:

Growing income: Economic progress towards the US\$5 tr benchmark will significantly increase disposable income in the hand of the burgeoning middle class.

'Youngest Nation' by 2025: India to become the youngest nation by 2025 with an average age of 25 years.

Vehicle penetration : Expected to reach 72 vehicles per 1000 people by 2025.

Expanding R&D hub: India accounts for 40% of the total \$31 Bn of global engineering and R&D spend. 8% of the country's R&D expenditure is in the automotive sector.

Atmanirbhar Bharat Abhiyaan - Self-Reliant India: Make-in-India initiative aimed at promoting domestic manufacturing and reducing dependence on imports. Government announced ₹20 lakh crore special economic and comprehensive package.

Government initiatives: The PLI scheme (outlay of \$3.5 Bn) for the automobile sector proposes up to 18% financial incentives to boost domestic manufacturing of advanced automotive technology products and attract investments in the automotive manufacturing value chain. The Government's plan to reserve funds to replace old vehicles and ambulances will likely boost new vehicle sales.

Prospects for each segment within the automotive sector



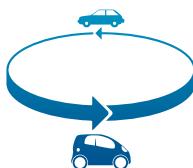
Passenger vehicles: According to a Goldman Sachs recent report, India will become the third-largest car market in the world, with 7.4 million vehicles.



Two-wheelers: According to Jefferies, the future appears bright for India's two-wheeler makers, who are expected to outpace their peers in the passenger vehicles segment over the next two years. While sub-125cc two-wheelers share will drop from 52% in FY22 to 45% by FY26, the share of premium scooters and bikes is expected to rise from 44% to 53% in this period.



Trucking: India's trucking market is expected to surge by almost 4x by 2050. The number of trucks (4 Million in 2022) is anticipated to more than quadruple by 2050 to about 17 Million.



Replacement: According to a study by the Central Pollution Control Board (CPCB) and others, by 2025, there could be 22 million obsolete vehicles (called ELVs- end-of-life vehicles) in India, which would require recycling. A large proportion of these will be replaced with newer variants.



As per Nikkei Asia, India surpasses Japan to be the 3rd largest auto market in the world, selling 4.25 million cars in 2022.

Business strategy

Lead acid batteries are here to stay despite increasing buzz around electric vehicles and alternate energy.

Domestic market: The Company will work on further strengthening business relations with OEMs to enhance their wallet share with OEMs. In the aftermarket, the Company will focus on widening and deepening its presence across the landmass to

be most proximate to vehicle owners and users.

International market: In the push to establish a truly Global presence, the Company has made considerable headway. It has drawn up a comprehensive blueprint that includes widening its geographic footprint, leveraging contemporary technologies to make globally-accepted products and establishing a

physical presence in all key markets, while continuing to strengthen the presence in the markets serviced hitherto.

Business risks



1. Drop in demand would impact business prospects

Mitigation measures

The division has an expansive presence in the domestic automotive sector, cushions a fall in demand from any one segment. Moreover, its efforts to expand globally further de-risks the division from a sectoral fall in any one geography.

2. Attrition of talent would impact business operations

Mitigation measures

An invigorating work environment, a careful balance of authority and responsibility, open communication platforms, encouragement to participate, and focus on knowledge building are crucial factors that enable the division to retain its talent pool.

3. Inflationary headwinds would adversely impact the division's cost sheet

Mitigation measures

Key costs are lead and energy. For lead, the Company negotiates with its supplier globally, which helps secure better rates. Also, the Company is working on increasing the proportion of recycled lead, which is cost-effective and environmentally friendly. The Company is increasing energy sourcing from renewable sources, which has helped it cap its overall energy costs.

2



INDUSTRIAL BATTERY DIVISION

- We are the pioneers in VRLA battery tech in India.
- We have the largest market share in Indian Telecom Industry battery segment.
- We are the largest exporter of VRLA batteries from India.
- We have the largest market share in Indian Data Centre battery segment.
- You know us as PowerStack®, Amaron Volt®, Amaron Quanta®.





AMARON®
QUANTA
UNINTERRUPTED

THE TOP PERFORMER ACROSS INDUSTRIAL SECTORS

- One of the World's Largest Industrial Battery Brands
 - Designed for Harsh Tropical Conditions
 - Quick Recharge
 - Deep Cycle, Long Life



OUR industrial battery division caters to several key sectors, including UPS, Telecom, Railways and other specialty batteries. Our key products are marketed under brand names such as PowerStack®, Amaron Quanta®, Amaron Volt®, Amaron Sleek®, Amaron Brute® & Amaron Solar®.

We enjoy significant dominance in the telecom segment and continue to add new telecom sites every year. Meanwhile, strong positive momentum in the UPS sector

including data center industry fuels the growth of our industrial battery division.



Performance in FY23

The Industrial Battery Division reported a significantly improved performance compared with earlier years - registering a 20% growth at the top line. Economic resurgence spurred demand. The first two quarters were challenging owing to elevated commodity prices and operational costs. The second half of the year was better, as the challenges were addressed with right preparation.

Telecom: Demand from the telecom sector was appreciably robust, registering a double-digit growth, although pricing pressure continued unabated. Volumes increased as the sector witnessed considerable upgradation to the 5G technology. Additionally, expansion in existing

4G networks also made a healthy contribution to volume growth. All customer segments appreciated our prompt field support to customer installations and commissioning, which has helped in faster rollouts.

Private telecom networks appreciably widened their network coverage and capacity across the nation.

In some network pockets, 5G rollouts happened with Lithium batteries. Our trials and pilot studies for lithium batteries are continuing as per plans. Our product approvals from different customers are progressing.

We have maintained our shares and preferred status in the telecom segment. Our expanding fully equipped service network is helping us strengthen our customer

relationships. During the fiscal, we received awards and appreciation from telecom and data center companies for our support. This helped us increase our wallet share with them.

UPS: Economic progress sustained the demand for UPS batteries from all user segments. Large investments in Data centers and many government projects contributed to accelerated demand. Our continued patronage with OE customers and preferential status with the end users helped us register double-digit growth during the period under review. We secured new orders for data center applications based on our superior performance with earlier client engagements.

During the year, we leveraged digital technology to strengthen our Customer Support systems. This helped us with our turnaround time to support our customers for I&Cs and after-sales support requirements. We increased our reach with new business partners and strengthened the current ones with multiple market promotional programs.

Exports: We registered moderate export growth despite headwinds persisting in our established markets of Africa and the APAC regions. Our recently widened reach in the MEA region significantly improved numbers. We are enhancing our product portfolio to better address the US and EU markets. However, we did kick start our business for supplies to the US.



Opportunities & Optimism

Telecom: India's telecom network growth should also continue in the current fiscal (FY24). Hence, demand from the telecom sector is expected to continue at a healthy pace. Though the conversion to Lithium is accelerating, the potential for Lead acid potentials should continue - driven by new 5G projects.

BSNL is expected to take off this year regarding network expansions. BSNL has also started converting to Lithium for new Projects. However, the old sites are expected to continue with Lead Acid for some more time; hence, we can expect significant volumes from BSNL Lead Acid.

As mentioned, we have already started the pilot studies and POCs (Proof Of Concept) sites in Pvt Telecom with our Lithium batteries. We are also expecting the approvals from BSNL for our Lithium Batteries during this coming year so that we can start looking at higher volumes of battery supplies in Telecom in the future.

Robust Demand

- Rural tele-density growth from 59.06 to 60.27% in the last 12 months indicates potential demand growth from Rural Sector
- USFO/DOT projects to focus more on rural demand initiatives by DOT 28K sites targeted through USDF
- Highest data consumer market and expected to continue
- Emerging IOT; use cases and many Application-enabling through 5G

Attractive Opportunities

- 5G growth expected to be 690Mn by 2028 accounting 50% of mobile subscribers
- Better ARPU's projected for OPCOs with revised tariffs
- 5G enable to generate through enterprise business opportunities sectors like Logistics, Agriculture, Healthcare, etc.

Policy Support

- GOI initiated Saral Yojana portal to address IP's & Opcos RoW issues
- 100% FDI from 49%
- Telecom Ministry working on new data center bill to enable more numbers of data centres deployment
- Revival package ₹1.67 Lakh Cr to BSNL & MTNL
- To boost 'Make In India' and to drive chip shortages government has introduced PLI schemes for Telecom Sector

Increasing Investments

- DOT allotted ₹26,737 Cr in FY23 for UCV & LWE
- ₹44k Cr is getting infused in to BSNL
- Indigenous 5G active equipment plants setting up in India by Ericsson, Nokia, TechMahindra





Fast-paced 5G services are expected to play a significant role in achieving the economic goal of making India a US\$ 5 trillion economy.

UPS: The potential is expected to grow by about 5-8% based on our internal research and analysis. Though many new Data Centres are expected to go with Lithium batteries, the overall potential of Lead Acid batteries remains considerably attractive.

We are working on the new, improved version of our MVRLA batteries to meet the new age requirements like Data centers, high wattage requirements etc., apart from new-age lithium solutions.

India has witnessed steady growth in the number of data centers across the country in the last couple of years, ascribing to a significant rise in digitisation. As of May 2022, India has around 127 data centers.

Data Center capacity will only increase over the coming years. Case in point: in 2021, the data center market in India was valued at US\$4.35 billion and is predicted to reach US\$10.09 billion by 2027. (Source: [globalwire.com](https://www.globalwire.com))

Furthermore, there is a rise in cloud-based networks. This can be ascribed to higher integration as corporation's worldwide shift toward cloud-based networks rather than maintaining their infrastructure. Moreover, increased investment and application of Artificial Intelligence, the Internet of Things (IoT), and Machine Learning are transforming various sectors, such as Industry 4.0, financial technology, global cities, digital infrastructure, and communications.

The big change in potential in India is happening in 2 segments other than Data Centers - Industries under the "Make in India" mission and the Medical segment (both Hospitals and Diagnostic centers) owing to people's affordability for better medical treatment.

The Indian UPS Market was valued at US\$ 1,165.93 Million in 2022 and is expected to project robust growth prospects in coming years, registering a CAGR of 8.20% through 2030. (Source: [techsciresearch.com](https://www.techsciresearch.com))

Battery Energy Storage Systems:

This market has been emerging and promising in the industrial and commercial segment in the last few years, particularly with massive Renewable Energy penetration. With our expertise in providing batteries for Solar/Renewable, we are carving out this business with a particular focus, and we have started making inroads.

At India Rooftop Solar Congress 2023, 10th Edition, Amara Raja Batteries Ltd won as COMPANY OF THE YEAR - ENERGY STORAGE. This award is for serving India with multiple MWHR Installation bases with Advanced VRLA, energy efficient and lower TCO solutions for Rooftop & Mini Grid applications.



Business strategy
Region-wise focused approach:
 Positioning sales resources in Indonesia (APAC), Nigeria (Africa) and Dubai (Middle East).

Vertical wide focus

- Sustain relations and business volumes with Telecom players, and leverage India relations to secure export opportunities

- Strengthen business relations and increase business with UPS OEMs
- Establish a stronger foothold in the Data Center segment
- Create products & solutions with advanced technologies and chemistries, and secure customer approvals for the same.

Business risks



1. Demand Risk

Demand for batteries could witness slowdown from key user segments.

Mitigation measures

India's economic progress will be based on digitisation technology. This is creating exponential demand for energy backup solutions. Moreover, a hugely connected world will only amplify the demand for storage batteries.

2. Technology Risk

Fast paced changes in the technology world could impact business prospects.

Mitigation measures

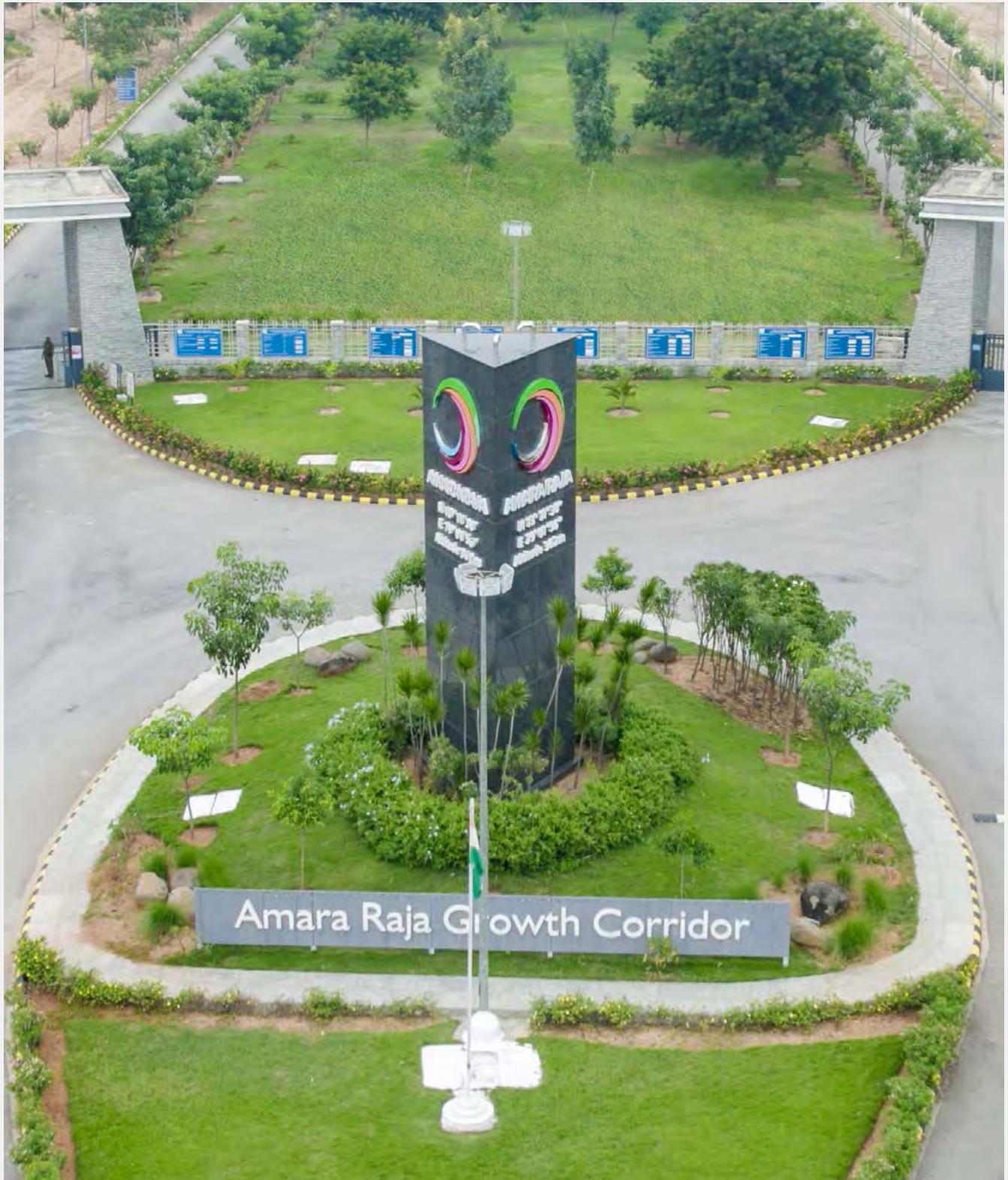
The Company continues to ideate and develop contemporary solutions that meet customer requirements. With this objective, it invests in niche and relevant technology solutions to remain competitive. Case in point: the Company's Lithium batteries for telecom applications are undergoing field trials and should be ready for commercial deployment shortly.

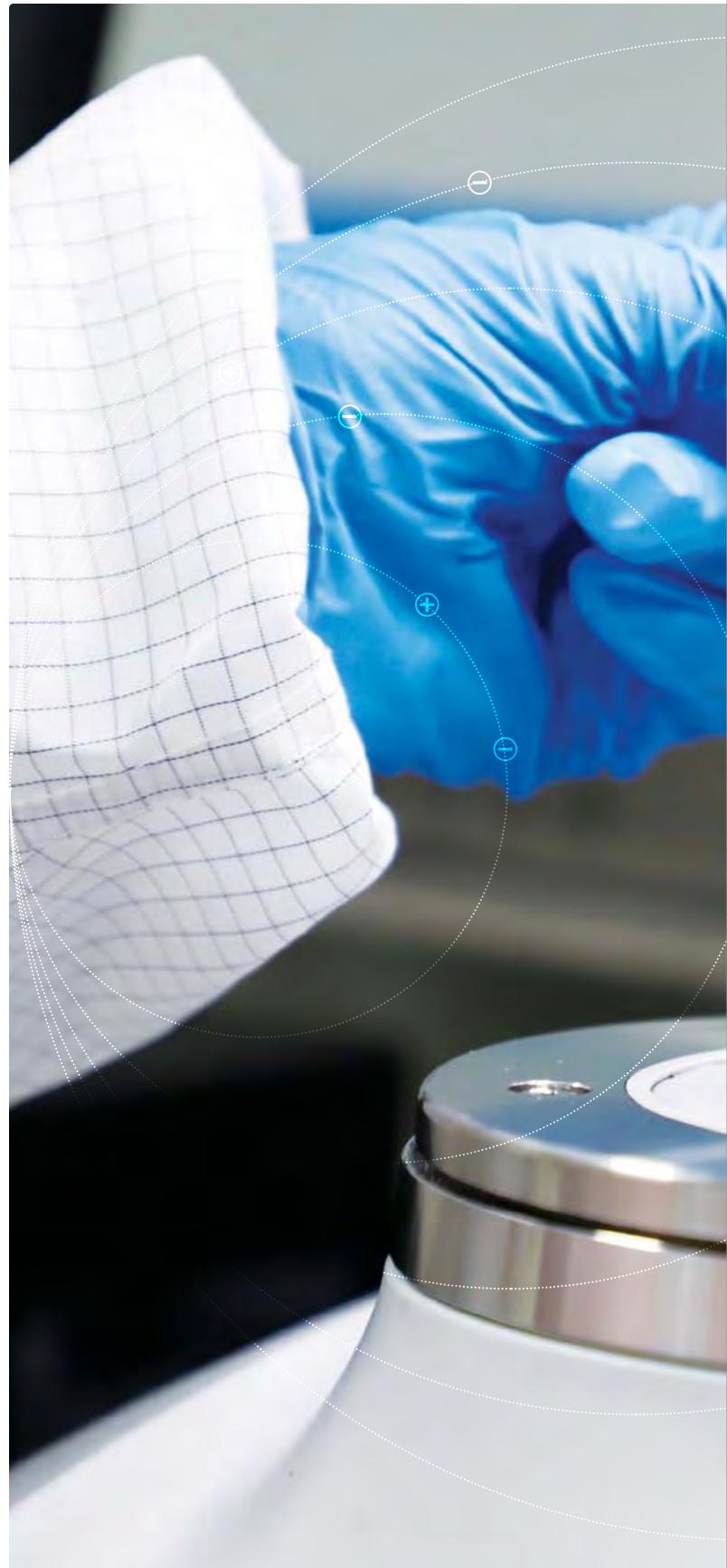
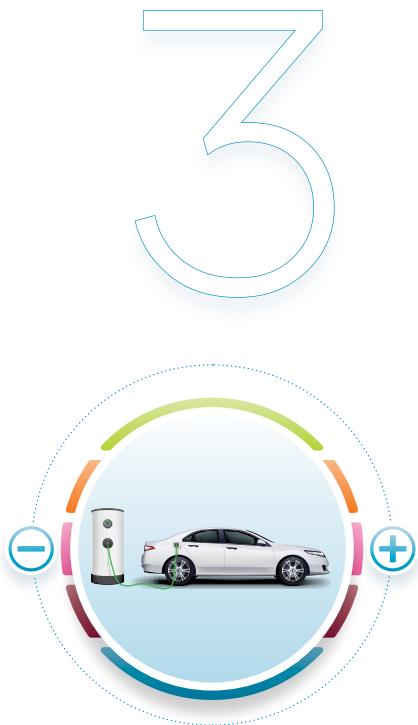
3. Geographic Risk

Over-dependence on single geography could impact business prospects.

Mitigation measures

The Company's products are regularly exported to several nations, primarily in the Indian Ocean Rim. It has recently gained a foothold in developed markets, namely the US. Also, the Company has a strong presence in the MEA market. This geographic diversification should help it ride the economic progress curve of all these nations.







INDIA is ardent about its e-mobility ambitions as a critical path to achieve its Net Zero commitment. The Government's encouraging policy announcements have enhanced the positivity around the e-mobility space.

This growing transition from ICE platformed mobility to E-mobility has increased the spotlight on lithium-ion based energy storage technologies.

Amara Raja's new energy business focuses on leveraging the lithium ion chemistry for developing advanced energy storage solutions. Convinced that the New Energy segment will open exciting new avenues and emerge as the critical growth lever of the future, Amara Raja has drawn up a comprehensive blueprint for establishing a strong presence in this space.

The company is leveraging its expertise in lithium ion cell manufacturing, engineering skills and user-focused approach to develop an expansive and differentiated basket of customised solutions. These are to cater to the requirements of diverse sectors namely the electric vehicle sector, renewable energy markets and energy storage systems. There is also a continuous perseverance to reduce manufacturing costs and improve affordability for customers, thereby accelerating the shift to sustainable energy sources.



To realise the above objectives, in November 2022, we established Amara Raja Advanced Cell Technologies (ARACT), and have made significant advancements in terms of talent acquisition, technological advancements, and trade opportunities under this new subsidiary.

To bring greater focus on New Energy Business, Amara Raja has transferred its existing Pack and Charger business to its wholly owned subsidiary ARACT, via a business transfer agreement.

Li-ion battery packs

Having explored and critically assessed the lithium-ion storage battery space for the last few years, we are continuously building deep technology competencies in designing customised battery packs for OEMs that are rugged, safe, and reliable for any automotive ecosystem.

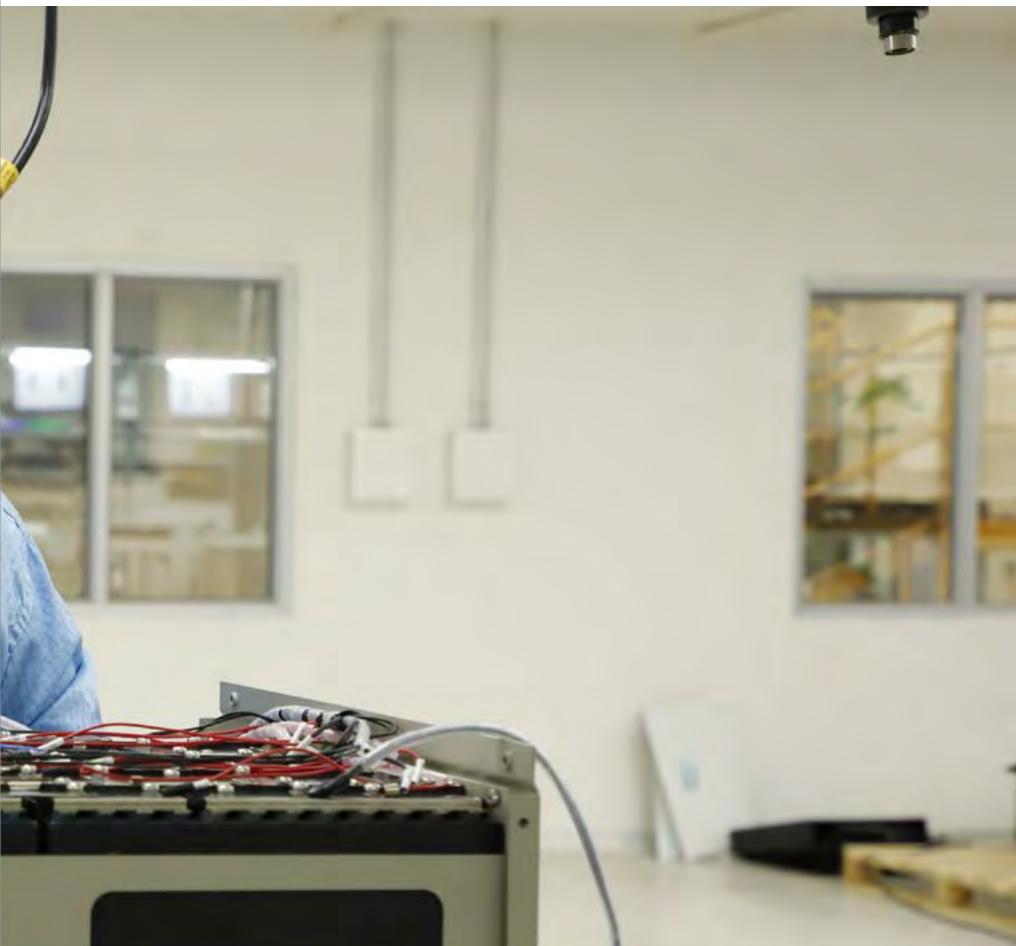
The Company manufactures and tests Lithium-Ion battery packs at its manufacturing facility located near Tirupati in Andhra Pradesh.

It leverages component-level technologies from its E-mobility application and adopts a complimentary approach for its energy storage solutions. This modular approach for designing battery systems allows the Company to optimally utilise its pack

manufacturing capacity among diverse energy storage products.

Effectively deploying its deep knowledge in lithium-ioncell chemistry types and performance characteristics, the Company has created a portfolio of 0.5Kwh to 21.0Kwh products catering to e-mobility and energy storage applications in India.

The Company is one of the first players to achieve IATF 16949:2016& ISO 9001:2015 Certification for Li-Ion battery pack assembly and manufacturing operations.



Achievements in FY23

- Received AIS 156 amendment -2 certification for 3W battery packs
- Introduced new IP-67 rated packs for 2W and 3W applications along with commercial supplies
- Developed 2KWh battery pack for 2W application and 10.2KWh battery pack for 3W application
- Received approval for 5KWh packs for telecom application from BSNL

Li-ion cells

Li-ion cells is at the heart of being successful in the energy storage technology space. To build capabilities in this space, Amara Raja has embarked on a massive investment project (possibly the largest in its journey this far), to set up a Giga factory to manufacture Li-ion cells on a commercial scale in India. As a prelude to this giga project, the Company made business critical investments that set the foundation for its Giga factory.

Research facility: It has invested in a state-of-the-art R&D pilot plant for prototyping Li-ion cells which will be a corner stone facility to develop futuristic technologies. This is the first pilot scale facility established by a private sector player for research on Li-ion cell technology in India.

This facility will develop the critical raw materials, design and build prototype products for extensive testing to conform to the demanding field usage conditions of EV and ESS applications. It will also undertake research on advanced materials and diverse battery technologies partnering premier institutions.

At this facility, the team has successfully designed and developed Nickel-rich 21700 NMC cylindrical cell. This important breakthrough showcases the team's prowess in technology-driven innovation and their passion to align with evolving trends in the dynamic business space.

The Company has invested in promising technology start-ups in the Li-ion technology space and is continuing to explore partnerships opportunities to develop globally competitive Li-cell technology and manufacturing infrastructure as part of the Giga factory investments.



An exciting road map

Having considerable headway in our exhilarating journey, we have drawn a comprehensive blueprint to elevate this business with the objective of establishing Amara Raja as a dominant player in the sustainable energy space.

Our immediate plan: We will expand our battery pack assembly lines at our Tirupati facility to arrive at a 2GWh capacity. Considering the surge in demand for lithium-ion batteries for 2-wheeler and telecom application, we will set up new high-speed battery pack assembly lines to allow us to effectively capitalise on the growing opportunity. On the process front, the team is working on introducing robotic systems for automated cell and module insertion.

In the market place, the Company will commercialise its 2W battery packs. Further, the team is developing a range of batteries to widen its presence in the automobile sector.

- Develop upto 15KWh LFP batteries for sustainable growth in 3W segment
- Develop medium voltage packs upto 20KWh pack for LCV application
- Develop of high-voltage EV battery packs for 4W and passenger applications

Amara Raja also plans to collaborate with design houses to enhance the

features and ergonomics in its Li-Ion battery packs.

Our large projects: Amara Raja has taken the big leap in the lithium ion space. The Company has signed a Memorandum of Understanding (MoU) with the Government of Telangana to establish research and manufacturing facilities for lithium-ion cells and battery packs. We have finalised Divitipally in Telangana as a site for giga project and land acquisition process is complete. We are planning to invest ₹9,500 crore in a sprawling green field giga corridor spread across 262 acres creating an employment opportunity for 4,500 people over a period of 8 to 9 years.

Amara Raja Giga Corridor: We will set up a world-class manufacturing facility equipped with high-speed automated lines. At this unit we will manufacture advanced lithium-ion cells for electric vehicles and stationary energy storage systems. Our digitalised smart factory integrated with solar rooftop installation will be equipped with advanced fire safety and NMP

recovery systems and will be a Net-Zero hazardous emissions facility.

Advanced Energy Research and Innovation Centre: (AERIC) is our advanced research facility encompassing state-of-the-art laboratories. Set up on a eight acre plot at GMR Aerospace park, Shamshabad. Which is one-of-a-kind R&D hub will focus on multiple cell chemistries and develop new materials and processes for improved battery performance, safety, durability, and cost-effectiveness. Manned by 800 technocrats, this innovation will have advanced material research and analytical labs and a start-up incubation centre. This R&D unit will be fortified with multiple capabilities such as:

- Demonstration of technology with proof of concept
- Prototyping, testing, conferencing, and digital library
- Battery/vehicle data analytics and intelligence



Achievements in FY23

- Proposed to invest ₹9,500 crore to create the Amara Raja Giga Corridor (ARGC)
- MoU signed with Government of Telangana
- Ground breaking at Divitipally for Amara Raja's Gigafactory
- Commenced implementing of phase-1 of the project consisting of customer qualification plant and the first gigacorridor





Our Value Creation





MANUFACTURED CAPITAL



7
MANUFACTURING PLANTS

30
2-W BATTERY ANNUALISED CAPACITY
(MN UNITS)

2.11
CUMULATIVE SHOPFLOOR AREA
(MN SQ. FT)

2.3
INDUSTRIAL BATTERY CAPACITY
(BN AH)

19.2
4-W BATTERY ANNUALISED CAPACITY
(MN UNITS)

UR value-added product portfolio is underpinned by our strong manufacturing capabilities. Our manufactured capital comprises physical infrastructure, including manufacturing plants, buildings, machinery and equipment.



SDGs impacted



Key focus areas

- Throughput maximisation by improving productivity
- Reducing carbon footprint
- Improving product quality
- Occupational Health & Safety

Over the last decade, we continued to augment capacity in our business divisions with the objective of meeting the growing demand. Our investments in technological innovation have resulted in superior products being delivered to customers.

Effective management of our manufacturing assets contribute to our operational efficiency, profitability and continued growth. During the year, we continued to maximise the utilisation of our existing facilities, implement planned projects to make our manufacturing more effective and sustainable.

Key highlights

- Four of our plants have been recognised with GOLDs in International-Level Quality Circle Competitions (ICQCC) held in Jakarta, Indonesia.
- 1212 Quality Circle projects completed; received numerous suggestions for process improvements.
- Achieved significant savings with energy conservation projects in our plants.
- Established AGM product capacity for 4W segment.
- Enhanced the Stamped Grid capacity by addition of 2 new lines.
- Commissioned solar facility with 59.1MW capacity.
- No fatalities reported in this year.

Improving productivity

Amara Raja's continuous improvement ethos is embodied in its articulated philosophy - **Gotta Be A Better Way**. This, like an inspirational mantra, motivates the entire team to raise the efficiency bar. This culture, which has been practiced for many years, has now become part of the organisational DNA, inspiring the Company to strive for better methods of performing the task.

The meaningful tweaks and improvements made in our operational systems and process have increased production levels and helped us progress towards operational excellence. In recent years, we have sharpened our focus towards automating our processes to minimise operator fatigue in critical areas, improve process consistency and enhance ergonomics & safety.

Our Initiatives

- Introduced ergonomic workstations to reduce physical strain on workers
- Automated repetitive tasks to reduce the need for operators
- Introduced process improvements to reduce errors and increase efficiency
- Standardised procedures to ensure consistency in product quality
- Conduct regular training to upskill employees and promote a culture of continuous improvement

Our Automation Projects

- Label applicators to reduce repetitive operations and reskilling in SBD-1 & 2 plants
- Launched a Real-time battery traceability system (ABD-I)
- Auto recording of Tub temperatures during charging process -MVRLA
- COS unloading automation by ROBO in ABD-1

To enhance process efficiency, we have institutionalised various initiatives such as Industrial Engineering (IE), Lean Six Sigma, and TPM. These initiatives have strengthened processes to enhance product quality and improve man-machine productivity.

Additionally, we have taken a proactive approach to employee well-being by implementing the following measures:

Optimising resource consumption

Attaining net-zero for India and the planet will be impossible if companies don't reduce their carbon footprint. At Amara Raja, we are focused on optimising our carbon footprint. To attain this goal, we have sharpened our focus on our energy conservation efforts by upgrading our process technology, scheduling our production plan more scientifically and implementing various energy saving initiatives including the installation of energy-efficient equipment. Few initiatives are mentioned below:

- Improved heater control system for lead pots
- Provided VFDs for facilitating cooling tower process pump automation

- Introduced a Special Work Allowance (SWA) provision for employees working in different plant categories, based on the nature of their work, including safety, environmental impact, fatigue, complexity, and intellectual demands. The primary objective was to reduce employee attrition rates and increase motivation

- Conducted ergonomic assessments to identify high-fatigue jobs and applied TPM methodology to provide more effective solutions
- Optimised our manpower based on workloads, achieving greater efficiency and productivity

We believe these efforts will help in sustaining our output growth and promoting a safe and healthy work environment for our employees.

- Replaced old conventional chargers with IGBT chargers
- Installed Axial Fans (HVLS) in Finishing areas
- Replaced conventional lights with LED lights
- Upgraded our Oven Control Panels with IGBT technology
- Installed the auto descaling system for Acid chillers
- Inter linked FA System WRT production lines
- Installed timer base switch on Lighting
- Introduced skin temperature reduction in lead melting pots
- Replaced conventional motors with BLDC motors in HVAC AHUs
- Improved the Power factor in SDB level

- Replaced pneumatic vibrators with electrical vibrators
- Installed occupancy sensors for stores, chargers' room, formation tubs and other utility buildings to control electricity consumption
- Replaced AODD pumps with energy EODD pump in ETP
- Reduced compressed air leaks in shop floor
- Implemented various energy optimisation measures in curing and drying ovens

Additionally, we continue to change our energy sourcing mix from fossil fuel sources to renewable sources. We commissioned 59.1MW Solar generation plants. Our investment in the solar projects helped us avoid 33,500 tonne of CO₂ emissions during the year.



Amara Raja received the "Energy Efficient Unit" award from CII, during the 23rd National Awards for Excellence in Energy Management 2022.



Quality Management

Amara Raja believes in compliance, excellence, and long-term viability. The Company's effort to create world-class products pushes it to better its quality management systems - living upto its ethos enshrined in the '**'Gotta be a Better Way'** culture.

The clear manifest of its unwavering effort are the ISO 9001:2015 and IATF 16949:2016 certifications for all facilities, as well as increasing the maturity level of the Quality Management System (QMS) to better serve customers and improve business performance.

Learning is a journey towards excellence that continues to effectively enhance people's competency by conducting job-specific training. To instill a passion for quality throughout the organisation, we have institutionalised globally-recognised operational tools and techniques such as Continuous Improvement (CI), Lean Implementation programs such as TPM, Poka Yoke, Single Minute Exchange of Dies (SMED), Visual Management, 5S, workplace

ergonomics, Industrial Engineering (IE) studies, and Lean Six Sigma and Quality Circle concepts.

We continually encourage employees to take quality management tool training and certification courses. To facilitate their knowledge building effort, we conduct various training programs with Subject Matter Experts. These efforts are making a visible difference in increasing our team's quality commitment.

Key initiatives in 2022-23

Our commitment towards sustainable best practices continued by putting many initiatives into place.

- Quality culture emphasised through World Quality Month celebrations at all manufacturing sites and remote locations
- Meeting global standards in order to enter markets such as the United States, Europe, and the Middle East, among others
- Developed e-learning modules for awareness of ISO 9001 & IATF

16949 standards to improve learnability

- Increased momentum for Lean and continuous development through competing at national and international levels
- Increased staff skill levels through classroom training and workshops on 5S, Quality Circles and Lean Concepts (3000+ Man-hours of training)



5S, Quality Circles, Suggestions & Lean Six Sigma

- 872 quality circles completed 1212 projects
- For process improvement across the entire supply chain our frontline employees have given various suggestions

- To embed the Six Sigma approach throughout the organisation, Amara Raja trained 17 Blackbelts and 43 Greenbelts and completed 175 projects. This task force has offered insightful advice on streamlining processes, lessening variation, and improving product uniformity

Awards & Recognition

SIX SIGMA		LEAN CONCEPTS	
CII National Six Sigma Competitions	CII National Kaizen Competitions	CII National Poka-Yoke Competitions	CII National SMED (Quick Changeover) Competitions
LVRLA has been recognised with PLATINUM and won the "Winner Award"	MVRLA has been recognised with PLATINUM, GOLD & 2 SILVERS	SBD-2 has been recognised with PLATINUM	SBD-2 has been recognised with PLATINUM
MVRLA, ABD-2 and SBD-1 have been recognised with GOLD	SBD-2 has been recognised with PLATINUM & GOLD	LVRLA has been recognised with PLATINUM, GOLD & SILVER	LVRLA, SBD-1 and ABD-3 have been recognised with GOLD
	SBD-1 has been recognised with PLATINUM & SILVER	MVRLA has been recognised with GOLD	
	LVRLA has been recognised with GOLD & SILVER	SBD-1, ABD-2 & TBD have been recognised with SILVER	
	LVRLA has been recognised with "STAR" in the "Champions Trophy Awards"		



Quality Circles

- We bagged 98 GOLDs & 4 SILVERS in State-Level Quality Circle Competitions (CCQC) held at Tirupati, Andhra Pradesh
- We bagged "22 PAR-EXCELLENCEs", "2 EXCELLENCEs" and a "DISTINGUISH" in National-Level Quality Circle Competitions (NCQC) held at Aurangabad, Maharashtra
- ABD-1, SBD-1, LVRLA and MVRLA have been recognised with GOLDs in International-Level Quality Circle Competitions (ICQCC) held in Jakarta, Indonesia
- SBD-1 has been recognised as "1st Runner-up" in CII State-Level Competitions
- SBD-1 has been recognised as "3rd Runner-up" in CII Southern Region Competitions



Quality Systems Certifications

- Automotive battery plant - Unit 3 is certified with the Automotive Quality Management system IATF 16949:2016 standard
- Awarded a bronze medal in recognition of business sustainability from Ecovadis





Health & Safety

Health and Safety is a core focus area for us, and we are continuously investing in technologies and processes to make our operations safe. We use a combination of frameworks, protocols, training

and awareness programmes that make safe practices and behaviours the norm. Our approach is based on prevention, intervention and collaboration. Sharing lessons learned across our businesses has helped us build a solid track record in safety.

Safety:

At Amara Raja Batteries, Safety is our core value. We adopt a life cycle approach towards safety in all our activities. Safety and employee well-being is ensured through the disciplined implementation of robust and established safety management systems and practices in all our operations.

World-class safety systems and standards like 5S, TPM, Quality circles, etc. are adopted as a part of our operations. By ensuring employee participation and ownership towards safety in all our activities, we have ensured a sustainable culture of safety excellence in the organisation.



New initiatives:

- 1) External safety audit conducted by M/s Bureau Veritas at Tirupati & Chittoor plants for identification of gaps in the safety systems and initiating improvement measures.
- 2) Safety Gemba walks conducted in the units ensuring Senior Management team participation in safety.
- 3) Participated in the District level Offsite emergency mock drill as an industry member from Chittoor district.
- 4) Safety equipment exhibition organised for spreading awareness on Personnel Protective Equipment usage among the employees.
- 5) Road safety awareness programs conducted at Tirupati & Chittoor locations. Training imparted to 200 container truck drivers.

Sustenance:

- 1) Sustenance of ISO 45001:2018 Management system certification requirement by strengthening elements to maintain a safe workplace.
- 2) Safety improvement and risk reduction by capturing of Near miss incidents and undertaking a detailed analysis of the same for rolling out prevention plan.
- 3) Enhanced safety monitoring in silent hours and night shifts.
- 4) National Road Safety Week and National Safety Week celebrations for spreading awareness among employees.
- 5) Refresher training on Fire Safety imparted to employees for ensuring emergency preparedness.
- 6) Implementation of Job Safety Analysis process for shutdown and non-routine activities complimenting the work permit system.



Occupational Health

We believe that good health is the most essential prerequisite for work excellence. In keeping with this belief, we have aligned our health management system with the exacting standards of ISO 45001.

- **24x7 Medical Facility** - OHC is operating full-time by providing Occupational health and health care services round the clock including public holidays without any business disruption.
- **Doctor Consultation** - Qualified occupational health physicians are available to provide occupational health and health care services on preventive and clinical aspects.

● Biomedical Waste Management

As per BMW 2016 rule we have tied up with AWM consultation for biomedical waste disposal, with a collection of garbage every 48 hrs. with sterile technique, and all biomedical handlers are vaccinated appropriately.

- **Distribution of First Aid Boxes (FA) & Kits** - As per the Factories Act one FA box is recommended for 150 employees, beyond that we are maintaining one FA box for every 72 employees with a FA kit. FA box audit is done by the OHC team every fortnight.

- **Pre-Employment Medical Examination & Fitness** - For every new joinee of Amara Raja we perform a Pre-employment medical examination & fitness certificate is issued by the Occupational Health physician before joining work. Review of health status & fitness is given by Occupational Health physician for lateral recruitment.

● Training and Awareness

programs - Internal and External training programs are conducted by the trained medical team.

- **Internal training programs** - First aid refresher training, Basic Life Support training and awareness programs about communicable & Non communicable diseases, Women's Health, Personal Hygiene, Nutritional Health & Tobacco usage.

● Mass health communication

programs - As a preventive aspect, mass health communication is done by the trained medical team at the Communication meets, Tea points, Amenities and Women's forum. Topics like Non communicable diseases, seasonal diseases, tobacco awareness, snakebite etc.

- **External training program** - Certified First Aid Training & Basic life support & Advance life support Training for Medical team.



- **Lead Levels in Blood (LLB)**

Screening & Analysing Screening & Analyzing with ZFAAS-Perkin Elmer & Lead care-II kit-For all ARBL employees we are performing / screening and analyzing LLB values with a trained lab team and advanced equipment as scheduled 3 months once for Critical area, 6 months once Non-critical area and yearly once for Office employees

- **Proficiency test by external referral laboratories** -

Blood samples of approx.10% of the total tests is being send to NRCLPI (National referral centre for lead projects India) for proficiency testing

- **24x7 ALS Ambulance Services**

We have advanced life support 24x7 ambulance facility with well-trained drivers, with minimum reaching transport time to OHC by 3- 5min across the plant. Facilities with Stretchers, Wheelchair, AED, Spine boat stretchers, Scoop stretchers, Suction apparatus, Ventilator, O₂ supply, and Vaccine carrier, With advanced medications & Emergency kit

- **Annual Medical Examination** -

As per statutory requirement, for every employee in the premises of Amara Raja we have conducted an annual medical examination





FINANCIAL CAPITAL



10,386
STANDALONE REVENUE
(₹ CRORE)

5,298
NETWORTH
(₹ CRORE)

13.4
EBITDA MARGIN (%)

14.1
RETURN ON NETWORTH (%)

2.25
CURRENT RATIO (X)

0.00*
DEBT EQUITY RATIO (X)

*ROUNDED TO TWO DECIMAL PLACES



OUR capital allocation policy is focused on maximising returns in the present while laying the foundation for a sustainable future.

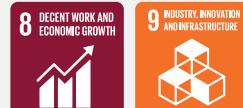
We are driven by the belief that responsible financial decision-making can power our profits today, create a lasting positive impact on the environment and society, and provide value to our shareholders.

FY23: Key highlights

- Revenue from Operations increased by 19% over the previous year
- EBITDA grew by 27% over the previous year
- Net Profit for the year scaled by 36% over the previous year



SDGs impacted



Key focus areas

- Financial controls and cost efficiency
- Prudent capital allocation

Financial performance

The global economy slowed down in 2022, but the Indian economy continued to grow at a healthy rate. However, all economies faced significant headwinds, including high inflation, rising interest rates, and the ongoing geo-political issues in Europe.

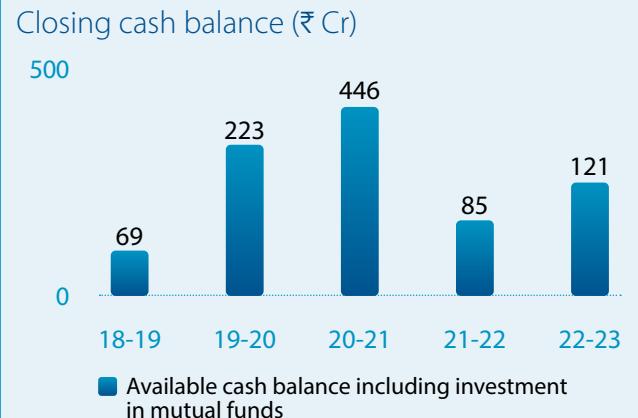
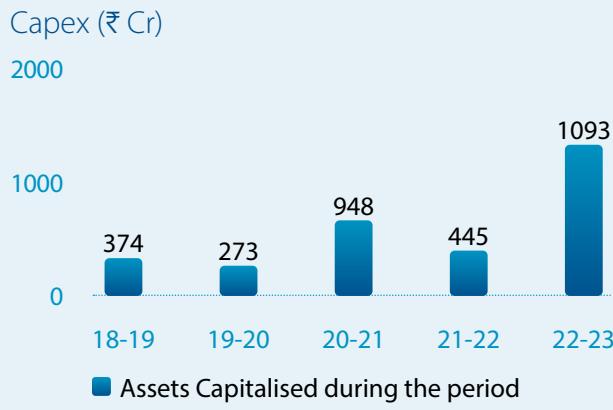
The Company has achieved a turnover of ₹10,386 Cr, backed by strong volume growth across all major product segments. The Company has also improved its margins due to reduction in input costs and higher realisations during the year.

Capital investment

The Company is continuously evaluating new capex proposals in the lead acid business to cater to growing demand in mobility and stationary applications.

On a sustainability side, the Group is investing in a lead recycling plant in Tamil Nadu, thereby proving our commitment to circular economy.

The Company has also commissioned a ground and roof mounted solar plant. Through continuous improvement programs, the Company was able to increase the throughput of its manufacturing plants.



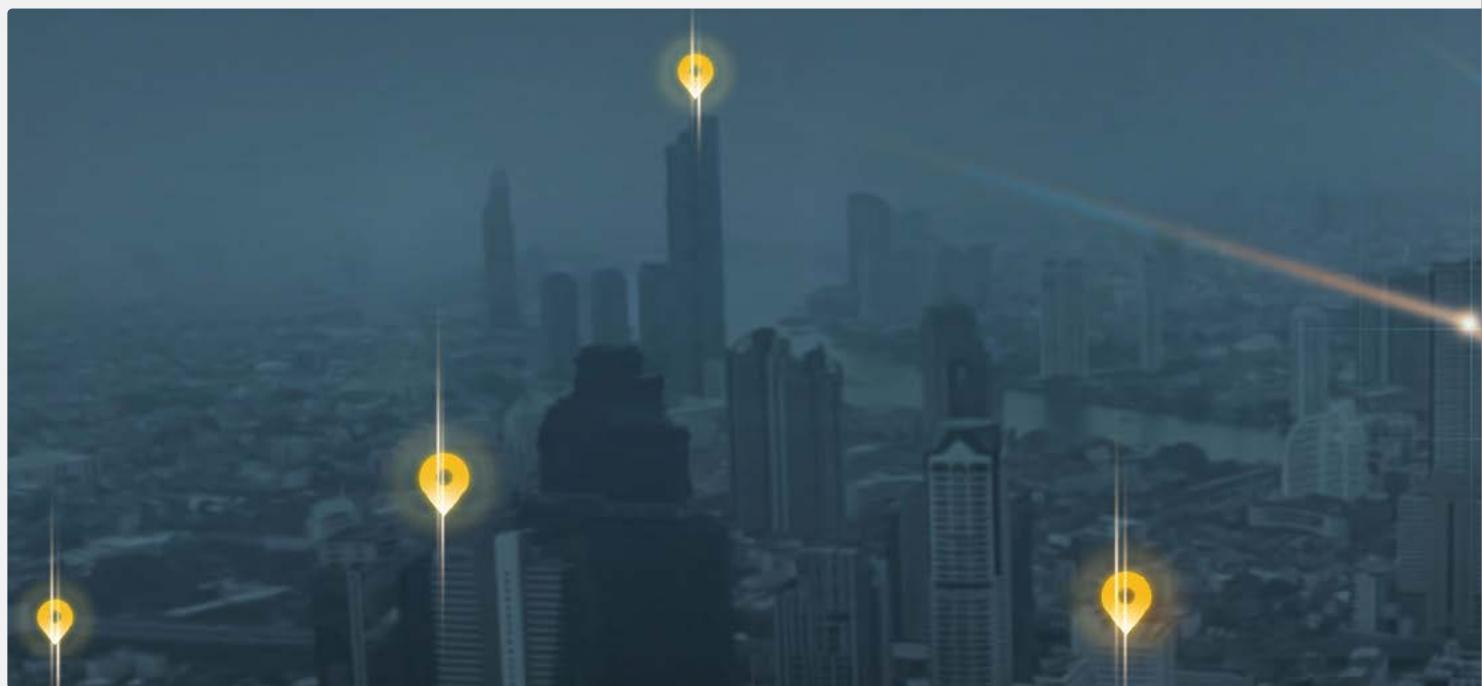
Investment in New Energy Business

By leveraging its experience in the battery space and operating cash flow from existing verticals, the Company is investing in its new vertical 'New Energy Business'. The Company has initiated the process to transfer the

New Energy Business to its wholly owned subsidiary to focus on new technologies around Energy & Mobility.

The Company has invested in technology start-up companies to leverage their capabilities for the new energy business.

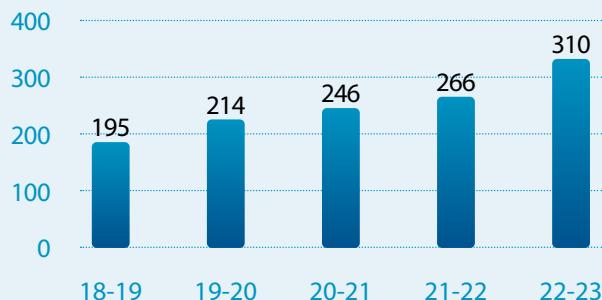
The Company is also investing in E-hub, an incubation center around 'Energy & Mobility' thereby enabling it to collaborate with various technology driven companies or persons.



Value creation

Amara Raja aims to strike a balance between short-term financial gains and long-term value creation. In addition to its strategic investments, the Company is committed to deliver value to its shareholders. Dividend distribution is an integral part of its capital allocation policy. The Company has proposed final dividend of ₹3.2 per equity share of face value of ₹1 each fully paid up.

Book Value (₹) per Share



Dividend (₹) per Share





HUMAN CAPITAL



7,993
PERMANENT EMPLOYEES

130
REVENUE PER PERSON IN
2022-23 (₹ LAKH)

31
AVERAGE AGE OF
TEAM (YEARS)

8.7 lakhs
NET PROFIT PER PERSON (₹ LAKH)



AMARA RAJA's journey is fueled by its people, who are our core strategic assets. We strive to surpass boundaries, drive performance, and set industry trends.



Our core purpose of "Transforming our increasing spheres of influence" embodies our philosophy of continuous improvement. Guided by our motto, '*Gotta be a Better Way*', we harness the passion of our people to create exceptional experiences and achieve excellent results. Despite challenges, we embrace attitudes of courage, agility, resilience, eagerness, and speed for sustainable growth. We are dedicated to the holistic well-being of our employees and constantly making things better for them.

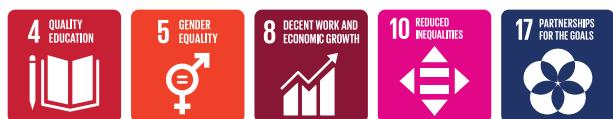
Connect & Heal

Integrated health care and support services to ARG Employees:

Employees Wellness & Wellbeing continues to be of high priority for us in Amara Raja. In view of providing integrated health care and support services to our employees and their families, we tied up last year with 'Connect & Heal' (CNH) agency, which rendered their services like Tele-medicine, Lab testing, Ambulance Services, etc During the pandemic time, they were also supporting employees on COVID-19 Kits and a host of other COVID care services.



SDGs impacted



With the changed scenario, we are continuing with the services of Connect and Heal in a revamped fashion in the larger interest of wellness and well being of our employees.

CNH has now a range of services for our people. One notable addition is the introduction of a

free mobile app for both employees and their dependents. This app offers convenient access to various features, including free online doctor consultations with any of the 22 specialists who can communicate in multiple languages. The app also provides a health track record,

allowing our people to monitor and manage their well-being. Additionally, CNH now offers chargeable services that can be booked through the app, such as lab testing, medicine home delivery, and ambulance services.



Group Life Cover Policy:

We have consistently prioritised investing in the domains of Welfare, Wellness, and Wellbeing, recognising their significance. As an extension of this commitment, the Group Life cover policy remains in place, offering employees and their families essential financial protection and support in

the unfortunate event of loss of life while being engaged with Amara Raja. This policy serves as a crucial measure to assist during challenging times, ensuring that our employees and their loved ones receive the necessary assistance and security during such difficult circumstances.



Capability building through e-learning

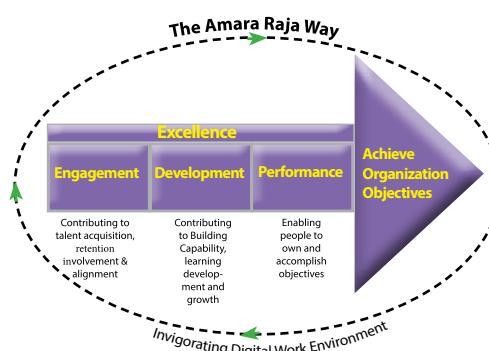
Our organisation continues to embrace technology to ensure that learning is easily accessible to our employees. In the post-pandemic era, the demand for e-Learning has significantly increased. In the last year alone, we have developed and implemented over 24 new e-Learning programs covering both technical and behavioral topics. Additionally, we have subscribed to 21 courses from an external vendor to further enhance the learning and development opportunities for our workforce.

To foster a strong organisational culture, the culture-building programs such as '*Living the Amara Raja Way*' with more refinements are also made available into e-Learning formats, making them readily available to our employees. Programs, like 'Prevention of Sexual Harassment', continue to be mandatory for all employees across various levels emphasising our commitment to a safe and inclusive work environment.



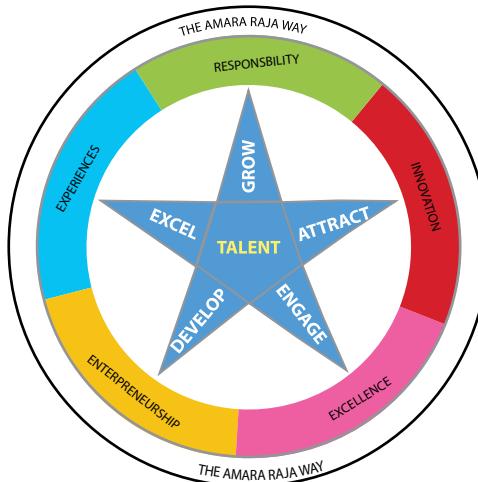
People Strategy Model

Our unwavering dedication to our People Strategy has been a key driver of our ongoing success. By embracing The Amara Raja Way®, we have effectively aligned our organisational objectives in a dynamic digital work environment. This has allowed us to excel in areas of people engagement, development, and performance, propelling our achievements to new heights.



Amara Raja Talent Management Model

Through our comprehensive Talent Management Model, we are continuously initiating and institutionalising innovative programs that align with the organisation's People Strategy. As part of this model, the team has been steering various initiatives throughout the year, ensuring alignment with the company's business strategy.



Highlights of some of the major initiatives



Workforce Strategy:

Our Workforce Strategy aims to redefine performance standards for our front-line workforce across all locations. This strategic approach is driven by the evolving external environment and dynamic business needs, with the goal of making Amara Raja the preferred employer in our regions.

To achieve this, we focus on attracting, engaging, developing, and enabling our workforce. We enhance competitiveness in recruitment, pay and benefits, employee welfare,

skill development, alignment with organisational goals, and employee well-being. By addressing these areas comprehensively, we foster growth and success.

Annually, a cross-functional team conducts a detailed study, examining external factors and internal perspectives on performance and engagement. Based on the findings, we implement strategic actions for continuous improvement and future challenges.

The last year again, a dedicated cross-functional team consisting of over twenty leaders and employees conducted a thorough study. Their valuable insights and recommendations have been instrumental in shaping our action plans and guiding our efforts towards enabling our workforce strategy for success.



Revamped PMS:

The updated Performance Management System (PMS), implemented last year, has been positively received, with improvements in the frequency of reviews and feedback. Employees have appreciated the revamped PMS as it provides them with more opportunities for regular performance discussions and constructive feedback. The increased frequency of reviews and feedback has enabled a more continuous and proactive approach to improving individual and team performance within the organisation.





3

'Fusion Model' of Working Pattern:

The post-pandemic introduction of the 'Fusion Model' (Flexible, Unlimited, Smart, Intelligent, Open, and Nimble) as a new flexible working pattern has garnered positive feedback from employees.

The model classifies team members based on their roles, allowing for seamless transitions between working from the office, working from home, or working from anywhere, as long as the role permits.

The decision-making process regarding the work arrangement has been decentralised, with managers and employees collaborating to find a mutually beneficial solution that aligns with individual and organisational needs.

4

**AR TalentUP:**

Over the past year, we successfully introduced "AR TalentUP" (AMARA RAJA TALENT UP), our automated skill and competence management process. The primary objective of this program was to digitise the skill and competence management process,

which has been accomplished. As intended, accessing on-demand skill and competence data online, at any time, has become possible, although there were some initial challenges. This system enables managers to make informed decisions regarding staffing and create appropriate

development plans. Since its launch, we have conducted 5356 employee assessments and skill mapping through AR TalentUP. Moving forward, we aim to maximise the benefits of this system in the years to come.

5

First Time Managers Programme:

The First Time Managers flagship program, designed to support individuals transitioning into managerial roles for the first time, had a successful year.

This program remains dedicated to laying a solid foundation in the managerial journey by enhancing knowledge in areas such as Business Strategy, Personal Effectiveness, Marketing Management, Finance

Management, Business Law & Operations Management, and Digitalisation. A total of 60 first-time managers underwent training in the FY22-23.

6

**AR Speak Employee Experiences Survey:**

AR Speak Experiences Survey, has been a good platform that has given us key insights and urged us to take actions to continually enhance experiences. The 15th AR Speak Experiences Survey (Pulse) covering 25% of randomly selected employees as participants was conducted from August 24, 2022 to September 14, 2022.

We embraced technology and eliminated usage of paper for the survey demonstrating our value 'Responsibility'. The survey was conducted 100% online covering Employees across the AR group, including all grades, and locations. AR Speak - Revamped the Employee Experiences Survey Dimensions and also Change the action team in 2022.

AR Speak Experiences Score





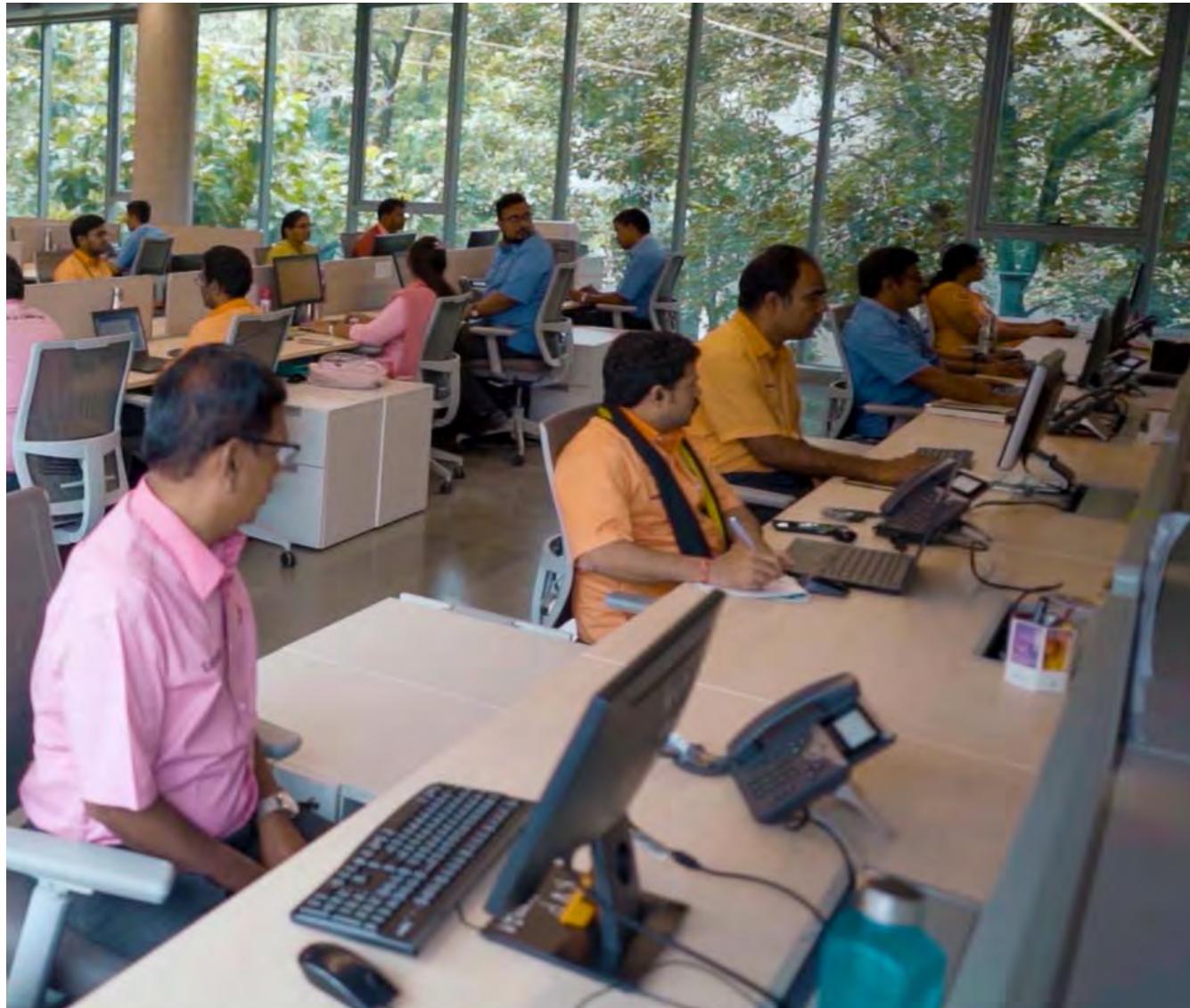
Align to Ascend - Living The Amara Raja Way® LSIP:

After a three-year gap following the pandemic, we initiated "Align to Ascend" - Living The Amara Raja Way®, Large Scale Interactive Process (LSIP) programme which involved all operators and staff personnel from our group, totaling 13,000 individuals. The program spanned over two months, with sessions held across

22 days and was led by a team of 60 internally trained leaders. 7400 people from Amara Raja Batteries Ltd. attended the program actively.

To reinforce "The Amara Raja Way®", our core purpose and values, we organised this refresher LSIP. Trained leaders anchored each session, with valuable facilitation and support from our HR teams.

The planning and organisation of this program involved dedicated efforts from supervisors, section heads, plant heads, services business teams, IT teams, and other support teams in both plant and field/corporate offices.



**AR-Buddy:**

Our employee assistance program, "AR Buddy," in collaboration with the YourDost agency, continues to serve as a valuable source of psychological support for our employees and their families. We have observed a significant increase in the utilisation of these services by employees and their family members throughout the year.

The AR Buddy Steercom, operating at a group level, closely monitors all activities to ensure a widespread impact on employees and their families across different locations. The counselors regularly visit our plant and key field locations to provide counseling services.

Here are the utilisation statistics for AR Buddy services in the current year: 588 sign-ups, 1105 counseling sessions, 628 face-to-face counseling sessions, 429 proactive calls, 35 on-platform interactions, and 13 helpline queries.

**A Comprehensive Wellness Structure - Peer support network:**

In the year 2022-23, we implemented a comprehensive "Wellness Structure" with the aim of creating a strong peer support network and promoting emotional well-being among our employees. This structure was carefully designed to identify and assist employees facing personal challenges or experiencing distress, ensuring they receive the necessary support and guidance in a nurturing environment.

Today, our organisation is proud to have a dedicated team of "Wellness Champions" and "Wellness Guides" who play a crucial role in supporting our employees. Wellness Champions are responsible for supervising, training, and managing the Wellness Guides. They work collaboratively with other champions, leaders, and stakeholders to stay attuned to the evolving needs of our employees.

Regular initiatives are planned and driven by the Wellness Champions to promote emotional well-being throughout the organisation, with the support of YourDOST agency.

On the other hand, Wellness Guides serve as the primary point of contact for employees seeking assistance with emotional distress or concerns related to their work, workplace, or interactions with others. Wellness Guides work diligently to find solutions and, when necessary, refer individuals to the professional support provided by the YourDOST team.

It is worth noting that the identified Wellness Champions and Wellness Guides have received comprehensive training from experts at the YourDOST agency, ensuring they are equipped with the necessary skills and knowledge to effectively support their fellow colleagues.

Through the implementation of this comprehensive wellness structure, we have taken significant measures to prioritise the emotional well-being of our employees. By fostering peer support, early identification of distress, and promoting a sense of unity, we have established a solid foundation for promoting overall wellness and ensuring the growth and success of our workforce.



GREAT PLACE TO WORK

It gives great pleasure to announce that Amara Raja Batteries Ltd (ARBL) been recognised and certified as 'Great Place to Work' subsequent to the survey by the Great Place to Work Institute.

ARBL was ranked 55 in the Best Companies to Work for in 2023 and adjudged the Best in Auto & Auto Components Industry.

The 'Great Place To Work' (GPTW) institute is globally recognised as an authority on workplace culture. This distinguished institute acknowledges organisations that excel in providing a positive work environment for their employees and each year, numerous companies participate in their comprehensive study.

We have always been conscious of Amara Raja's reputation as an exceptional workplace, and it brings us immense satisfaction to witness the recognition we receive across our diverse range of businesses including ARBL. As a purpose-driven organisation, we are committed to continuously improving ourselves by embodying 'The Amara Raja Way®', which nurtures a culture of innovation, excellence, entrepreneurship, experiences, and responsibility. These values create an environment where every individual feels motivated to contribute their utmost efforts.



11

EMPLOYER OF FUTURE STUDY AWARD



ARBL which is the largest company in the Amara Raja Group, takes pride as Amara Raja Group is listed in the Top 24 organisations in India for its noteworthy best practices in the Employers of Future Study Conducted by a reputed organisation called LeadUp. Futuristic best practices of Amara Raja Group backed by a redefined organisational philosophy of CARES that stands for Courage, Agility, Resilience, Eagerness, and Speed, has made the organisation a leader in leveraging future-ready talent.

This study looks at dimensions an organisation is trying to balance

& master in today's dynamic environment with little predictability. The study found that the 'people first' approach continues to remain at the heart of successful business organisations, and firms that offer prominent platforms to their employees are found to be successful in delivering strong growth in the long run.

With 75+ participating organisations across sectors, industries and size and 500+ employees as respondents, the analytical results were across parameters around policies, strategies, practices, core values and vision of the organisations that yearn to champion future readiness.

12

AR-PROPEL: AMARA RAJA PROGRAMME FOR POWERING-EMERGING-LEADERS

The AR ProPEL program, a comprehensive general management and leadership development initiative, created in partnership with the Indian School of Business, Hyderabad, was a resounding success. A total of 27 leaders from Amara Raja Batteries Ltd participated in the program and successfully completed it.

The program commenced on May 4th, 2022, and concluded with a memorable valedictory convocation on January 5th, 2023. The convocation event was an esteemed occasion where the participant leaders, accompanied by their spouses, were honored. The Chairman and senior leaders of Amara Raja played a crucial role in facilitating the participants and

their spouses during the event. The program received positive feedback from all participants. It encompassed nine diverse modules focused on general management and leadership topics. The classes were conducted in a hybrid format, allowing for both in-person sessions at the campus classrooms and virtual sessions.



13

MIHP: MEDICAL INSURANCE & HOSPITALIZATION POLICY



The organisation has conducted a thorough review of the Medical Insurance and Hospitalisation policy, resulting in enhancements and revisions to the benefits provided to employees. The scheme remains distinct as it offers policy coverage limits based on the age of the employee, rather than being

determined by their hierarchical position within the organisation. We remain steadfast in upholding this principle, ensuring fair and equitable benefits for all employees regardless of their role.

14



AR SEED

During the year, we successfully designed and executed a specialised program called the Amara Raja Supervisors Empowerment and Expertise Development (SEED) program. This program was specifically tailored for supervisors, aiming to equip them with the essential knowledge, skills, and behaviors required to enhance their effectiveness in their current roles.

The primary objectives of the SEED program were to empower supervisors with the necessary managerial skills to adapt to evolving demands, improve succession planning by offering a structured development program, and enable supervisors to unlock their full potential within the company.

We are quite proud to share that a total of 161 supervisors participated in the SEED program and underwent efficient training and certification. This achievement signifies our commitment to nurturing and empowering our supervisors, providing them with the tools and resources needed to excel in their roles and contribute to the company's overall success.

THE FULL LISTING OF THE EMPLOYERS IS AVAILABLE AT: <https://www.forbes.com/sites/samanthatodd/2021/10/12/meet-the-worlds-best-employers-2021/?sh=3b5981913b37>



15

WOMEN FORUMS

In the year 2022-23, a Women's Forum was established and launched within Amara Raja. This significant initiative aimed to create a platform for women within the organisation to come together and share their personal experiences, viewpoints, and guidance on a weekly basis. The forum's primary objectives were to empower, support, and nurture each other, ensuring a safe and inclusive environment for all participants.

Recognising the importance of maintaining a healthy work-life balance, the forum sought to help

women manage their stress levels and find equilibrium between their professional and personal lives. One crucial aspect of the Women's Forum was its focus on enhancing the confidence of its members. By actively listening to their concerns and stories, the forum aimed to instill a sense of trust and assurance. Moreover, the forum served as a platform for women to learn from each other's experiences, fostering growth, understanding, and knowledge sharing.

Since its inception, the Women's Forum has gained immense popularity, with many women actively participating and benefiting from its activities and initiatives. This vibrant community continues to make a positive impact on the lives of women within Amara Raja, providing them with a supportive network and empowering them to thrive both personally and professionally.

16

STRENGTHENING EMPLOYEE SUPPORT - OTHER KEY INITIATIVES

Other than the above, we also implemented various initiatives aimed at improving employee welfare and wellbeing. These efforts included revising the terms and conditions of the 'Salary Advance policy' to better support employees during exigencies. Additionally, we made the 'employee contribution under the superannuation scheme' optional, allowing employees to have greater control over their financial planning for the future.

The Switching Lanes Programme, our fast track career development initiative continued to have great response, with hundreds of employees participating and many successfully transitioning to the fast track 'Right Lane' for accelerated growth within the company.

Furthermore, we made significant investments in welfare infrastructure, ensuring a conducive work environment for our employees.

These investments encompassed various expansions, such as the enlargement of the working men's hostel, extension of car parking facilities, establishment of cafeteria kiosks, and the revamping of our creche facilities.

Amara Raja remains committed to fostering a positive and empowering work culture that prioritises the holistic development and welfare of our valued Human Capital.





INTELLECTUAL CAPITAL



130
TECHNOLOGY
TEAM

1,085
MAN YEARS OF CUMULATIVE
EXPERTISE IN BATTERY INDUSTRY

44
PATENTS/DESIGN REGISTRATIONS
FILED OVER THE YEARS

24
PATENTS/DESIGN
REGISTRATIONS APPROVED

23
NEW PRODUCT LAUNCHES WERE
MADE DURING FY23

INNOVATION is a core value of the Company which is embedded into its culture and enshrined in its powering belief '*Gotta be a Better Way!*'. Passion for the new and the zeal to build differentiation has positioned Amara Raja as a dominant player in the storage battery space.

Amara Raja continues to invest in cutting-edge battery technologies that fuel's the relentless pursuit of the Technology Wing to develop high-performance batteries catering to diverse applications and redefining performance standards and durability of its energy storage solutions.

Amara Raja's Research & Development programs are driven by 130+ passionate employees with 1085 Man Years of cumulative expertise in Battery Industry. Today, Amara Raja's penchant for innovation has created a sustainable ecosystem and is positioned to develop any Advanced Battery Storage Technology as required in the near future.



Key focus areas

- Develop new industry-leading products
- Improve processes to enhance productivity
- Work on ideas for new inputs for a better product



SDGs impacted



Initiatives in FY23

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

Product Technology	Manufacturing Engineering	Research & Analysis
Introduced High Performance 2W battery; variants promise exceptional performance of 2W, empowered by the cutting-edge Multi Stamp Grid technology	Energy conservation in 2W & Tubular plate making process through optimised curing cycle times	Introduced Novel adhesives for terminal sealing application in UPS batteries
Presenting the latest breakthrough: Advanced Stamped Grid batteries specifically engineered for automotive applications	Optimised 2W battery assembly process flow to reduce energy consumption	Evaluated and implemented new grade polypropylene to meet the market demand/customer requirements
Successful development of advanced AGM batteries designed specifically for automotive applications	Process validation and launch of Automotive AGM batteries	Enhanced productivity of Automotive plates with Pasting materials optimisation
Introduced the latest innovation: high-performance commercial batteries incorporating cutting-edge Ca-Ca technology	Developed Method for consumption of lead alloy scrap in 2W assembly to reduce process scrap	Re-engineered the pasting materials by optimised binder for Industrial applications
Accomplished in-house validation utilising the state-of-the-art Advanced Plate Making Technology for UPS application batteries, marking a significant milestone in the concept evaluation phase	Validated and implemented optimised formation process to reduce cycle time of UPS batteries	Developed 2170 LFP cylindrical cells in collaboration with technology partners
Technology demonstration project for telecom applications, the team successfully completed validation with Low resistance Path Grid profile, showcasing the capabilities of our advanced solution	Validation and Implementation of Optimised Lead alloy in MVRLA COS process to reduce material cost and improve bonding quality	Developed 4.6 Ah 2170 NMC cylindrical cell Technology
Value Engineered product as part of "Development of Cost-Effective Batteries for UPS Application"	Energy conservation in Automotive & Tubular formation process by formation input Ah optimisation	Successfully powered an E-Bike using in-house NMC based 2170 cylindrical cells

Blueprint for FY24

The Technology team has identified its key priorities for the current year bucketed under **three heads**:



Product development

- Develop NextGen Enhanced Flooded batteries for automotive application
- Develop AUX product range for vehicle electric versions
- Development of market specific BCI product range
- Development of AGM product range for start stop application

- Development of market specific product range of UPS Batteries with Advanced Plate Making Technology
- Development of robust battery for commercial vehicle applications
- Development of 2170 NMC cylindrical cells with different chemistries
- Develop 2/3 series LFP cylindrical cells



Process & Technology

- Lead Optimisation through Value Engineering
- Throughput improvement of 2W negative plates curing process
- Evaluation of Chemistry Agnostic Solutions for Automotive and Industrial Applications
- Improve pasting process to enhance plate electrolyte availability
- Study & Concept evaluation of Advanced Plate making technology for telecom application
- Advanced formation process validation for flooded automotive batteries

- Develop & Implement processes and controls to meet market specific requirements
- Develop & Validate acid homogenisation process for flooded batteries
- Evaluation & Implementation of improved formation process for DIN batteries to reduce formation energy
- Screening of Lithium-Cell Technologies of different potential technology partners



New material

- Evaluation of different flame-retardant material grades to meet the global regulations/directives
- New pasting additives to enhance the performance of 4W batteries
- Development of eco-friendly materials for bushing adhesive

Information Technology and Digital

Digital transformation has become a success criteria for all organisations and a necessary mandate in the fast-paced and ever-evolving business landscape. The industrial world has woken up to the true potential of digital technologies and is now making rapid strides to adopt them in all business processes in sales, manufacturing, supply chain, finance and HR.



Amara Raja has always positioned information technology as its operational backbone.

We continue to invest heavily in digital transformation programs that strengthen its focus on customer satisfaction, enable employees to collaborate better and become a data-driven partner for all stakeholders within and outside the organisation. This year we have deployed new technologies such as Hyper-converged Solutions, SD-WAN, SAAS Solutions, Robotic Process

Automation, Cloud and Analytics to and optimise our business processes enhance productivity.

Real-time visibility helps demand forecasting, inventory management, and minimising lead times.

We have significantly enhanced employee collaboration by strengthening our HRMS platform – WE@AR, to facilitate communication, knowledge sharing, and teamwork regardless of physical distance. We have built digital platforms for talent management processes. These tools

have accelerated and standardised our recruitment, learning and employee evaluation processes which goes a long way in gaining and enhancing employee trust in the corporate brand.

The IT team is working with other cross-functional teams to establish Amara Raja's "High-Tech Trail-blazing Giga Factory" to optimise the Li-Ion battery manufacturing process by digitising our 'design to production' processes by deploying CAD, CAM, ERP, PLM, IIOT, MES, AI and machine learning technologies. We will create Digital models and digital twins to enable predictable and repeatable design and maintenance processes. We will deploy Augmented Reality/Virtual Reality technologies to enhance knowledge management processes.

We have deployed an Analytics platform to analyze sales data by providing data integration, modeling, and visualisation services.

We have consolidated data from various sources such as databases, spreadsheets, and core platforms like ERP, allowing users to extract and transform data into a unified format for analysis. We have provided myriad visualisation options, including charts, graphs, maps, and tables. This

allows the creation of interactive reports and dashboards by dragging and dropping visual elements onto a canvas allowing stakeholders to explore data visually, identify patterns, and gain insights quickly.

Sales & Service Transformation

2022-23	Future
We rolled out our flagship app, enabling our franchisees and dealers to register product warranties digitally, allowing our end customers to get predictable warranty service.	We are implementing a SalesForce based Customer Relationship Management solution that will allow our sales team to better manage relationships with our franchisees, dealers, and OEMs and derive insights that allow us to meet and exceed their needs.
We piloted a solution that enables auto replenishment of batteries, eliminating zero-stock scenarios, which enhances the ability of our franchisees to serve our customers better.	We will utilise the Salesforce Service Cloud to enhance our service commitment to existing customers through the faster turnaround of batteries and servicing warranty requirements.
	We will strengthen our franchisee core platform ATS to provide a more pleasurable buying and service experience.

Digitisation of Supply Chain

We continue our supply chain digital transformation by implementing SAP Ariba to digitally onboard our suppliers. We will also enable digital transactions enabling agility that will allow us to service our customers better.

We have launched a digital transformation drive of our fleet and logistics management using Advanced TM module of SAP that will allow us to better serve our customers through on-time delivery, electronic proof of delivery, and in-transit visibility of batteries.

Optimising operations

The IT team has worked tirelessly in identifying, introducing and implementing solutions that streamlined and improved our systems and processes for superior service to internal and external customers.

- We upgraded our core SAP S/4 HANA platform to the latest version, thus enabling the new functional various new functionalities and enabling seamless integration with other SAP cloud platforms. We built multiple Analytics Dashboard for

Top Management using B/W HANA and Power BI covering Sales, and Inventory functions

- We facilitated system integration with several OEMs for seamless data exchange, thus avoiding manual intervention.
- We have initiated implementation of SD WAN to provide secure and higher bandwidth to all our locations and improve application performance
- We migrated to a Next Gen state-of-the-art data center with converged data, voice, and

IP Telephony, delivering ease of use, security, flexibility and performance through improved resiliency of our infrastructure, data and higher levels of security readiness.

- We have initiated Industry 4.0 programs by setting up OT networks, initiating IIOT pilots and evaluating Manufacturing Execution Systems (MES) to improve OEE and cut down on unplanned maintenance.



As we advance, we have planned business-critical initiatives that promise to make the organisation increasingly intelligent and agile.

- We have launched the IT Infrastructure Library (ITIL) using Freshworks FreshService that will allow us to effectively plan, allocate and manage Amara Raja IT resources and serve the IT needs of ARBL.

- We will deliver SLA-based services to manage user requests. Using FreshService to effectively plan and implement new initiatives, accelerating the digital transformation within Amara Raja seamlessly.

- We will launch the Enterprise Content Management program that will help us to effectively manage organisation content in the form of documents, videos or audio and enable better collaboration within and outside the organisation.



Robotic process automation

We launched our business process automation program in 2022-23. As an essential step in this overall plan, we introduced Robotic Process Automation (RPA) in our finance functions, using UI Path platform. We have several finance processes such as automated vendor and customer payments reconciliation, and better management of invoices, thereby increasing end-user satisfaction. We will continue to invest in RPA to bring about efficiencies in employee onboarding and compliance with government regulations.

Strengthening Information Security

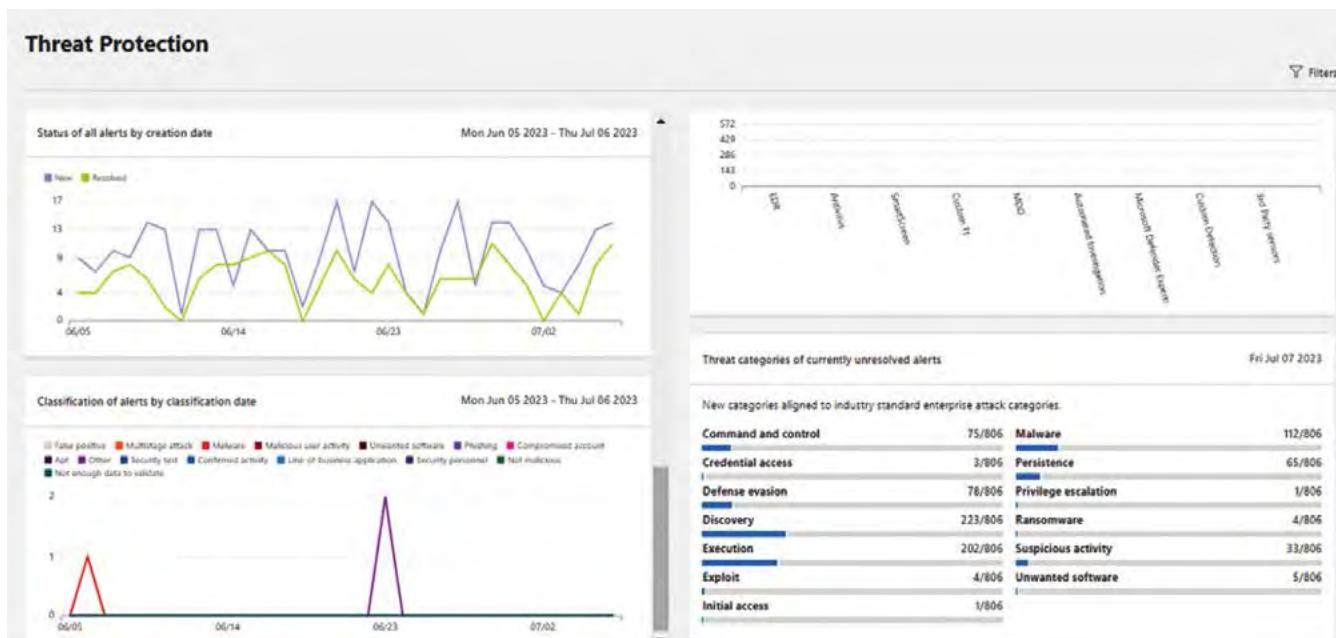
Amara Raja continues to make significant investment in several Cyber Security tools including endpoint security, Extended Detection and Response (XDR) Solutions, Network Security and Cloud Security which greatly improves our ability to detect and prevent cyber threats.

We also implemented an advanced web filtering solution that allows us to protect our employees against malicious software downloads and phishing attacks.

Recognising the importance of a strong security perimeter, we invested in enhancing our network infrastructure. Through the deployment of advanced firewalls, intrusion-detection and prevention systems, and security gateways,

we have significantly bolstered our perimeter security, reducing the risk of unauthorised access and network breaches.

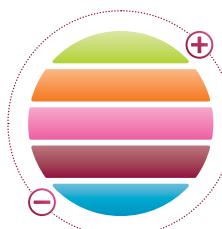
To safeguard sensitive data and prevent accidental or intentional data leaks, we implemented a Web Data Loss Prevention (Web DLP) system. This solution scans outgoing web traffic, identifies sensitive data, and enforces policies to prevent unauthorised data exfiltration.



Looking Ahead: We plan to implement an Advanced Security Operation Center, allowing us to respond to security incidents faster.

We plan to add to our portfolio of data leakage solutions to ensure that critical data is protected at all times.

We also plan to invest in advanced cloud based data protection solutions to ensure we are protected against Ransomware attacks.





SOCIAL & RELATIONSHIP CAPITAL



320+
DESTINATIONS SERVICED
PAN-INDIA

48+
INTERNATIONAL DESTINATIONS
SERVICED

2,500+
CHANNEL
PARTNERS

1,599
INVESTMENT IN CSR INITIATIVES
(₹ LAKH)

AS a responsible customer centric organisation, we believe in giving back to society and bringing about transformation in the lives of communities in the plant vicinity and people in the unorganised sector.



Key focus areas

- Efficient and cost-effective logistics leading to on-time deliveries
- Increasing participation in the circular economy
- Making a meaningful difference to lesser-privileged



SDGs impacted



FY23: Key highlights

- Expanded our logistics coverage globally
- Launched two digital solutions for streamlining logistics
- First time impact assessment of CSR projects by an independent authority

Committed to Deliver

Supply chain is critical for every storage battery player especially in India. For batteries are used in multiple applications across the length and breadth of our expansive nation. And batteries are critical to almost every application. The criticality suggests that storage batteries have to be available that minute. And positions supply chain as a super-critical aspect for the success of a battery manufacturer.

Given the companies entrenched distribution network in India and growing presence internationally, supply-chain is significantly complex and demanding. It's a boiler plate that simmers all-round the year.

Mindful of this reality, the Company deploys multi-modal logistic solutions that ensure that its products are always in the right place, at the right time.



Domestic Logistics

Amara Raja's unwavering focus on getting its products on shelf spaces is one of the critical factors that has created a lasting brand recall among millions as an 'All Time Available' battery brand.

This has been achieved by disciplined management and untiring efforts of the supply chain team to ensure product delivery across 350+ destinations in India through efficient Multi-Modal Logistics planning and execution.

The supply chain achievement also includes servicing the stringent Just-in-Time requirement of 28 OEMs for years together with distances ranging between 60km and 3400 km.

Even as supply chain complexities increase every year owing to business growth (India and international destinations), the teams continue to remain steadfast on its delivery commitment and optimising delivery costs.

1) Primary Logistics (PLANTS TO OE CUSTOMERS/DISTRIBUTION CENTERS)



As part of Green Logistics initiatives, ARBL has laid greater emphasis on Rail & Sea Shipments as part of a multi-modal transport system that helped to minimise the transit time and ensured safe transportation.

Direct Delivery Model

implementation ensured quicker reach to Customers, where FG dispatches are being executed from Plant directly for 28 Channel partners located in 4 districts in Phase-1. The Company will be expanding over 200+ channel partners in Phase-2. This not only helps quicker deliveries but also results in avoiding multiple handling and achieving associated cost benefits.

Advanced shipment note (ASN) & ePOD yielding dividends in the form of Customer delight.

Training drivers' community on

adherence to Standard operating procedures on Safety, HIV, Cultural practices and Discipline towards transit hurdles.

Moreover, as a progressive partner approach, we have created an amenity centre at our plants to allow drivers and other staff to relax, refresh and recreate.

GPS enabled in Fleet Owned transport have assisted the team in monitoring and minimising transit damages. It ensures timely reach to customers.

Optimised carbon emissions by enhancing packing re-configuration to fit volumetric as a part of CFT approach. The team has worked exuberantly to make Amara Raja more environment- friendly.

2) Secondary Logistics (DISTRIBUTION CENTERS TO CHANNEL PARTNERS)



Biometric systems at all Distribution Centers were installed as part of safety and security measures to meet local regulatory requirements.

G+2 high storage racks were implemented as a part of the space optimisation initiative, which optimised space management.

Deployment of conveyors was done from FY22 onwards in phased manner to ease unloading of specific high volumetric batteries.

Efficient Contract Management to process bills as well timely renewal of contracts for Distribution Centers, Freight contract & other agreements.

Effective WMS has been achieved by deploying TMS, tracking the product serial no's minimising the aged inventories through automated FIFO.

e-POD acknowledgment process introduced, which will help customers track their shipments and streamline Transit Damage settlements and monitor the delivery lead times effectively.



International Logistics

FY23 was the first full Covid-free year but supply chain fractures widened owing to the Russia-Ukraine war that continued through the entire year. The resultant spike in oil & gas prices and the overall inflationary conditions impacted global trade initially. Elevated shipping rates made a greater dent in transshipments between nations.

Notwithstanding these adversities, the Company's international endeavours and commitments enabled it to successfully cater to 48+ international destinations.

The Company implemented important measures to ensure that it could meet customer commitment while optimising freight costs. Engaged in direct liaisoning with Freight forwarders & shipping lines helped freight optimisation, allowed material to reach on time and facilitated ease of transactions during disembarking.

Amara Raja retained the AEO-T2 status importer by Indian customs, which facilitates cost-effective management of port operations.



Amara Raja Group - Project ePIC

In line with the transformation of the global economy into a network economy, the Amara Raja Group is digitising its operations in multiple areas of business, including its logistics processes. The Group's vision is to turn today's fragmented supply chains into a unified, collaborative, and intelligent network. Towards this end, the Company has launched a comprehensive vendor portal (ARIBA) and an advance transportation module.

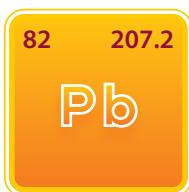
Benefits from ARIBA	Benefits from the Advance Transportation Module
<ul style="list-style-type: none"> ● Incremental sourcing savings through better price negotiation ● Improved Process efficiency leading to shorter cycle time ● Order and shipment visibility and process efficiency ● Reduce document errors and process lead time ● Higher first-time pass rate for invoice ● Reduction in supplier onboarding cycle time ● Reduction in supplier management cost 	<ul style="list-style-type: none"> ● Faster indenting process ● Reduction in transportation cost ● More transparency in settlement process with Logistics Service Providers ● System guidance available to assist users in day-to-day tasks, like transporter selection, trip planning & freight ● System driven reporting on key metrics ● Easier collaboration with transporter using LBN portal

Lead sourcing and recycling

Amara Raja strongly believes in sustainable and safe sourcing of Lead and Alloys and closely engaged with several Industry bodies, Distributor partners, various internal and external stakeholders and statutory bodies in achieving and establishing the circular economy principles.

Amara Raja has substantially increased sourcing of Lead and Alloys requirements through environmentally safe and sound lead recycling initiatives, through strong scrap collection

programs, establishment of collection centers and also robust reverse logistics operations. Going forward, the Company is also setting up a large lead recycling facility which showcases its commitment to the circular economy.



Corporate Social Responsibility

People's aspirations have far-reaching consequences at the societal and national levels. At Amara Raja, we aim to play the role of a catalyst in enabling them to achieve their dreams. We believe that empowering the nation means empowering its people. In our small yet meaningful contribution to nation building, we have initiated a movement from the grass-roots level to develop the potential of families and communities around our facilities.



Education

Amara Raja Educational Society (ARES) realises the Company's dream of an educated India. ARES has three schools located at Karakambadi, Petamitta and Diguvamagham in the Tirupati and Chittoor districts, which are affiliated to CBSE. In FY23, 4,620 children benefited by getting quality education. Of them, 80% are from the marginalised community. Students from 240+ villages from nine surrounding Mandals attend school.



Amara Raja Vidyalayam, Dighuvamagham started its first Batch for class XI during Academic year 22-23. All schools have quality infrastructure, equipped laboratories, libraries and playgrounds. The students have secured state-level ranks in competitive entrance examinations and have marched ahead in engineering and chartered accountancy courses. Ground breaking ceremony was done during January'23 for Building expansion at Amara Raja Vidyalayam.



Primary Health

Amara Raja shares a dream of a healthy nation. The Company's CSR aims at providing healthcare access to the downtrodden, who do not have the resources to afford quality healthcare. The Company has built a network of Primary Health Service centres in rural areas. In FY23, over 20,230 outpatients

were attended to and around 16,336 lab tests were performed as per patient needs.

A Lady Doctor started visiting villages to extend medical support to the women at the Sub-centres. With the support of Amara Hospital, we have initiated monthly outreach programs with Specialised Doctors. More than 150 patient avail of this facility every month.





Water

The Foundation has built and is maintaining 23 check dams and desilted three tanks under its Rajanna Jalasayam Programme in Chittoor district. It continues to undertake periodic maintenance of the check dams. Around 60 villages from 12 Panchayats, benefit from this initiative.



Rural Development

The Foundation continues to support the adopted panchayats of Karakambadi, Pettamitta and Diguvamagham in Chittoor district. The Foundation has drawn the blueprint for improving the infrastructure in villages over the coming years. The Foundation has funded the construction of connecting roads, installed RO plants for safe drinking water in villages, street

lighting, leisure parks with internet access and a library in Tirupati and Chittoor districts.

These facilities are maintained by the Foundation on an ongoing basis. In FY23, we have initiated Underground Sewer Line project at Petamitta connecting all households of the village. A Solid Waste Management Plant was also installed for effective waste disposal at the village.





Social Forestry

Amara Raja dreams of a green future for the generations to come on this planet. The Company had adopted a 250-hectare plot on a hillock at Pemmagutta in Chittoor district to create a green cover. Moreover, the Foundation purchased and donated a 30-acre adjoining plot to the government.

Over the years, the Foundation has planted 71,000+ saplings in 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 Foundation enjoyed assistance from nearby communities, school children and its employees.



Committed to Skilling India

Committed to Skilled India Amara Raja Group believes in the call of Atmanirbhar Bharat and is committed to playing a role in the nation's Skill India movement. The Company already has a dedicated team on the field, gathering youth and providing them opportunities, especially in rural areas, to enhance their skills and enable them to seek non-migratory employment opportunities.

The motto is to bridge the skill gap across sectors and channelise the workforce into the making of a new and empowered India. There is a visible

mismatch between the requirements and the availability of the talent pool. There is a dire need for initiatives to bridge the skill gap for India to capitalise on the demographic dividend of being the youngest nation in the world.

On this line, Amara Raja Skill Development Centre (ARSDC) was set up way back in 2014. This Centre runs under the aegis of Rajanna Foundation, which Amara Raja fully supports. In FY23, 1,050 students including 300 women got trained for employment into industries. Majority of them were from marginalised communities. The

courses focus on skill development, personality development and enhancing employability and are approved under Government's National Apprenticeship Promotion Scheme (NAPS). Practical hands-on training methodology is followed with 70% emphasis on practical training. The entire curriculum has been designed by ARSDC with suggestions and inputs from the industry. Amara Raja Skill Development Centre (ARSDC) is setting up the Second Skill Development Centre at Diguvamaghram to train the rural youth on Electronics and Construction (MEP).



Impact assessment

Amara Raja conducted an Impact Assessment of its two CSR Projects for which it engaged Price Waterhouse Chartered Accountants LLP for the same. The two CSR projects were:

- Construction, running and maintenance expenditure of Amara Raja Schools
- Running and maintenance expenditure of Amara Raja Skill Development Centre

THE PROJECT

1) Construction, running and maintenance expenditure of Amara Raja Schools



AMARA RAJA'S 3 CBSE affiliated schools are located at Karakambadi, Petamitta and Diguvamagham in Chittoor district which aims to cater to students of around 300 villages. Under the project, Amara Raja was to provide running & maintenance support (including complete infrastructure and administrative support). One additional building was to be

constructed at Petamitta School with the support of Amara Raja.

The educational institutions were to be equipped with infrastructure facilities and with a teacher-student ratio focusing on improved attention and understanding of the students. The aim was to provide an opportunity for quality, city equivalent but affordable education to local students, pioneering the

rural education system and creating well-educated individuals from these areas.

It's impact on the student

92% of the respondents (n=96) stated quality education offered as compared to other schools nearby, 60% stated fee structure is

more affordable as compared to other schools nearby, 55% stated infrastructure support available as reasons for enrollment.

99% respondents (n=96) stated that the school has computer labs, 98% stated that the school has separate toilet for boys and girls & 97% stated that the school has library & science labs as infrastructure facilities.

99% respondents (n=96) stated that the overall infrastructure support provided in schools has been beneficial. Out of these, 86% respondents (n=95) stated smart classes have helped increase understanding of topics, 76% stated that academic performance has improved in response to how the infrastructure support has been beneficial.

Majority of the respondents (n=96) rated satisfaction level as 4-5 on the various aspects of the toilet facility. However, 42% respondents rated availability of soap/hand-wash in the toilets as 1-3 (On a scale of 1-5 with 1 being the lowest and 5 being the highest).

98% of the female students (n=58) use the toilet infrastructure support provided in the school. Out of these,

88%(n=57) of the female students agreed increase in attendance due to the same.

98% respondents (n=96) stated increased knowledge of using computers, 74% respondents stated access to improved learning resources as benefits of using the computer labs.

Out of the total respondents interacted with, 92% (n=96) respondents agreed that teachers make use of the smart class for teaching. Out of these, 74% respondents reported teachers use smart classes 2-3 times a week. 94% and 66% of the respondents (n=96) stated access to variety of books and provides additional space to study respectively as benefits of using the library.

86% and 75% of the respondents stated the benefits of using the science labs as helped in enhanced understanding of the topics and access to good quality tools & equipment to carry out practical experiments.

Out of the total respondents interacted with, 90% respondents (n=96) agreed that they had seen improvement in academic performance post joining the Amara Raja schools. The average marks and pass rates for the students were reported to be 70% and 100% respectively (as per data shared by Amara Raja).

100% respondents (n=96) stated that they receive adequate support from teachers. The average drop-out and attendance rates for the students were reported to be 2% and 96% respectively (as per data shared by Amara Raja).

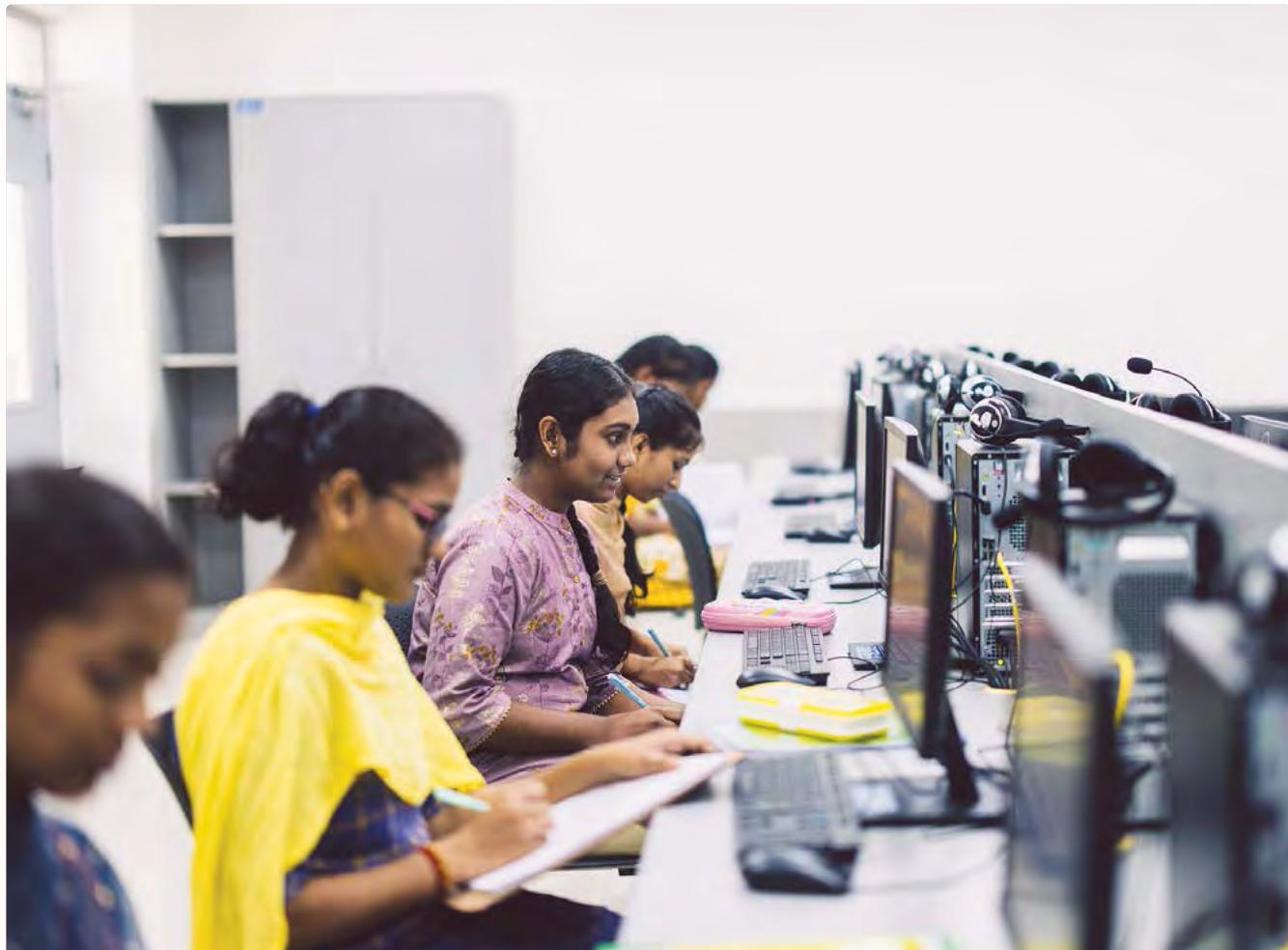
89% respondents (n=96) agreed that they are aware of the fee structure. 100% of the respondents (n=85) are satisfied with the current fee structure. 91%-100% respondents (n=96) gave a rating of 4 and 5 on the various school aspects provided as support by Amara Raja.

In a comparison between Amara Raja schools with other schools, 74%-99% respondents (n=96) stated that Amara Raja schools are better on the various aspects such as faculty, toilet infrastructure, fee structure, smart classes, science labs, quality education, extracurricular activities & sports.



THE PROJECT

2) Running & Maintenance expenditure for Amara Raja Skill Development Centre (ARSDC)



ARSDC had an aim of skilling rural youth. The project aimed to cater to 10th Pass/Fail or Inter Pass/Fail or dropouts who were otherwise at a risk of dropping out of education. The project was to provide running & maintenance expenditure support (including infrastructure and administrative support) of skill development centre.

A 2-year certificate course on "Welding Operator cum Multi Skill Technician Course" which is a government approved course under National Apprenticeship Promotion Scheme (NAPS) was to be provided post completion of training.

Trainees shall also receive stipend along with food & accommodation support free of cost in initial 3 months and later at subsidised rates.

It's impact on the individual

87.7% of the trainee (n = 73) respondents were from SC/ST/OBC category and 63% were from rural areas.

74% (n = 73) of the trainees had no prior work experience.

Most of the trainee respondents (n = 73) gave a rating of 4 or 5 out of 5 to most of the parameters asked like OJT (94.6%), infrastructure (94.5%), life-skills (96%), hostel facility (90.5%), and placement support (89.5%).

Further, in terms of overall feedback of training over 90% of trainees gave

a rating of 4 or 5 out of 5 to various parameters like improvement in personality and confidence level (96%) (n=73), improvement in income and standard of living (89%) (n = 41) and getting a job with adequate remuneration (94.4%) (n = 41). 72 respondents found the expert talks to be beneficial. Among them, 75% reported it helped in increasing knowledge about the skill while 56.9% reported it helped in clearing their doubts.

Key reasons reported by respondents (n = 73) for selecting the Amara Raja Skill Centre included 'good facility & infrastructure' (60.3%), 'course accreditation by National Apprenticeship Promotion Scheme (NAPS) & National Electronics Skill Development Corporation (NESDC)' (60.3%), followed by 'course being offered for free' (39.7%).





NATURAL CAPITAL



82,661

TREES PLANTED INSIDE OUR
FACILITIES IN THE LAST THREE YEARS

71,000

TREES PLANTED OUTSIDE OUR
FACILITIES IN THE LAST THREE YEARS

59.1 MW

RENEWABLE POWER
INFRASTRUCTURE

7.5 MW

RENEWABLE POWER
INFRASTRUCTURE
(TO BE COMMISSIONED)

THE need for climate change mitigation has never been greater than now. At Amara Raja, we realise that battery making is a resource-and-energy-intensive process.



SDGs impacted

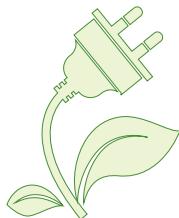


As a responsible enterprise, the Company diligently work towards extending our environmental stewardship beyond simple compliance with applicable laws and regulations. We optimise our consumption of natural resources in a sustainable manner. Embedding circular economy in the process has helped us in optimising resource requirements.

Our actions are contributing to a better world, protecting natural capital and making our manufacturing more resource-efficient and resilient.

Key highlights

- Installed and commissioned 59.1 MW renewable energy infrastructure
- Created a 6500m³ capacity storm water collection pond for collecting runoff water
- Publishing a comprehensive *Sustainability Report* as per GRI reporting framework
- Implementation of ESG software & Sustainability dashboard
- Completed Life Cycle Assessments for 2 products



Energy Management

While powering the world with its batteries, Amara Raja is cognizant of the need to reduce energy consumption and the reliance on grid power. Because this is critical for India to achieve a Net-Zero position. With this objective, Amara Raja actively engages in the renewable energy and green technology sector, employing advanced technologies in these areas.

For efficient energy management, the Company adheres to global energy management systems. All of its manufacturing facilities are ISO 50001:2018 certified, demonstrating their commitment to energy conservation through well-planned actions.

Amara Raja has completed a 59.1 MW solar projects, showcasing its dedication to utilising green energy sources and optimising carbon emissions. This completed solar project is a testament to the company's proactive approach to embracing renewable energy and reducing its carbon footprint.

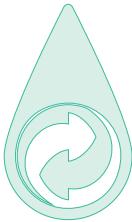
In addition, Amara Raja plans to install a further 7.5 MW of solar capacity in FY24. This installation underscores the Company's commitment to expanding its renewable energy infrastructure and contributing to India's renewable energy targets.

These initiatives highlight the Company's commitment to environmental stewardship and its vision of creating a greener and more sustainable future.



Key focus areas

- Increase reliance on Renewable Energy
- Astute water management
- Improving product quality
- Occupational Health & Safety



Water Management

Deteriorating climate condition and the rapidly changing world scenario is creating tidal waves across countries. It is impacting every aspect of life in every corner of the world. In this uncertain and volatile world, there is one element bound to create future tensions.

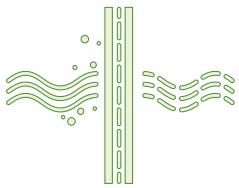
It is water.

Amara Raja understands this reality and has prepared for the current situation, years ago. The Company, over the years, has undertaken important steps to reduce fresh water consumption and increase water recycling at all its facilities.

- It has installed irreversible electromagnetic water flow meters to monitor water consumption in the plant. This allows it to analyze and identify the consumption of water in different areas, points of concern and undertake remedial measures in high water consumption areas

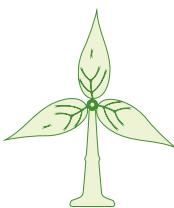
- Process effluents from the plant are treated through well-established Effluent Treatment Plant and the treated water is reused in some operating processes and gardening at the facilities
- Domestic sewage effluents from the plant are treated through well-established Sewage Treatment plant and the same is being reused for garden
- The Company has installed Zero Liquid Discharge plant for reusing the process effluents which reduced the fresh water withdrawal from ground by 15%
- The Company has created rainwater harvesting bodies with a 75,000m³ capacity at its operating units to improve groundwater levels
- The Company has created a 6,500m³ capacity storm water collection pond for collecting runoff water for the first 30 to 45 minutes during rainy season and the same is being treated and reused. It has also created storm water collection pits to hold contaminated soil, if any.





Pollution Management
A dusty work environment inside operating facilities can be a significant dampener to employee productivity and their health which could result in knowledge drain. As a people-centric Company, Amara Raja has installed state-of-the-art air pollution control devices across its operating facilities to create an ambient working atmosphere for its people.

The Company regularly monitors the accurate functioning of its pollution control devices and air quality at its work place to ensure that it maintains Lead levels below statutory requirement limits. In addition, the Company has installed Continuous Ambient Air Quality Monitoring Stations (CAAQMS) for monitoring of PM10, PM2.5, SOx, NOx.



Green cover
Greening the Earth is the compelling need of the hour to reverse the adversities of global warming. In keeping with this understanding Amara Raja has institutionalised the practice of greening the Earth. As a result, plantation is a continuous practice at Amara Raja to improve the green belt within the fence

and beyond the fence. About 55% of the area at its operating units is under green cover. The Company has planted about 82,611 saplings inside its facilities and 71,000 saplings outside the facility. Guests visiting the Company are also encouraged to participate in the Company's plantation drive.



Supporting the Paris Agreement
Amara Raja aligns with the Paris Agreement goal to keep the rise in global average temperature this century to well below two degrees Celsius (2°C) above pre-industrial levels and inventorialisation. We shall also be making disclosures against Carbon Disclosure Project under Climate action for the year FY23.

Product Stewardship

Amara Raja acknowledges the shared responsibility of all stakeholders involved in the life cycle of a product, including suppliers, manufacturers, retailers, consumers, and government entities. During FY23, we undertook life cycle assessment for Automotive and Industrial battery to understand

and develop strategy to mitigate any negative environmental impact of our products.

Sustainability

Amara Raja Batteries Ltd supports the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption. During the year, we formally became member of UNGC. We express our commitment to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals.

We also established Sustainability council chaired by Executive Director to monitor progress of sustainability projects on monthly basis. To build capability on Sustainability within the organisation, 24 capability building programs covering 600+ employees during FY23 were organised.

We implemented AR-ESG software to improve on ESG related disclosures & performance monitoring and analytics.

We have undergone limited assurance of our ESG data for FY23 by DNV India statement of which shall be included in our Sustainability report.


**ANALYSIS OF
FINANCIAL STATEMENTS**

DURING the year under review, the Company recorded a profit before tax of ₹947.57 crore (previous year: ₹689.80 crore). The increase is primarily on account of increase in revenue from operations and reduction in input costs. The basic and diluted earnings per share was at ₹40.65 per share (previous year: ₹29.93 per share).

STATEMENT OF PROFIT & LOSS			
	₹ in Crore		
(a) Revenue from operations	FY23	FY22	% Change
Sale of products	10,291.77	8,611.53	20%
Sale of services	45.28	41.84	8%
Other operating revenues	48.86	42.45	15%
Total	10,385.91	8,695.82	19%

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 increased mainly due to accrual of export benefits under Duty Drawback and RoDTEP schemes.

(b) Other income	FY23	FY22	% Change
Other Income	89.33	77.98	15%

Other income has increased during the year primarily due to accrual of interest on investments and increase in net foreign exchange gain.

(c) Cost of material consumed & Purchase of stock-in-trade	FY23	FY22	% Change
Cost of materials consumed	6,638.72	5,969.39	11%
Purchases of stock-in-trade	487.29	473.80	3%
"Changes in inventories of finished goods, work-in-progress & stock-in-trade"	60.68	(321.86)	-119%
Total	7,186.69	6,121.33	17%

DURING the year under review, the cost of materials consumed and purchases of stock-in trade increased due to increase in volumes.

(d) Employee benefits expense	FY23	FY22	% Change
Employee benefits expense	591.03	498.76	18%

Employee cost increased owing to increments and the annualised impact of head count addition.

(e) Finance costs	FY23	FY22	% Change
Finance costs	22.08	15.10	46%

DURING the year under review, finance costs increased as compared to previous year primarily on account of increase in lease liabilities and unwinding of discount on warranty provision.

(f) Depreciation & Amortisation expense	FY23	FY22	% Change
Depreciation and amortisation expense	427.23	395.72	8%

"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."

g) Other expenses	FY23	FY22	% Change
Other expenses	1,252.99	1,053.09	19%

Other expenses were higher as compared to the previous year primarily on account of increase in consumption of stores and spares, outward freight expense, power cost and increase in warranty expense in line with volume increase.

(h) Tax expense	FY23	FY22	% Change
Current tax	247.87	187.92	32%
Deferred tax expense	5.29	(9.37)	-156%
Total	253.16	178.55	42%

Increase in current tax expense of the current year is majorly on account of increase in Profit Before Tax. The effective tax rate for FY23 is 26.7% as compared to 25.9% in FY22.



BALANCE SHEET	₹ in Crore		
(a) Property, plant and equipment & Right-to-use asset	FY23	FY22	% Change
Property, plant and equipment	2,500.16	2,127.59	18%
Right-to-use asset	330.93	285.18	16%
Capital work-in-progress	232.90	829.32	-72%

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.

(b) Financial assets	FY23	FY22	% Change
Non-current			
Investments [#]	462.24	43.05	974%
Other financial assets [*]	115.78	8.32	1292%
Current			
Investments	23.77	34.73	-32%
Loans [@]	88.71	-	0%
Trade receivables	779.67	792.56	-2%
Cash and cash equivalents	89.44	34.31	161%
Other Bank balances	10.39	19.26	-46%
Other financial assets [*]	313.67	16.66	1783%

[#]Increase in non-current investments at the end of the current fiscal year is due to additional investment made in Log 9 Materials Scientific Private Limited by recognising fair value gain on existing investment and investment made in wholly owned subsidiaries incorporated during the year.

^{*}Increase in other financial assets is due to recognition of insurance claim receivable with respect to losses suffered due to fire accident on account of the property, plant and equipment, inventories.

[@]During the year, the company has given a convertible loan to Inobat AS, Oslo Norway, as part of strategic initiatives to venture into new energy business.

(c) Inventories	FY23	FY22	% Change
Inventories	1,643.42	1,803.78	-9%

Inventories at the end of the current fiscal year have decreased, primarily due to loss of stock in the fire accident occurred at the Tubular Battery Plant. Inventories pertaining to New Energy Business are proposed to be transferred to the Wholly Owned subsidiary ARACT, are disclosed as assets held for sale (refer note 22 of Standalone Financial Statements).

(d) Financial liabilities	FY23	FY22	% Change
Non-current			
Borrowings	9.64	16.52	-42%
Lease Liability	63.50	77.28	-18%
Current			
Trade payables	750.75	806.45	-7%
Lease Liability	26.79	25.22	6%
Other financial liabilities	245.10	298.78	-18%
Borrowings	6.88	6.87	0%

The decrease in the borrowings is pertaining to repayment of interest free sales tax deferment loan. Decrease in other financial liabilities due to decrease in payable for purchase of property plant and equipment.

Key Ratios and their movement	FY23	FY22	% Change
a) Debtors Turnover (No. of times)	13.15	10.95	20%
b) Inventory Turnover (No. of times)	4.17	3.78	10%
c) Current Ratio	2.25	1.85	21%
d) Debt Equity Ratio (No. of times)	0.00	0.01	-69%
e) PBT to net sales (%)	9.12%	7.93%	1%
f) PAT to net sales (%)	6.69%	5.88%	1%
g) Return on net worth (%)	14.10%	11.67%	2%



INTERNAL CONTROL

The Company is committed to ensuring an effective Internal Control System & 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 recording and reporting of financial and operational information.





EXECUTIVE LEADERSHIP

**JAYADEV GALLA**

*Chairman,
Managing Director & CEO*

**HARSHAVARDHANA GOURINENI**

*Executive Director -
Automotive & Industrial*

**VIKRAMADITHYA GOURINENI**

*Executive Director -
New Energy Business*

**S VIJAYANAND**

*President -
New Energy Business*

**C NARASIMHULU NAIDU**

*Chief
Operations Officer*

**M JAGADISH**

*Chief
Technology Officer*

**Y DELLI BABU**

Chief Financial Officer

**VIKAS SABHARWAL**

Company Secretary

**RAJESH JINDAL**

Chief Marketing Officer -
India, Automotive Batteries

**VENKATA KRISHNA M.M**

Chief Marketing Officer – Industrial
Batteries

**INDEEVAR GOVARDHANAGIRI**

Chief Marketing Officer- International,
Automotive Batteries

**VVS SRIDHAR**

Business HR Head-
New Energy Business

**MURALI C**

Associate Vice President -
Quality & Process Control

**P MURALIMOHAN REDDY**

Business -
SCM Head

**RAMAMURTHY RYALI**

Business HR Head-
Automotive & Industrial

**BALAJI G**

Head - Technology
Automotive & Industrial

10-Years Financials

98

Parameters / Year	Ind AS**						IGAAP 2014-15	IGAAP 2013-14
	2022-23	2021-22	2020-21	2019-20	2018-19	2016-17		
OPERATING RESULTS								
Net sales*	10,386	8,696	7,150	6,839	6,793	6,051	5,335	4,633
Profit before depreciation, interest & tax (PBDIT)^\wedge	1,389	1,091	1,181	1,125	990	929	878	849
Profit before interest & tax (PBIT)^\wedge	947	688	861	824	725	696	704	724
Profit before tax (PBT)	948	690	873	841	730	714	702	733
Profit after tax (PAT)	694	511	647	661	483	471	478	492
Dividends+	58	171	85	275	71	107	-	73
Dividend Tax+	-	-	-	56	15	22	-	15
Retained profits	636	340	561	330	398	343	478	404
SOURCES AND APPLICATION OF FUNDS								
Share capital	17	17	17	17	17	17	17	17
Reserves and surplus	5,281	4,534	4,193	3,639	3,318	2,920	2,576	2,099
Net worth	5,298	4,551	4,210	3,656	3,335	2,937	2,593	2,116
Debt	17	23	34	47	58	64	72	74
Deferred tax liability	73	31	41	44	96	88	82	54
Funds employed	5,388	4,606	4,285	3,747	3,490	3,089	2,741	2,244
APPLICATION OF FUNDS								
Net fixed assets***	2,897	2,492	2,455	1,829	1,813	1,703	1,492	1,352
Capital work-in-progress (including intangible assets under development)	234	830	399	827	315	226	240	123
Investments	486	78	281	156	20	35	147	20
Gross current and other assets	3,483	2,976	2,663	2,188	2,348	2,204	1,706	1,456
Current liabilities and provisions	1,712	1,770	1,512	1,254	1,006	1,080	838	707
Net current and other assets	1,771	1,206	1,151	934	1,342	1,124	868	749
Net assets	5,388	4,606	4,285	3,747	3,490	3,089	2,747	2,244
RATIOS								
PBT to Net sales (%)	9.12	7.93	12.21	12.29	10.75	11.80	13.16	15.60
PAI to Net sales (%)	6.69	5.88	9.05	9.66	7.12	7.79	8.97	9.76
Return on Assets (ROA) %@	22.09	18.53	26.32	27.77	24.77	27.38	31.77	40.51
Return on net worth (%)&	14.10	11.67	16.45	18.91	15.42	17.04	20.32	25.77
Debt : Equity (times)	0.00	0.01	0.01	0.01	0.02	0.02	0.03	0.04
Fixed assets turnover (times) #	3.38	3.28	2.75	3.64	3.65	3.43	3.45	4.14
Earnings per share (₹)	40.65	29.93	37.87	38.69	28.31	27.59	28.01	24.05
Dividend (%) +	610.00	450.00	1,100.00	1,100.00	708	415	425	425
Dividend per share (₹)	6.10	4.50	11.00	11.00	7.08	4.15	4.25	3.61
Book value per share (₹)	310.16	266.46	246.49	214.01	195.26	171.97	151.81	123.87
Share Price (as of 31 st March) - (₹)	579.10	536.40	853.80	478.05	718.95	797.50	890.05	879.55

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

^PBDIT and PBIT are net of non operating income and expenditure and exceptional items.

+Under Ind AS final dividend including taxes are accounted only after approval by 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 CWP, Cash and Non-Trade Investments

&Return on networth is computed based on average networth

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

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

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

(₹ in crores)

Corporate Information

Board of Directors

Jayadev Galla (DIN:00143610) - *Chairman, Managing Director & CEO*
Harshavardhana Gourineni (DIN: 07311410) - *Executive Director*
Vikramadithya Gourineni (DIN: 03167659) - *Executive Director*
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*
Annush Ramasamy (DIN: 01810872) - *Non-Executive Independent Director*

Management Team

S Vijayanand	- President - New Energy Business
C Narasimhulu Naidu	- Chief Operations Officer
Jagadish M	- Chief Technology Officer
Balaji G	- Head - Technology - Automotive & Industrial
Rajesh Jindal	- Chief Marketing Officer - India, Automotive Batteries
Venkata Krishna M.M	- Chief Marketing Officer - Industrial Batteries
Indeevar Govardhanagiri	- Chief Marketing Officer - International, Automotive Batteries
P Muralimohan Reddy	- Business SCM Head
VVS Sridhar	- Business HR Head - New Energy Business
Ramamurthy Ryali	- Business HR Head - Automotive & Industrial
Murali C	- Associate Vice President - Quality and Process Control

Key Managerial Personnel

Y Delli Babu	- Chief Financial Officer
Vikas Sabharwal	- Company Secretary

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
205, 2nd Floor, Raghava Ratna Towers, Chirag Ali Lane
Abids, Hyderabad - 500 001

Secretarial Auditors

M/s. 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
Website: www.amararajabatteries.com
E-mail: investorservices@amararaja.com

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

Registrar and Share Transfer Agent

Cameo Corporate Services Limited
Unit : Amara Raja Batteries Limited
Subramanian Building, No.1, Club House Road,
Chennai - 600 002
Tel: 91 44 2846 0390/4002 0700 • Fax: 91 44 2846 0129
E-mail: investor@cameoindia.com
Investor portal : <https://wisdom.cameoindia.com>
Website: <http://www.cameoindia.com>

Board's Report

To
The Members
AMARA RAJA BATTERIES LIMITED

The Board of Directors are pleased to present their report for the financial year ended March 31, 2023.

1. Summary of financial results

The Company's financial performance for the year ended March 31, 2023, is summarized below:

Parameters	(₹ in Crores)			
	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	10,385.91	8,695.82	10,388.20	8,697.15
Other income	89.33	77.98	92.04	77.98
Total income	10,475.24	8,773.80	10,480.24	8,775.13
Profit before tax	947.57	689.80	947.18	691.12
Less: Tax expense (including deferred tax)	253.16	178.55	252.65	178.55
Profit for the year	694.41	511.25	694.53	512.57
Total other comprehensive Income/ (Loss)	110.12	0.70	110.31	0.74
Total comprehensive income for the year	804.53	511.95	804.84	513.31

The Company's standalone revenue from operations for the year grew to ₹10,385.91 crores from ₹8,695.82 crores last year registering a growth of 19%. The net profit for the year was ₹694.41 crores as against ₹511.25 crores in the previous year. The Earnings Per Share (EPS) for the year stood at ₹40.65 per share, compared to ₹29.93 per share for the previous year.

The Directors propose to transfer an amount of ₹69.44 crores to the general reserve. An amount of ₹4,445.28 crores are in the retained earnings.

2. Performance review

Automotive battery business

In the fiscal year 2022-23, the Indian automobile industry demonstrated exceptional resilience, innovation, and strong demand, resulting in its best-ever performance. Our company also delivered outstanding results, aligned with the needs of our user segments. The post-covid pent-up demand and the resolution of supply-chain shortages led to double-digit growth in our original equipment (OE) business for both four-wheelers and two-wheelers.

In January 2023, fire broke out in the tubular battery manufacturing unit which predominantly makes batteries

for inverter application and caused damage to Company's plant and equipment, property and inventories. There was no loss of lives. Based on evaluation of physical condition of plant and equipment, property and inventories, the recognized loss amounted to ₹438.56 Crores for the FY23, which is subject to technical inspection and an assessment of recovery/salvage value. The property damaged is covered under the Mega All Risk Insurance Policy and based on interim survey carried out by the Surveyor appointed by the Insurance Company, the claim has been admitted. Your Company is assessing the possible options and timelines for reinstatement of the affected unit and all efforts to renew the activities are in progress.

Our focus on establishing long-term relationships with leading original equipment manufacturers (OEMs) in the automotive industry paid off, as we achieved robust sales volumes during the year. In the aftermarket segment, we experienced substantial growth in both four-wheeler and two-wheeler categories, indicating a strong preference for our brands. Consequently, our market share in these segments increased significantly. We introduced our brand mascot 'THE RON' last year, symbolizing powerful, modern, and sustainable energy in Amaron's signature green color.



Recognizing the importance of digitization in the face of global supply-chain disruptions, we made substantial investments in digital transformation throughout our supply chain. This strategic initiative allows us to track inventory, manage orders, optimize transportation routes, and gain real-time visibility of our extensive supply chain, enabling informed decision-making.

AMARON™ is a remarkable success story of 'Make in India,' contributing significantly to establishing the reputation and excellence of automotive batteries from India. We focused on the Indian Ocean Rim (IOR) geography in previous years, targeting specific markets to enhance brand visibility, our products' superior quality has earned customer trust and facilitated AMARON's growth in existing markets.

Having established a preferential position in some of our current markets, we now aim to expand globally. To accomplish this, we have formed an international team dedicated to establishing our brand in key global markets. The team has divided the market into four divisions to ensure a focused approach. At the end of FY23, AMARON automotive batteries are marketed in 50 countries worldwide. Our future plans include expanding our presence in demanding markets such as Europe, North America, and South America, while simultaneously increasing our distribution reach in existing markets. We will enhance our global market suitability by introducing products that comply with BCI standards, as well as JIS and DIN products.

Our company is actively working on introducing world-class proprietary 'Duraframe' plate technology and expanding our product portfolio using cutting-edge AGM and EFB technologies. This expansion aims to cater to new geographies and customize our products to better suit local demands, enabling us to offer differentiated products and deliver greater value to our global customers. The imminent launch of PowerZone™ in global markets will further enhance the availability of our Company's products worldwide.

Industrial battery business

The Industrial Battery Division exhibited significant improvement in performance compared to previous years, with a substantial growth in top-line revenue. Economic resurgence played a crucial role in driving demand, although the first two quarters faced challenges due to elevated commodity prices and operational costs. However, the second half of the year witnessed better conditions as these challenges subsided.

The telecom sector experienced robust demand, particularly with double-digit growth, driven by the adoption of 5G technology. Despite continued pricing pressure, volumes increased, and our prompt field support for customer installations and commissioning received positive feedback, facilitating faster rollouts.

Demand for UPS batteries remained strong across all user segments, supported by substantial investments in data centers and government projects. Our continued collaboration with original equipment (OE) customers and preferred status with end users contributed to double-digit growth during the review period.

Despite persisting challenges in established markets of Africa and the APAC regions, we achieved decent export growth. Our expanded presence in the MEA region significantly contributed to improved numbers. We are aspiring to establish a meaningful presence in developed markets such as the US and EU with enhanced product portfolio.

New Energy Business:

We, a prominent player in the lead-acid battery industry, successfully entered the rapidly growing Electric Mobility sector through our New Energy Business division. As a strategic initiative, the Company approved the transfer of its New Energy Business to its wholly-owned subsidiary, Amara Raja Advance Cell Technologies Private Limited (ARACT).

This strategic move offers several advantages, including a sharper focus and specialization in the New Energy Business, improved operational efficiency through a lean and agile organization, enhanced visibility and accountability of performance. We have diligently pursued investment opportunities both domestically and internationally within the industry.

Given the favorable conditions driving the growth of the electric mobility sector, both domestically and internationally, we are well-positioned for continued upward growth in the foreseeable future. The company's core focus lies in designing, developing, manufacturing, and selling high-performance Li-ion battery packs for electric vehicles, energy storage systems, for stationary applications. We stand out through our engineering expertise, customer-centric approach, and diligent cost reduction efforts.

The company specializes in tailored battery pack designs for various OEMs, prioritizing adaptability, efficiency, reliability,

and cost-effectiveness. Our modular approach optimizes manufacturing capacity for energy storage products, and the company has extensive testing and R&D capabilities in lithium-ion cell chemistry. Furthermore, plans are underway to establish a large-scale cell manufacturing facility.

As demand continues to grow, we are consistently expanding our production capacity, positioning itself as one of the industry's leading players. The company has diversified into

stationary applications and added chargers to our product portfolio.

The Board of Directors of the Company, at their meeting held on January 25, 2023, had approved the plan for the restructuring of the Company's New Energy business i.e. transferring all tangible and intangible assets, contracts, permission, consents, rights, registrations, personnel and employees, other assets and liabilities on a slump sale basis to ARACT, wholly owned subsidiary.

3. Dividend

The Company recommended/ declared dividend as under:

	Financial year 2022-23			Financial year 2021-22		
	Dividend per share (₹)	Dividend %	Dividend pay out (in Crores)	Dividend per share (₹)	Dividend %	Dividend pay out (in Crores)
Interim Dividend	2.90	290	49.54	4.00	400	68.33
Final Dividend	3.20 ¹	320 ¹	54.66 ¹	0.50	50	8.54
Total Dividend	6.10	610	104.20	4.50	450	76.87

¹Recommended by the Board of Directors at their meeting held on May 23, 2023, subject to the approval of the members at the 38th AGM. The Record date for the purpose of final dividend is Friday, July 28, 2023.

In terms of the provisions of the Income Tax Act, 1961, dividend will be taxable in the hands of the Shareholders. In terms of Regulation 43A of the Listing Regulations, please refer point 30 of this report, for weblink of the Dividend Distribution Policy.

party transaction, it is exempted from separate approval requirements under Section 188 of the Act.

The Company has received observation letters from BSE & NSE vide their letters dated January 3, 2023, and January 2, 2023, respectively. Currently, Company Petition is pending for hearing before NCLT, Bench at Amaravati.

4. Scheme of Arrangement

As per the directions of Hon'ble National Company Law Tribunal (NCLT), Bench at Amaravati vide its Order dated February 9, 2023, and based on the recommendation of the Board, equity shareholders and unsecured creditors at their meeting held on April 12, 2023, had approved a Scheme of Arrangement amongst Mangal Industries Limited and Amara Raja Batteries Limited and their respective shareholders and creditors (the Scheme) under Sections 230 to 232 of the Companies Act, 2013 for the demerger of Plastic Components for the Battery Business from the Demerged Company to the Resulting Company (Demerger).

The said Scheme is subject to various conditions, including regulatory authorities' approval, and the Hon'ble National Company Law Tribunal's approval. The consideration for the Scheme will be determined on an arm's length basis. The valuation report by Bansi S. Mehta Valuers LLP and Niranjan Kumar has recommended the Share Entitlement Ratio for the demerger. Kotak Mahindra Capital Company Limited has provided its opinion on the fairness of the Share Entitlement Ratio. Although the transaction is a related

5. Financial position

The net worth as of March 31, 2023, improved to ₹5,297.84 crores with the net addition of ₹746.45 crores to the other equity during the year. There is no interest-bearing debt as of March 31, 2023. The surplus cash at the year-end stood at ₹121 crores. CRISIL had re-affirmed the ratings on the Company's loan-term bank loan facilities at 'CRISIL AA+/Stable' and on the short-term bank facilities at 'CRISIL A1+'.

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

6. Subsidiaries and Consolidated Financial Statements

i. Subsidiary Companies

During the year under review, the Company has three wholly owned subsidiaries. However, none of the subsidiary is a material subsidiary.

Amara Raja Batteries Middle East (FZE) ('ARBME'), Sharjah, UAE, a wholly-owned subsidiary of the Company, reported net revenue of ₹8.94 crores with a Profit After Tax of ₹1.65 crores for the financial year ended March 31, 2023.

Amara Raja Circular Solutions Private Limited ('ARCSPL'), Andhra Pradesh, India, a wholly-owned subsidiary of the Company, was incorporated on June 2, 2022. The Company is in process of setting up of a Battery Recycling Plant in Cheyyar, Tamil Nadu and the commercial operations are yet to commence.

Amara Raja Advanced Cell Technologies Private Limited ('ARACT'), Telangana, India, a wholly-owned subsidiary of the Company was incorporated on November 29, 2022. The Company is in process of setting up a Lithium Cell Gigafactory and Battery Pack Assembly Plant in Divitipally, Telangana and the commercial operations are yet to commence.

ii. Consolidated Financial Statement

In accordance with the provisions of the Act, Regulation 33 of the Listing Regulations and applicable Accounting Standards, the audited consolidated financial statements of the Company for the financial year 2022-23, 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 provided as **Annexure I** forms an integral part of this report.

In accordance with Section 136 of the Act, the financial statements of the subsidiary companies 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 and all other documents required to be attached to this report and separate audited financial statements of the wholly owned subsidiaries are available on Company's website, please refer point 30 of this report for weblink of the same.

During the year, Company has not done any revision to the financial statements or report and there were no changes to the Company's financial statements during the last three preceding financial statements.

7. 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.

8. Directors and Key Managerial Personnel

During the period under review, there were no changes to the Board of Directors. Pursuant to the provisions of Sections 149 & 184 of the Act and Regulation 25 of Listing Regulations, Independent Directors of the Company have submitted a declaration that each of them meets the criteria of independence as prescribed in Section 149(6) of the Act and Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director during the year.

In accordance with provisions of Section 152 of the Act and pursuant to Articles of Association of the Company, Mr. Vikramadithya Gourineni (DIN: 03167659), is liable to retire by rotation at the ensuing 38th Annual General Meeting and being eligible, offers himself for re-appointment. The brief details required to be disclosed in accordance with the Listing Regulations, Act and Secretarial Standards are included in the notice of the ensuing 38th AGM forming part of this Annual Report.

Key Managerial Personnel

Pursuant to the provisions of Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following have been designated as Key Managerial Personnel of your Company as of March 31, 2023:

Mr. Jayadev Galla	- Chairman, Managing Director & CEO
Mr. Y Delli Babu	- Chief Financial Officer
Mr. Vikas Sabharwal	- Company Secretary

There were no changes in the Directors & Key Managerial Personnel and the Company is in compliance with the required provisions of the Act and Listing Regulations.

9. Auditors'

i. Statutory Auditors and their Report

M/s. Brahmayya & Co., Chartered Accountants (FRN 0005135) and M/s Deloitte Haskins & Sells LLP, Chartered Accountants (FRN 117366W/W-100018), Joint Statutory Auditors of the

Company have issued an unmodified Auditor's Report (Standalone & Consolidated) for Financial Year ended March 31, 2023, and the Joint Statutory Auditors have not reported any matter under Section 143 (12) of the Act, and therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

M/s. Brahmaya & Co., Chartered Accountants and M/s. Deloitte Haskins & Sells LLP, Chartered Accountants were re-appointed as the Joint Statutory Auditors at the AGM held on August 7, 2020, for a term of five (5) years from the conclusion of the 35th AGM till the conclusion of the 40th AGM.

ii. Cost Auditors and their Report

Pursuant to Section 148 of the Act read with the Rules framed thereunder, the cost audit records maintained by the Company in respect of its specified products are required to be audited by a Cost Auditor. The Board of Directors, on the recommendation of the Audit Committee, appointed M/s. Sagar & Associates, as Cost Auditors (Firm Registration No: 000118) to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023, at a remuneration of ₹4.75 lacs plus taxes and reimbursements.

The requisite resolution for ratification of remuneration of Cost Auditor by the shareholders of the Company has been set out in the Notice to the 38th AGM, which forms an integral part of this Annual Report.

The Cost Audit Report for the financial year ended March 31, 2022, was duly filed with the Central Government within the due date and the Company has maintained the Cost Records/Accounts as required under Section 148(12) of the Act and there were no adverse observations or remarks in the said report.

During the year under review, the Cost Auditors have not reported any matter under Section 143(12) of the Act, and therefore no details are required to be disclosed under Section 134 (3) (ca) of the Act.

iii. Secretarial Auditors and their report

Pursuant to the provisions of Section 204 of the Act, Regulation 24A of the Listing Regulations and rules framed thereunder, the Board of Directors, on the recommendation of the Audit Committee, appointed M/s. R. Sridharan & Associates, (Firm Registration No: S2003TN063400) Company Secretaries to undertake the Secretarial Audit of the Company and issue Annual Secretarial Compliance Report.

The Secretarial Audit Report issued by M/s. R. Sridharan & Associates, Company Secretaries for the financial year ended March 31, 2023 in Form MR-3 is provided as **Annexure II**, forms an integral part of this report. The report does not contain any qualifications, reservations or adverse remarks.

The Annual Secretarial Compliance Report issued by M/s. R. Sridharan & Associates, Company Secretaries for the financial year ended March 31, 2023 in format prescribed by SEBI. The report does not contain any qualifications reservations or adverse remarks.

During the year under review, the Secretarial Auditors have not reported any matter under Section 143(12) of the Act, and therefore no details are required to be disclosed under Section 134 (3) (ca) of the Act.

iv. Internal Auditors

The Company has an effective full-time in-house and professionally competent internal audit team, which regularly monitors the effectiveness of the internal control systems. This function reports on the adequacy and effectiveness of the internal control systems of your Company as well as the periodical results of its review of the Company's operations as per an internal audit plan duly approved. The internal audit team works in tandem with M/s. E Phalgun Kumar & Co., Chartered Accountants (FRN 002644S), whose professional services have been availed by the Company to audit specific locations and processes as per the Internal Audit plan.

Together they provide a robust framework. The recommendations of the internal audit teams on improvements in the operating procedures and control systems for strengthening the operating procedures were also presented periodically to the Audit Committee.

During the year under review, the Internal Auditors have not reported any matter under Section 143(12) of the Act, and therefore no details are required to be disclosed under Section 134 (3) (ca) of the Act.

10. Board and its Committees

i. Independent Directors and their Declaration of independence:

The Board of Directors of the Company comprises an optimum number of Independent Directors. Based on the confirmation/ disclosures received from the Directors and on evaluation of the relationships disclosed, the following

Non-Executive Directors are Independent in terms of Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act:

- Mr. N Sri Vishnu Raju (DIN:00025063);
- Mr. T R Narayanaswamy (DIN: 01143563);
- Ms. Bhairavi Tushar Jani (DIN: 00185929); &
- Mr. Annush Ramasamy (DIN: 01810872)

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 are registered for a lifetime in the database maintained by the 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, eight (8) 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 Meetings and attendance by the directors are given in the Corporate Governance Report forming an integral part of this annual report. The maximum time gap between any two consecutive meetings was within the period prescribed under the Act and Listing Regulations.

None of the Directors are disqualified under Section 164(2) of the Act. Certificate on non-disqualification, as required under Regulation 34 of Listing Regulations forms an integral part of the Corporate Governance 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 the following sub-committees

- Audit Committee;
- Corporate Social Responsibility Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee;
- Risk Management Committee; &
- Loan & Investment Committee

The details of the composition of the Committees, brief terms of reference, their meeting and the attendance of the members form an integral part of the Corporate Governance Report.

During the year, Board has accepted all the recommendations of the Committee(s), and there is no instance, where any recommendations of the Committee(s) were not accepted by the Board.

iv. Nomination and Remuneration Policy

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for the selection and appointment of Directors, Senior Management Personnel and their remuneration. Please refer point 30 for weblink of the Nomination and Remuneration Policy adopted by the Board.

v. Evaluation of the Board's performance

As per provisions of the Act, and Regulation 17(10) of the Listing Regulations, an evaluation of the performance of the board, its committees and members was undertaken. The details of the same forms an integral part of 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-enactments 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, 2023:

- 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 of March 31, 2023, and of the profit of the Company for the financial year ended March 31, 2023;
- 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 ongoing 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 Company is committed to good Corporate Governance and best corporate practices. The report on Corporate Governance for the year ended March 31, 2023, pursuant to Regulation 34 of the Listing Regulations along with the Additional Shareholder's Information are provided as **Annexure III** forms an integral part of this Annual Report.

The certificate regarding the compliance of conditions of corporate governance issued by M/s R. Sridharan & Associates, Company Secretaries forms an integral part of the Corporate Governance Report.

13. Business Responsibility & Sustainability Report

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility & Sustainability Report ('BRSR') initiatives taken from an environmental, social and governance perspective are disclosed in the prescribed format. BRSR is provided as **Annexure IV**, which forms an integral part of this report.

14. Management discussion and analysis

In terms of the provisions of Listing Regulations, the Management's discussion and analysis is set out in this Integrated Annual 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, please refer point 30 of this report for weblink of the same.

16. Corporate Social Responsibility (CSR)

Corporate Social Responsibility has been an integral part of the Company's culture. The Company has associated itself through Rajanna Trust with philanthropic activities in the field of Education, Health, Environment and Rural Development. During the year, the Company has undertaken various CSR projects in the areas of education and rural development.

A brief outline of the CSR Policy of the Company, the CSR initiatives/activities undertaken by the Company during the year and the details of the composition of the CSR Committee are given in the Annual CSR Report provided as **Annexure V**, which forms an integral part of this Annual Report. Please refer point 30 of this report for weblink of CSR Policy.

17. Transactions with the Related Parties

All related party transactions entered during the financial year were on an arm's length basis and were in the ordinary course of business. During the financial year 2022-23, 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, 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 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 details of the Related Party Transactions pursuant to Section 134 (3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in Form AOC-2, as provided as **Annexure VI**, which forms an integral part of this Annual Report.

Other than receipt of Sitting Fee/ commission, none of the Non-Executive Directors have any pecuniary relationships or transactions vis-à-vis the Company.

18. Internal Financial Controls related to financial statements

The Company has put in place an 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 statutes, 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 the 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 the constitution of the Committee are set out in the Corporate Governance Report.

The Company has an elaborate Risk Management framework in place, which helps in identifying the risks and proper mitigation thereof and also lays down the procedure for risk assessment and its mitigation through a Risk Committee.

Key risks and their mitigation arising out of reviews by the internal committee are assessed and reported to the Risk Management Committee on a periodic basis. The major risks including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

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 have 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 the victimization of employees who avail of it and also for the 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, please refer point 30 of this report for the same.

21. Health, Safety and Environmental protection (HSE)

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

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

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

The Company has in place a policy on the prevention of sexual harassment and has constituted an Internal Committee 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 Committee. There are no outstanding complaints as on March 31, 2023. The Company conducts the required workshop, and awareness programmes as part of the induction processes and regular training sessions.

23. Other disclosures

i. Share Capital

The paid-up equity share capital of the Company as of March 31, 2023, stood at ₹17.08 crores comprising 170,812,500 equity shares of ₹1 each.

As of March 31, 2023, RNGalla Family Private Limited, Promoter holds 4,79,32,452 equity shares of ₹1 each constituting 28.06% of the paid-up share capital of the Company.

The Equity Shares of the Company are listed on the NSE and BSE. The annual listing fees for the years 2022 & 2023 have been paid to these Stock Exchanges.

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 of March 31, 2023, are given in Note 5 & 6 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 of March 31, 2023.

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 thereunder.

v. Significant and material orders passed by Regulators or Courts

During the year under review, no significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company.

During April 2021, the Company 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 until further orders. In compliance with the orders issued by the Hon'ble High Court of Andhra Pradesh, the Company is committed to working closely with APPCB officials for a satisfactory resolution of the matter in the interest of all stakeholders. The Company has always placed its highest priority on the environment and on 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 with Secretarial Standards

During the year under review, your 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, 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. 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 the 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 the Corporate Governance Report which forms part of this Annual Report.

Shareholders are requested to ensure their dividends are encashed on time. In case of non-encashment of dividends, shareholders are advised to approach the Company or RTA to claim their unclaimed dividends.

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

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

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 provided in **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 up to the date of the 38th AGM.

24. Familiarisation Programme for Directors

In addition to giving a formal appointment letter to the newly appointed Director on the Board, a detailed induction plan covering the role, function, duties, responsibilities and the details of compliance requirements expected from the Director under the Act and relevant Regulations of Listing Regulations are given and explained to a new Director.

Pursuant to Regulation 25(7) of Listing Regulations, details of the familiarization programme for Directors are forming part of the Corporate Governance Report. Please refer point no.30 of this report for the weblink of the same.

25. Other Statutory Disclosures

No disclosure or reporting is required with respect to the following items as there were no transactions related to these items, during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issues of sweat equity shares or any other securities.
- Provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- Employee Stock Options/Plans
- No Shares are held in trust for the benefit of employees where the voting rights are not exercised directly by the employees.
- There were no instances of failure of implementation of Corporate Actions.
- There are no applications made or proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.
- The Company has not entered into one time settlement with any Banks or Financial Institutions during the year. Hence, disclosure pertaining to difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan is not applicable.

26. Awards and Recognitions

During the year under review, 872 quality circles completed 1212 QC projects. To embed the Six Sigma approach that will help in improving business processes throughout the organization, the company trained 17 Blackbelts and 43 Greenbelts and completed 175 projects as on March 31, 2023. This task force has offered insightful advice on streamlining processes, lessening variation, and improving product uniformity.

Six Sigma - As part of the CII National Six Sigma Competitions

- LVRLA recognized with PLATINUM and won the Winner Award
- MVRLA, ABD-2 and SBD-1 recognized with GOLD

Lean Concepts

In the CII National Kaizen Competitions

- MVRLA recognized with PLATINUM, GOLD and 2 SILVERS
- SBD-2 recognized with PLATINUM and GOLD
- SBD-1 recognized with PLATINUM and SILVER
- LVRLA recognized with GOLD and SILVER
- LVRLA recognized with STAR in the Champions Trophy Awards

At the CII National Poka-Yoke Competitions

- SBD-2 recognized with PLATINUM
- LVRLA recognized with PLATINUM, GOLD and SILVER
- MVRLA recognized with GOLD
- SBD-1, ABD-2 and TBD recognized with SILVER

At the CII National SMED (Quick Changeover) Competitions

- SBD-2 recognized with PLATINUM
- LVRLA, SBD-1 and ABD-3 recognized with GOLD

Quality Circles

- ARBL bagged 98 GOLDS and 4 SILVERS in State-Level Quality Circle Competitions (CCQC) held at Tirupati, Andhra Pradesh
- ARBL bagged 22 PAR-EXCELLENCEs, 2 EXCELLENCEs and a DISTINGUISH in National-Level Quality Circle Competitions (NCQC) held at Aurangabad, Maharashtra
- ABD-1, SBD-1, LVRLA and MVRLA have been recognized with GOLDS in International-Level Quality Circle Competitions (ICQCC) held in Jakarta, Indonesia
- SBD-1 has been recognized as 1st Runner-up in CII State-Level Competitions
- SBD-1 has been recognized as 3rd Runner-up in CII Southern Region Competitions

27. 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.

28. Change in the nature of business

During the year under review, there were no change in the nature of business of the Company.

30. Weblink of various policies/reports

As required by the Act and Listing Regulations, below table provides weblinks of various polices referred in this report

S. No.	Particulars	Weblink
1.	Annual Return	https://www.amararajabatteries.com/Investors/annual-general-meetings
2.	Board Diversity policy	https://www.amararajabatteries.com/Investors/DownloadPolicyPDF/27?name=Board%20Diversity%20Policy
3.	Business Responsibility and Sustainability Report	https://www.amararajabatteries.com/Investors/annual-general-meetings
4.	Corporate Social Responsibility Policy	https://www.amararajabatteries.com/Investors/DownloadPolicyPDF/9?name=Corporate%20Social%20Responsibility
5.	Dividend Distribution Policy	https://www.amararajabatteries.com/Investors/DownloadPolicyPDF/18?name=Dividend%20Distribution%20Policy
6.	Environment, health and safety policy	https://www.amararajabatteries.com/Investors/DownloadPolicyPDF/26?name=Health,%20Safety%20&%20Environment%20Policy
7.	Familiarization programme of the Independent Directors	https://www.amararajabatteries.com/Investors/board-of-directors
8.	Financial Statements of Subsidiaries	https://www.amararajabatteries.com/Investors/annual-reports/
9.	Impact Assessment Report	https://www.amararajabatteries.com/Files/AnnualGeneralMeetingFiles/2023/ARBL_Impact%20Assessment%20Report%20FY23.pdf
10.	Memorandum and Articles of Association	https://www.amararajabatteries.com/Investors/downloads
11.	Nomination and Remuneration Policy	https://www.amararajabatteries.com/Investors/DownloadPolicyPDF/12?name=Nomination%20and%20Remuneration%20Policy
12.	Policy for determining material subsidiaries of the Company	https://www.amararajabatteries.com/Investors/DownloadPolicyPDF/25?name=Policy%20on%20determination%20of%20material%20subsidiary
13.	Policy on dealing with related party transactions	https://www.amararajabatteries.com/Investors/DownloadPolicyPDF/24?name=Policy%20on%20dealing%20with%20Related%20Party%20Transactions
14.	Whistle Blower Policy	https://www.amararajabatteries.com/Investors/DownloadPolicyPDF/15?name=VIGIL%20MECHANISM%20WHISTLE%20BLOWER%20POLICY

31. Acknowledgement

The Directors take this opportunity to thank all the stakeholders of the Company for their continued support and express their sense of gratitude to the customers, vendors, banks, financial institutions, channel partners, business associates, Central and State Governments for their co-operation and look forward to their continued support

in future. The Directors wish to place on record their sincere appreciation for the contribution made by the employees at all levels and applaud them for their superior levels of competence, dedication and commitment towards your Company.

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

For and on behalf of the Board of Directors

Jayadev Galla

Chairman, Managing Director & CEO

Place: Hyderabad

Date: May 23, 2023

Form AOC-1

(Pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 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)
1 Name of the Subsidiary	Amara Raja Batteries Middle East (FZE), Sharjah, UAE	Amara Raja Circular Solutions Private Limited, India	Amara Raja Advanced Cell Technologies Private Limited	
2 Date of Incorporation/Acquisition	July 31, 2018	June 2, 2022	November 29, 2022	
3 Reporting period for the subsidiary concerned	Same as Holding Company, April 1, 2022, to March 31, 2023	June 2, 2022 to March 31, 2023	November 29, 2022 to March 31, 2023	
4 Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	United Arab Emirates Dirham(AED) 1 AED = 22.39INR	Not Applicable	Not Applicable	
5 Share Capital	0.56	100	100	
6 Reserves and Surplus	2.99	(0.78)	(0.74)	
7 Total Assets	5.24	126.20	99.46	
8 Total Liabilities	1.69	26.99	0.21	
9 Investments	-	51.04	90.49	
10 Turnover	8.94	0	0	
11 Profit before tax	1.65	(1.05)	(0.99)	
12 Provision for tax	-	(0.26)	(0.25)	
13 Profit after tax	1.65	(0.78)	(0.74)	
14 Proposed Dividend	-	-	-	
15 Extent of shareholding (in percentage)	100%	100%	100%	
Names of subsidiaries which are yet to commence operations	Amara Raja Circular Solutions Private Limited & Amara Raja Advanced Cell Technologies Private Limited			
Names of subsidiaries which have been liquidated or sold during the year.	NIL			
Part B: Joint Ventures/ Associates	There are no Joint Ventures/Associates.			

For and on behalf of the Board of Directors

Jayadev Galla

Chairman, Managing Director & CEO
(DIN: 00143610)

Y Delli Babu

Chief Financial Officer

Hyderabad, May 23, 2023

Harshavardhana Gourineni

Executive Director
(DIN: 07311410)

Vikramadithya Gourineni

Vikramadithya Gourineni

Executive Director
(DIN: 03167659)



SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[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 referred to as "the Company") for the financial year ended 31st March, 2023. 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 31st March, 2023 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 31st March, 2023 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 complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. There was no Foreign Direct Investment and External Commercial Borrowings during the year under review;
- (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable during the year under review);
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (not applicable during the year under review);

- f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (not applicable during the year under review);
 - g) 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 (not applicable as the company is not registered as Registrar to an Issue and Share transfer Agent during the year under review);
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (not applicable during the year under review); and
 - i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (not applicable during the year 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 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) (Revised effective from October 1, 2017) and the Guidance Note on Meetings of the Board of Directors and General Meetings (revised) 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. (herein after referred as "Listing Regulations").

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 mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Woman Independent Director and Independent Directors. There were no changes in the composition of the Board of Directors during the financial year under review.

Adequate notice is given to all directors before schedule of the Board/ Committee 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 Act and Secretarial Standards on Board Meeting are complied with.

During the year under review, Directors/ Members have participated in the Board/ Committees meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities 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/ Members of the Committee dissented on the decisions taken at such Board/ Committee Meetings. Further, in the minutes of the General Meeting, the number of votes cast against the resolution(s) by the members have been recorded.

We further report that based on the review of compliance mechanism established by the Company and on the basis of our review and audit of the records and books, 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 the Listing Regulations 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 explanations provided by the Management, the Company does not have any Material Unlisted Subsidiary(ies) Incorporated in India as defined in Regulation 16(1)(c) and Regulation 24A of the Listing Regulations as amended during the period under review.

We further report that during the audit period, the Company had

1. Obtained approval of Board for incorporation and invested in the following Wholly Owned Subsidiary companies:
 - Amara Raja Circular Solutions Private Limited on 20th May, 2022. Invested ₹100 Crores divided into 10 Crores equity shares of ₹10 each.
 - Amara Raja Advance Cell Technologies Private Limited on 3rd November, 2022. Invested ₹100 Crores divided into 10 Crores equity shares of ₹10 each.
2. Obtained the approval of Board of Directors at their meeting held on 06.08.2022 for amendment of main objects clause of Memorandum of Association and obtained shareholders approval through Postal Ballot on 25.09.2022.
3. Obtained the approval of Board of Directors at their meeting held on 26.09.2022 for the a Scheme of Arrangement amongst Mangal Industries Limited ("Demerged Company") and Amara Raja Batteries Limited ("Resulting Company") and their respective shareholders and creditors (the "Scheme") under Sections 230 to 232 of the Companies Act, 2013.
4. Obtained the approval of Board of Directors at their meeting held on 25.01.2023 for Sale & transfer of 'New Energy Business' of Amara Raja Batteries Limited ("Seller") through a slump sale arrangement on a going concern basis, to its Wholly Owned Subsidiary 'Amara Raja Advanced Cell Technologies Private Limited ("Buyer") for a lumpsum consideration of ₹167 Crores.

PLACE : CHENNAI

DATE : 23RD MAY, 2023

**For R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

CS R.SRIDHARAN

FCS No. 4775

CP No. 3239

PR NO.657/2020

UIN: S2003TN063400

UDIN: F004775E000336251

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.

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 as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. 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 as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
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 procedures 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.

PLACE : CHENNAI

DATE : 23RD MAY, 2023

**For R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

CS R.SRIDHARAN

FCS No. 4775

CP No. 3239

PR NO.657/2020

UIN: S2003TN063400

UDIN: F004775E000336251



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. Corporate Governance Philosophy

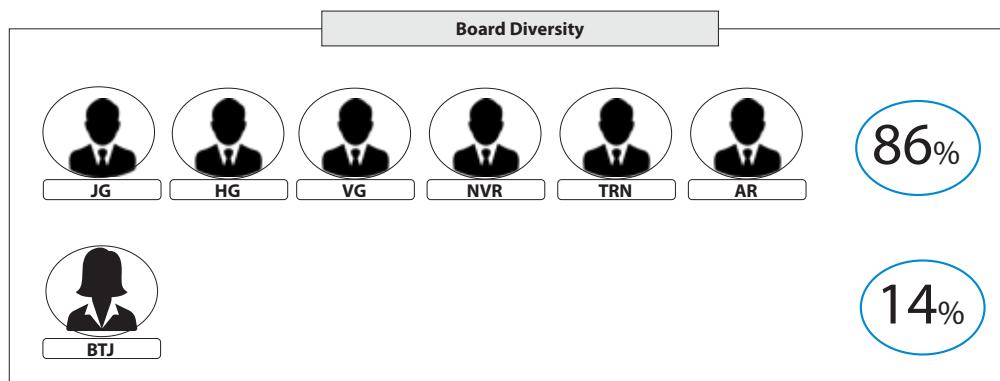
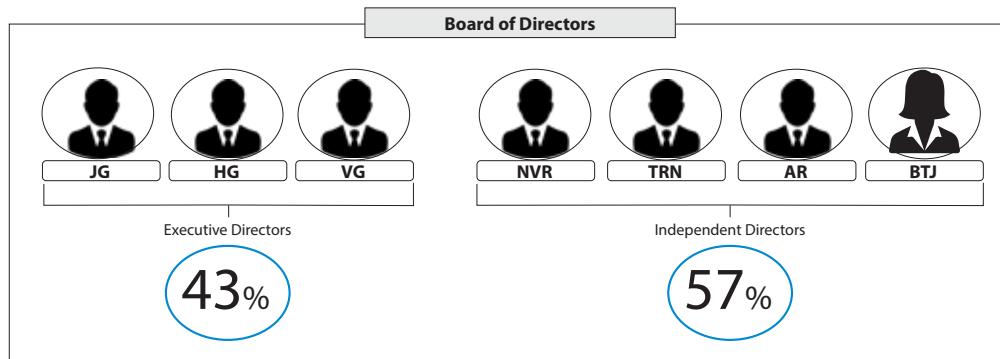
Corporate Governance is based on good principles and practices such that the affairs of the Company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meets its stakeholder's aspirations and societal expectations. Effective 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 to the business of the Company. Corporate governance is reinforced through the Company's policies, internal control systems, 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.

Your Company follows the applicable Corporate Governance requirements as enshrined in the Companies Act, 2013 read with the Rules made thereunder ("Act"), Listing Regulations and other applicable laws.

2. Board of Directors

The Company's Board comprises Seven (7) Directors as on March 31, 2023, out of which Four (4) are Non-Executive Independent Directors and Three (3) are Executive Directors. Board consists of One (1) Chairman (Managing Director & Chief Executive Officer), Two (2) Executive Directors and Four (4) Independent Directors including One (1) Woman Director.

Table 1 gives details of the composition of the Board and their Directorships as on March 31, 2023.



- JG - Jayadev Galla • HG - Harshavardhana Gourineni • VG - Vikramadithya Gourineni • NVR - N Sri Vishnu Raju
- TRN - T R Narayanaswamy • AR - Annush Ramasamy • BTJ - Bhairavi Tushar Jani

Name	Designation	Category	Relationship with other directors	Directorships as per Section 165 of Companies Act, 2013 ²		Memberships in Committees ³	Chairmanship in Committees ⁴
				Public Companies	Private Companies		
Mr. Jayadev Galla DIN : 00143610	CMD & CEO	Promoter & Executive Director	None ¹	4	7	4	1
Mr. Harshavardhana Gourineni DIN : 07311410	Executive Director	Promoter & Executive Director	None ¹	2	7	1	0
Mr. Vikramadithya Gourineni DIN : 03167659	Executive Director	Promoter & Executive Director	None ¹	3	6	1	0
Mr. Annush Ramasamy DIN: 01810872	Director	Independent & Non-Executive Director	None	4	10	1	0
Ms. Bhairavi Tushar Jani DIN : 00185929	Director	Independent & Non-Executive Director	None	1	17	1	0
Mr. N Sri Vishnu Raju DIN : 00025063	Director	Independent & Non-Executive Director	None	3	17	4	1
Mr. T R Narayanaswamy DIN : 01143563	Director	Independent & Non-Executive Director	None	1	8	2	1

Foot Notes:

1. Mr. Jayadev Galla, Mr. Harshavardhana Gourineni and Mr. Vikramadithya Gourineni are not relatives in terms of Section 2(76) of the Act. However, as per the definition of Related Party in terms of Listing Regulations, they are forming part of the Related Party;
2. Number of Directorships excludes foreign companies, Section 8 companies as per Companies Act, 2013 and includes Directorship in this Company;
3. Only Memberships/Chairmanships of the Audit Committee(s) and Stakeholders Relationship Committee(s) of listed and unlisted public companies(s), including this Company are considered.

Core competencies of the Board of Directors as per Schedule C of Corporate Governance requirements of the Listing Regulations:

The Board of Directors has identified the skills/expertise/competencies fundamental for the effective functioning of the Company namely knowledge of the 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.

The directors have expertise in the fields of 'Strategy, Governance and Board service'; 'Business Understanding'; 'Industry & Sector Knowledge'; 'Finance'; 'Technology'; 'Human Resources'; Such expertise enables the board to steer the company in the right direction.

The board provides leadership, strategic guidance, and objective and independent views to the company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. It regularly reviews the company's governance, risk and compliance framework, business plans, and organization structure to align with the highest standards.

**Table 2 gives details of their individual competence, expertise and skills.**

Strategy, Governance and Board service	Business Understanding	Industry & Sector knowledge	Finance	Technology	Human Resources
<ul style="list-style-type: none"> • JG • HG • VG • NVR • TRN • AR • BTJ 	JG HG VG NVR TRN AR BTJ	JG HG VG NVR TRN AR BTJ	JG HG VG NVR TRN AR BTJ	JG HG VG NVR TRN AR BTJ	JG HG VG NVR TRN AR BTJ

Declarations:

1. The composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations.
2. None of the Directors on the Board are directors on more than seven listed companies as required under Regulation 17A of Listing Regulations.
3. None of the Independent Directors are serving as an independent director in more than seven listed entities as required under Regulation 17A of Listing Regulations and Mr. Jayadev Galla, Chairman, Managing Director & CEO, Mr. Harshavardhana Gourineni, Executive Director and Mr. Vikramadithya Gourineni, Executive Director are not serving as an Independent Director in any other listed company.
4. None of the Independent Directors is Managing Director or Whole Time Director of any other listed entities as required under Regulation 17 Listing Regulations.
5. None of the Directors on the Board is a member of more than 10 committees and Chairperson of more than 5 committees across all the Companies in which he/she is a Director as required under Regulation 26 of Listing Regulations.
6. None of the Directors holds any shares in the Company except Mr. Jayadev Galla, Mr. Harshavardhana Gourineni and Mr. Vikramadithya Gourineni, who are also Directors in 'Mangal Industries Limited' and/or 'RNGalla Family Private Limited' (RFPL), these companies, together with the said directors are termed as promoters of the Company and RFPL holds 28.06% of the equity share capital of the Company.
7. The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and rules made thereunder read with Regulation 25 of the Listing Regulations.
8. As per the requirements of Regulations 25(6) of the Listing Regulations, there was no requirement to replace the vacancy created by the resignation of the Independent Directors.
9. During the financial year 2022-23, information as specified in Part A of Schedule II to the Regulations such as annual operating plans and budgets, capital budgets, financial results of the Company, foreign currency exposures, minutes of subsidiary companies, on a quarterly basis and other information as and when applicable were placed before the Board for its consideration.
10. 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.
11. The Company has suitable Directors & Officers Insurance Policy obtained with adequate coverage and complies with the requirement of Regulation 25(10) of Listing Regulations.
12. A formal letter of appointment is issued to all Independent Directors, a specimen of which is been placed on the Company's website <https://www.amararajabatteries.com/Investors/board-of-directors>
13. Details of Directors along with their profiles are available on the website of the Company and the profile of the Director proposed to be reappointed along with the names of the Companies in which he holds 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 to the notice of the 38th Annual General Meeting.
14. None of the Directors is Director or holds any position in other Listed Entities, except Mr. N Sri Vishnu Raju, Independent Director. Details, as required under Listing regulations, are given in Table 3.

Table 3: Details of Directors, who are directors in other listed entities:

Name of the Director	Name of the Listed Entity	Category and Designation
Mr. N Sri Vishnu Raju	Heritage Foods Limited	Independent Director
	Zydus Wellness Limited	Independent Director

15. All the Independent Directors of the Company have given their respective declarations/disclosures under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfill the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, the Board after taking these declarations /disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.
16. All the Independent Directors had registered with Indian Institute of Corporate Affairs for lifetime and had complied with Rule 6 (1) and (2) of Companies (Appointment and Qualification of Directors) Rules, 2014. The tenure of the Independent Directors is in accordance with the provisions of the Act and rules made thereunder.
17. During the year, none of the Independent Directors has resigned from the Directorship of the Company.

Board Meetings, Procedure & Term of Board membership

The Company plans and prepares the schedule of the Board and Committee meetings in advance. The Board meets at least once a quarter to review the quarterly results and other items on the agenda. Additional meetings are held when necessary. As a process, information to directors is submitted along with the agenda well in advance of Board meetings. Inputs and feedback of Board members are taken and considered while preparing the agenda and documents for the Board meetings. At these meetings, directors can provide their inputs and suggestions on various strategic and operational matters. The schedule of meetings and their agenda is finalized in consultation with the Chairman of the Board and Committee Chairpersons.

During the year, the majority of the board meetings were held through video conference in accordance with the provisions of law and the board met Eight (8) times, thereby complying the applicable statutory requirements. Details of the attendance of Directors, Board Strength and Number of Directors Present in the Board Meeting are given in Table 4.

A detailed presentation is made covering various highlights and performances of the business at each Board Meeting. The Board reviews the items on the agenda and in particular quarterly financial results, annual financial statements, annual operating plans and budgets, capital budgets, etc. The compliance reports of laws applicable to the Company and minutes of the Committee meetings are also reviewed/noted by the Board. Other significant details included in the presentation/agenda discussion covers dangerous occurrences, any material effluent or pollution problems, material default in financial obligations, public or product liability claims, related party transactions, borrowings, updates on internal controls, IFCs, information on recruitment and remuneration of key executives below the board level including Chief Financial officer & Company Secretary, Risk analysis of various products, markets and businesses, detailed analysis of potential acquisition targets and possible divestments, details of any joint venture or collaboration agreements, contracts/arrangements in which director(s) are interested, materially important show cause, demand, prosecution and penalty notices, if any.

The important decisions taken by the Board and Committee meetings are communicated to the respective departments for the implementation of the said decisions. Action taken/status reports on decisions/suggestions of the previous meeting(s) are followed up and placed at the next meeting for information and further recommended actions if any. During the year under review, the Board has accepted all the recommendations from the Committees.

Independent Directors Meeting

For the Board to exercise free and fair judgment in all matters related to the functioning of the Company as well as the Board, it is important for the independent directors to have meetings without the presence of the executive management. During the year, our Independent Directors met five (5) times and Committee of Independent Directors met one (1) time, in sessions without the presence of executive directors and other members of management. The company is ready to facilitate more such sessions as and when required by the independent directors. During these meetings, the independent directors review the performance of the company and its senior management, that of the Chairman, Managing Director, and the board. Corporate strategy, risks, competition, succession planning for the board and senior management and the quality of information given to the board.

Table 4: Attendance of Directors:

Name of the Director	37 th AGM on August 6, 2022	No. of Board Meeting								Held	Attended	% of attendance at Board Meeting
		1 May 20, 2022	2 August 6, 2022	3 Septem- ber 26, 2022	4 Novem- ber 3, 2022	5 January 25, 2023	6 February 25, 2023	7 March 17, 2023	8 March 27, 2023			
Jayadev Galla	✓	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100%
Harshavardhana Gourineni	✓	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100%
Vikramadithya Gourineni	✓	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100%
Annush Ramasamy	✓	✓	✓	✓	L	✓	✓	✓	✓	8	7	88%
Bhairavi Tushar Jani	✓	✓	✓	✓	✓	✓	L	✓	✓	8	7	88%
N Sri Vishnu Raju	✓	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100%
T R Narayanaswamy	✓	✓	✓	L	✓	L	✓	✓	✓	8	6	75%

Attendance of Directors in Meeting of the Board and its Committees

BM: 100%	BM: 100%	BM: 100%	BM: 100%	BM: 75%	BM: 88%	BM: 88%
SRC 100%	SRC 100%	SRC 100%	AC 100%	AC 67%	AC 100%	AC 100%
CSR 100%	CSR 100%	CSR 100%	NRC 100%	NRC 100%	NRC NA	NRC 50%
			RMC 100%	SRC 100%	RMC 50%	CSR 100%
			CSR 100%			

Board Induction, Training and Familiarisation

At the time of appointing a Director, a formal letter of appointment is given to them, which inter alia explains the role, function, duties and responsibilities expected of them as a Director/ Independent Director of the Company. They also explained in detail the compliances required from him under the Act, Listing Regulations, Insider Trading Regulations and other relevant regulations on regular basis.

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 along with Annual Reports, investor presentations, recent press releases, research reports, Code of Business Conduct, Code of Senior Management, key policies of the Company and the memorandum and articles of association and the brief on company's board practices.

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 the business environment and 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 fulfil their role/responsibility. Please refer point 30 of the Board's report for the weblink of the same.

Board Evaluation

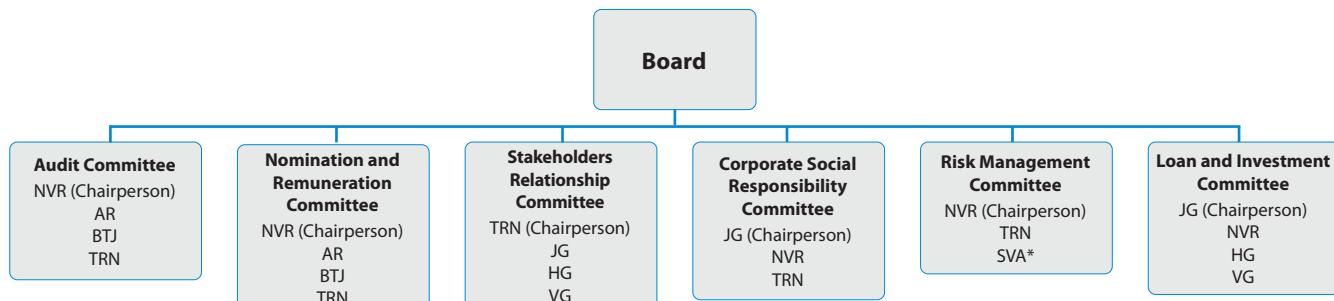
During the year, Board has carried out an annual self-evaluation of its performance, the working of its Committees and peer evaluation of each director internally. For this purpose, each director completed a questionnaire involving peer evaluation and feedback on processes of the board and its Committees. The contribution and impact of individual members were evaluated on a number of parameters, such as level of engagement, independence of judgment, conflict resolution, contributions to enhance the board's overall effectiveness, etc. positive attributes and improvement areas for each director were provided to them on a confidential basis.

The Committees were evaluated on various parameters such as effective discharge of their roles, responsibilities and advice given to the board for discharging its fiduciary responsibilities, including adequate and periodical updates to the board on the Committees' functioning.

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.

Board Committees as on March 31, 2023:



*SVA - S Vijayanand (President - New Energy Business)

3. Audit Committee

Responsibilities & Terms of Reference:

As per the requirements of the Companies Act, 2013 and Listing Regulations, the board of directors has entrusted the Audit Committee with the responsibility to supervise these processes and ensure adequate, accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

The constitution and terms of reference of the Audit Committee are in accordance with and cover 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.

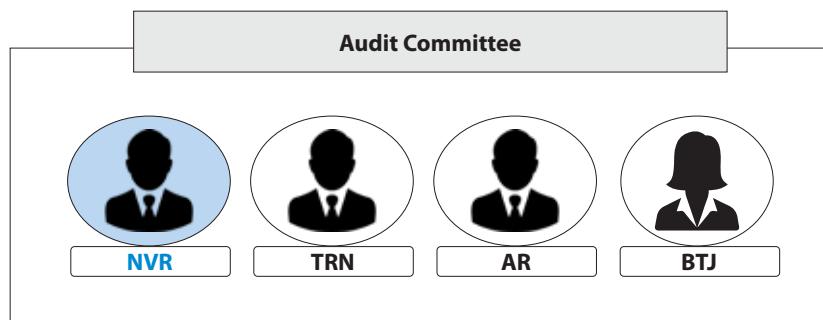
The primary focus of the Audit Committee is to have an oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

Brief description of terms of reference of the Audit Committee is as follows:

- a. Recommendation for appointment, remuneration and terms of appointment of internal auditors, statutory auditors and cost auditors of the company;
- b. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- c. Reviewing, with the management, the quarterly and annual financial statements and auditor's report thereon before submission to the board for approval;
- d. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- e. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- f. Approval or any subsequent modification of transactions of the company with related parties;
- g. Scrutiny of inter-corporate loans and investments;
- h. Valuation of undertakings or assets of the company, wherever it is necessary;
- i. Evaluation of internal financial controls and risk management systems;
- j. Discussion with internal auditors of any significant findings and follow up thereon;
- k. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- l. To review the functioning of the Whistle Blower mechanism as and when adopted by the Company;
- m. To recommend to the Board the policy on materiality of related party transactions and also on dealing with the related party transactions;
- n. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- o. Such other matters as may be required as per the Act, the rules made thereunder and the Listing Regulations as amended from time to time;
- p. To carry out any other function as may be delegated by the Board from time to time along with minimum information to be reviewed under Schedule II, Part C of Listing Regulations.

Constitution and meetings of the Committee

The Audit Committee comprises entirely independent directors. All members are financially literate and bring expertise in the fields of finance, economics, logistics, strategy and management.



During the financial year 2022-23, Six (6) meetings of the Audit Committee were held. 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. The Composition of the Committee, details of its Meetings and attendance of the members is provided in Table 5.

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

Mr. N Sri Vishnu Raju, Independent Director and Chairperson of the Audit Committee was present at the Annual General Meeting of the Company held on August 6, 2022.

During the year, Mr. Annush Ramasamy, Independent Director was inducted as a member of the Committee w.e.f. March 20, 2023.

Composition and Attendance:



Table 5: Meetings of the Audit Committee and attendance of members:

Name of the Director	No. of Audit Committee Meeting						Held	Attended	% of attendance
	1 May 20, 2022	2 August 6, 2022	3 September 26, 2022	4 November 3, 2022	5 January 25, 2023	6 March 27, 2023			
N Sri Vishnu Raju (Chairperson)	✓	✓	✓	✓	✓	✓	6	6	100%
Bhairavi Tushar Jani	✓	✓	✓	✓	✓	✓	6	6	100%
T R Narayanaswamy	✓	✓	L	✓	L	✓	6	4	67%
Annush Ramasamy ¹	NA	NA	NA	NA	NA	✓	1	1	100%

¹Mr. Annush Ramasamy, Independent Director was inducted as member w.e.f. March 20, 2023

4. Nomination and Remuneration Committee

Responsibilities & Terms of Reference:

The constitution and terms of reference of the Nomination and Remuneration Committee are in accordance with and cover 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.

The Nomination and Remuneration Committee also entirely consists of independent directors. Its primary functions are to:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- To formulate criteria for evaluation of performance of independent directors and the board of directors;
- To devise a policy on diversity of board of directors;
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- To consider and recommend to the Board whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates;
- To recommend to the board, all remuneration, in whatever form, payable to senior management;
- Such other matters as may be required to discharge their responsibilities under the Listing Regulations as amended from time to time.

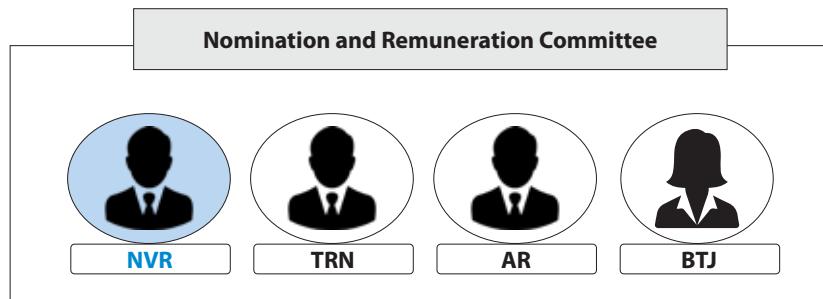
Constitution and meetings of the Committee

The current composition of the Nomination and Remuneration Committee comprises Four (4) Non-Executive Independent Directors and the Committee is empowered with the powers as prescribed under Regulation 19 of Listing Regulations and Section 178 of the Act. The Committee also acts in terms of reference and directions of the Board from time to time.

During the financial year 2022-23, two (2) meetings of the Nomination and Remuneration Committee were held. The Composition of the Committee, details of the Meetings and attendance of the members are provided in Table 6.

The Company Secretary acts as the Secretary to the Committee. Mr. N Sri Vishnu Raju, Independent Director and Chairperson of the Committee was present at the Annual General Meeting of the Company held on August 6, 2022.

During the year, Mr. Annush Ramasamy, Independent Director was inducted as a member of the Committee w.e.f. March 20, 2023.



Composition and Attendance:



Table 6: Meetings of the NRC and attendance of members:

Name of the Director	No. of Nomination Remuneration Committee Meeting		Held	Attended	% of attendance
	1	2			
	May 20, 2022	February 25, 2023			
N Sri Vishnu Raju (Chairperson)	✓	✓	2	2	100%
Bhairavi Tushar Jani	✓	L	2	1	50%
T R Narayanaswamy	✓	✓	2	2	100%
Annush Ramasamy ¹	NA	NA	0	0	-

¹Mr. Annush Ramasamy, Independent Director was inducted as member w.e.f. March 20, 2023

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. Please refer point 30 of the Board's Report for the weblink of the same.

Remuneration to Directors

- i) **All pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company** - There were no pecuniary transactions with any of the Non - Executive Directors except for Remuneration/ Sitting Fees/ reimbursement of expenses, if any, paid to them as Directors of the Company.
- ii) **Criteria of making payments to non-executive directors** – This is based on the varied roles played by them towards the Company. It is not just restricted to corporate governance or outlook of the Company, but they also bring along with them significant professional expertise and rich experience across the wide spectrum of functional areas. There are no payments made to Non-Executive Directors apart from sitting fee, commission and reimbursements of expenses if any for attending the meetings of the Company.

- iii) **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 & Executive Directors are not paid sitting fees for any Board/ Committee meetings attended by them.

- iv) **Non-Executive Directors** - The Non-Executive Independent Directors are entitled to sitting fees and reimbursement of out of pocket expenses for attending the Board/Committee meetings and 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.

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.

- v) Details of Remuneration paid to the Directors for the year ended March 31, 2023 are given in table 7:

Table 7: Remuneration paid or payable to the Directors for FY 2022-23

(Amount in ₹ Crores)

Name	Salaries	Commission*	Sitting Fee*	Total
Mr. Jayadev Galla, Chairman, Managing Director & CEO	2.40	50.23	-	52.63
Mr. Harshavardhana Gourineni, Executive Director	1.44	24.88	-	26.32
Mr. Vikramadithya Gourineni, Executive Director	1.44	24.88	-	26.32
Mr. Annush Ramasamy, Independent Director	-	0.05	0.02	0.07
Ms. Bhairavi Tushar Jani, Independent Director	-	0.05	0.02	0.07
Mr. N Sri Vishnu Raju, Independent Director	-	0.05	0.03	0.08
Mr. T R Narayanaswamy, Independent Director	-	0.05	0.02	0.07

*excludes GST

Notes:

- The remuneration and commission paid to the Managing Director and Executive Directors are within the limit as approved by the members and Companies Act, 2013. There are no stock options issued by the Company to them.
- As of March 31, 2023, none of the Independent Directors holds stock options or shares of the Company.

5. Stakeholders Relationship Committee

Responsibilities & Terms of Reference:

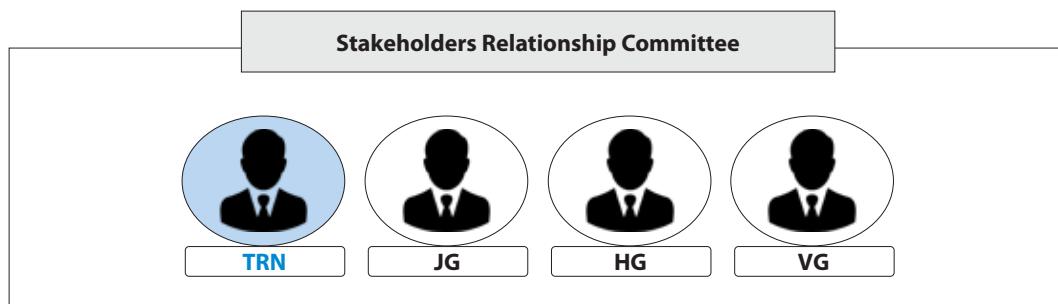
The Stakeholders' Relationship Committee is empowered to perform the functions of the board relating to the handling of queries and grievances of security holders. It primarily focuses on:

- Review investor complaints and their redressal;
- Review measures taken for effective exercise of voting rights by shareholders;
- Review work done by the share transfer agent including adherence to the service standards;
- Review of corporate actions related to security holders;
- Review initiatives for reduction of quantum of unclaimed dividends and ensure timely receipt of dividend/annual report/statutory notices.

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.

Constitution and meetings of the Committee

The current composition of the Stakeholders Relationship Committee comprises Four (4) Directors i.e. One (1) Non-Executive Independent Director as Chairperson and three (3) Executive Directors as Members. The Committee is empowered with the powers as prescribed under Regulation 20 of Listing Regulations. The Committee also acts in terms of reference and directions of the Board from time to time.



During the financial year 2022-23, Two (2) meetings of the Stakeholders Relationship Committee was held. The composition of the Stakeholders Relationship Committee, details of the Meetings and attendance of the members are provided in Table 8. During the year, there has been no change in the composition of the Committee.

Mr. Vikas Sabharwal, Company Secretary and Compliance Officer of the Company acts as the Secretary to the Committee. Mr. T R Narayanaswamy, Independent Director and Chairperson of the Committee was present at the Annual General Meeting of the Company held on August 6, 2022.

Composition and Attendance:



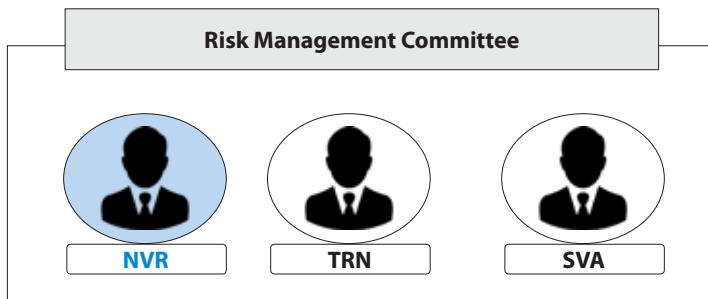
Table 8: Meetings of the Stakeholders Relationship Committee and attendance of members:

Name of the Director	No. of Stakeholders Relationship Committee Meeting		Held	Attended	% of attendance
	1	2			
	May 20, 2022	February 25, 2023			
T R Narayanaswamy (Chairperson)	✓	✓	2	2	100%
Jayadev Galla	✓	✓	2	2	100%
Harshavardhana Gourineni	✓	✓	2	2	100%
Vikramadithya Gourineni	✓	✓	2	2	100%

During the year 2022-23, eleven (11) complaints pertaining to non-receipt of corporate entitlement benefits, IEPF, dividend revalidation, issue of duplicate share certificate, non-receipt of rejected dematerialized documents and transfer of shares were received. All the Complaints were redressed to the satisfaction of the shareholders. There was 1 complaint pending as on March 31, 2023, which was closed subsequently.

6. Risk Management Committee

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 cover all the matters specified in said Listing Regulations.



SVA - S Vijayanand (President - New Energy Business)

The Committee is headed by Mr. N Sri Vishnu Raju, Non-Executive Independent Director. The Company Secretary acts as the Secretary to the Committee.

During the year, there has been no change in the composition of the Committee.

The company has in place an enterprise-wide risk management system. The Risk Management Committee oversees and reviews the risk management framework as well as the assessment of risks, their management and mitigation procedures including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

The Committee reports its findings and observations to the board if any. A section on risk management practices of the company under the ERM forms a part of the chapter on Management Discussion and Analysis in this annual report.

During the financial year 2022-23, Two (2) meetings of the Risk Management Committee were held. The composition of the Risk Management Committee, details of meetings and the attendance of members are in Table 9.

The maximum gap between 2 consecutive meetings of the Committee did not exceed 180 days.

Composition and Attendance:



Table 9: Meetings of the Risk Management Committee and attendance of members:

Name of the Director/Member	No. of Risk Management Committee Meetings		Held	Attended	% of attendance
	1	2			
	May 20, 2022	February 25, 2023			
N Sri Vishnu Raju (Chairperson)	✓	✓	2	2	100%
T R Narayanaswamy	✓	L	2	1	50%
S Vijayanand, Member	✓	✓	2	2	100%

7. Corporate Social Responsibility Committee

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. The Committee is headed by Mr. Jayadev Galla, Executive Chairperson. During the financial year 2022-23, One (1) meeting of the Committee was held. The composition of the Corporate Social Responsibility Committee, details of the meeting and the attendance of members are in Table 10.



Composition and Attendance:



Table 10: Meetings of the Corporate Social Responsibility Committee and attendance of members:

Name of the Director	No. of Corporate Social Responsibility Committee Meeting		% of attendance
	May 20, 2022	Held	
Jayadev Galla (Chairperson)	✓	1	100%
N Sri Vishnu Raju	✓	1	100%
T R Narayanaswamy	✓	1	100%

8. Loan and Investment Committee

The Board has constituted a Loan and Investment Committee consisting of Mr. Jayadev Galla, Chairman, Managing Director & CEO, Mr. Harshavardhana Gourineni, Whole Time Director, Mr. Vikramadithya Gourineni, Whole Time Director and Mr. N Sri Vishnu Raju, Non-Executive Independent Director 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 Mr. Jayadev Galla, Chairman, Managing Director & CEO. The Committee meets as and when required and the minutes of the meeting of the Committee are placed before the Board for its noting. No meeting of the said Committee was held during the financial year 2022-23.

9. Means of communication

Quarterly and annual results: Quarterly and annual results of the company are published in Business Line (all editions) and Andhra Jyothi, and Eenadu (Tirupati and Chittoor District Editions). These are also disseminated and made available on the company's website: www.amararajabatteries.com. The financial results were sent, if asked for, to the registered e-mail IDs of members.

News releases, presentations, etc.: The company has established systems and procedures to disseminate relevant information to its stakeholders, including members, analysts, business partners, customers, employees and the society at large. It also participates in earning calls with analysts and investors.

Website: The primary source of information regarding the company's operations is the company's website www.amararajabatteries.com, where all official news releases and presentations made to institutional investors and analysts are posted. It contains a separate dedicated investors section, as required under Regulation 46(2) of the Listing Regulations, where the information for members are available. Webcast of the proceedings of the AGM is also made available on the company's website.

Annual report: The company's annual report containing, inter alia, the board's report, additional shareholders' information, the corporate governance report, the business responsibility and sustainability report, management's discussion and analysis (MD&A), audited standalone and consolidated financial statements, joint statutory auditors' report and other important information are circulated to members and others so entitled. The annual report is also available on the company's website in a user-friendly and downloadable form.

Compliances with stock exchanges: NSE and BSE maintain separate online portals for electronic submission of information by listed companies. Various communications such as notices, press releases and the regular quarterly, half-yearly and annual compliances and disclosures are filed electronically on these portals.

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.

Designated exclusive e-mail ID: We have designated an e-mail ID exclusively for investor services: investorservices@amararaja.com.

Register to receive electronic communications: We provide an option to the members to register their e-mail ID through the RTA to receive electronic communications. Members who wish to receive electronic communications may register with the RTA.

Disclosures: We have a policy on the determination of materiality for disclosure of certain events. Please refer point 30 of Board's report for weblink of the same.

10. Other Disclosures

i. 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.

ii. Management discussion and analysis:

The chapter on Management Discussion and Analysis forms a part of this annual report.

iii. Code of Conduct

The Board had approved a code of conduct in compliance with the Listing Regulations. The said code is applicable to 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, 2023. In terms of Schedule V to the Listing Regulations, a declaration signed by the Chairman, Managing Director & CEO is enclosed in this report as Annexure A.

iv. 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), 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.

v. Whistle Blower Policy/Vigil Mechanism

No person has been denied access to Audit Committee and the said policy has been posted on the Company's website. Please refer point 30 of Board's report for weblink of the same.

vi. Code of conduct for prevention of insider trading

The Company has adopted a code of conduct for the prevention of Insider Trading (Insider Trading Code) in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Necessary procedures have been laid down for directors, officers, designated persons and their relatives for trading in the securities of the company. These are periodically communicated to such employees who are considered insiders of the company. Apart from this, regular insider trading awareness mails are conducted for the benefit of designated persons. Trading window closure/blackouts/quiet periods, when the directors and designated persons are not permitted to trade in the securities of the company, are intimated in advance to all concerned. Violations of the policy, if any are appropriately acted on and reported to the SEBI/SEs. The company

also maintains a structured digital database, as required under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and also implemented an online application for approving pre-clearances to insiders, who intend to trade in the securities of the Company.

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.

vii. Disclosure of commodity price risks and hedging activities

As the Company is not engaged in a commodity business, commodity risk is not applicable. The foreign exchange risk is being managed/hedged to the extent considered necessary.

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

During the financial year 2022-23, the Company has not raised any funds through preferential allotment or qualified institutions placement.

ix. Internal Financial Controls with reference to Financial Statements

Your Company has in place adequate internal control systems commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance. Systems, processes, and procedures are periodically reviewed and appropriately revised to strengthen them to mitigate emerging risks associated with the growing size and complexity of your Company's operations.

x. CEO & CFO Certification

A certificate of the CEO and CFO of the company on financial statements and applicable internal controls as stipulated under Regulation 17(8) of the Listing Regulations, is enclosed as Annexure-B to this report.

xi. Agreements with Media: The company has not entered into any agreement with any media company and/or its associates.

xii. 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 C.

xiii. 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, 2023.

xiv. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part for the financial year ended March 31, 2023 are provided in Table 11.

Table 11: Details of Audit Fee

Particulars	(₹ Crores)
	FY 2022-23
Statutory audit fees	1.03
Limited Review fees	0.20
Tax audit fees	0.05
Reimbursement of Expenses	0.04
Certification Fee	0.08

xv. During the year under review, no Loans and advances in the nature of loans to firms/companies in which directors are interested were given by the Company and its subsidiaries.

xvi. During the year there were nil complaints received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

xvii. During the year under review, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. All related party transactions entered into by the Company are approved by the Audit Committee and prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseen and are repetitive in nature. As required under the Indian Accounting Standards, related party transactions are disclosed in Notes to the Company's financial statements for the financial year ended March 31, 2023.

xviii. During the year under review, the Company has no material subsidiary.

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

11. 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 Listing Regulations during the year.

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

- **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.
- **Modified opinion(s) in Annual Report:** The financial statements for the financial year ended March 31, 2023, were with unmodified audit opinion.
- **Other Non-Mandatory Requirements:** At present, other discretionary requirements have not been adopted by the Company.

12. 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.

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

14. Compliance with 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 with conditions of Corporate Governance is annexed to this report as **Annexure D**.

15. Additional Shareholders' Information

The chapter on Additional Shareholders' Information is annexed to this report as **Annexure E**.

For and on behalf of the Board of Directors

Place: Hyderabad

Date: May 23, 2023

Jayadev Galla

Chairman, Managing Director & CEO



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, 2023, as envisaged in Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

On behalf of the Board of Directors

Place: Hyderabad

Date: May 23, 2023

Jayadev Galla

Chairman, Managing Director & CEO

CEO and CFO Certificate to the Board pursuant to Regulation 17 (8) of the Listing Regulations

We, Jayadev Galla, Managing Director & Chief Executive Officer and Delli Babu Y, Chief Financial Officer to the best of our knowledge and belief, hereby certify that:

- A. We have reviewed the financial statements including the cash flow statement (standalone and consolidated) for the financial year ended March 31, 2023, and these statements:
 - i. do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - ii. together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
- B. There are no transactions entered into by the company during the year, which are fraudulent, illegal or violate the company's code of business conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- D. We have disclosed, wherever applicable, to the auditors and the audit committee:
 - i. that there are no significant changes in internal control over financial reporting during the year;
 - ii. all significant changes in the accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - iii. that there are no instances of significant fraud of which we have become aware of and involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Jayadev Galla

Chairman, Managing Director & CEO

Hyderabad, May 23, 2023

Delli Babu Y

Chief Financial Officer

Hyderabad, May 23, 2023

Certificate of Non-Disqualification of Directors

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of 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 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 the Securities and 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, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and 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.	00025063	SRIVISHNU RAJU NANDYALA	NON-EXECUTIVE-INDEPENDENT DIRECTOR	14/08/2008
2	01143563	NARAYANASWAMY THARMAPURAM RAMACHANDRAN	NON-EXECUTIVE-INDEPENDENT DIRECTOR	01/06/2009
3	00185929	BHAIRAVI TUSHAR JANI	NON-EXECUTIVE INDEPENDENT DIRECTOR	28/03/2015
4	00143610	GALLA JAYADEV	EXECUTIVE DIRECTOR, CHAIRMAN, CEO AND MANAGING DIRECTOR	01/09/2015
5.	01810872	RAMASAMY ANNUSH	NON-EXECUTIVE-INDEPENDENT DIRECTOR	12/06/2021
6.	03167659	GOURINENI VIKRAMADITHYA	WHOLETIME DIRECTOR	12/06/2021
7.	07311410	HARSHAVARDHANA GOURINENI	WHOLETIME DIRECTOR	12/06/2021

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.

PLACE : CHENNAI

DATE : 23RD MAY, 2023

**For R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

CS R.SRIDHARAN

FCS No. 4775

CP No. 3239

PR NO.657/2020

UIN: S2003TN063400

UDIN: F004775E000336458

Corporate Governance Certificate

The Members

AMARA RAJA BATTERIES LIMITED

Renigunta Cuddapah Road,
Karakambadi,
Tirupati - 5175200

We have examined, documents, books, papers, minutes, forms and returns filed and other relevant records maintained by Amara Raja Batteries Limited, (CIN: L31402AP1985PLC005305) [herein after referred as "the Company"] having its Registered Office at Renigunta Cuddapah Road, Karakambadi, Tirupati – 517520, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter called "SEBI (LODR) Regulations 2015") for the financial year ended 31st March, 2023. 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 on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V and Regulation 34 (3) of SEBI (LODR) Regulations 2015 for the financial year ended 31st March, 2023.

This Certificate 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.

PLACE : CHENNAI
DATE : 23RD MAY, 2023

**For R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

CS R.SRIDHARAN
FCS No. 4775
CP No. 3239
PR NO.657/2020
UIN: S2003TN063400
UDIN: F004775E000336359

Additional Shareholders' Information

1. General Information to Shareholders

Name of the Company	Amara Raja Batteries Limited				
Address	Registered Office:	Renigunta - Cuddapah Road Karakambadi, Tirupati, Andhra Pradesh - 517 520 Tel: 91 877 226 5000; Fax: 91 877 228 5600			
	Corporate Office	Terminal A, 1-18/1/AMR/NR, Nanakramguda, Gachibowli, Hyderabad, Telangana - 500 032 Tel: 91 40 2313 9000; Fax: 91 40 2313 9001			
Corporation Identification Number (CIN)		L31402AP1985PLC005305			
Website	www.amararajabatteries.com				
E-Mail ID	investorservices@amararaja.com				
Compliance Officer	Mr. Vikas Sabharwal, Company Secretary and Compliance Officer Tel: 91 40 2313 9000; Fax: 91 40 2313 9001; E-mail ID : vsl@amararaja.com				
IEPF Nodal Officers	Nodal Officer: Mr. Vikas Sabharwal, Company Secretary and Compliance Officer, E-mail ID : vsl@amararaja.com Deputy Nodal Officer: Mr. Naresh Miryala, Deputy Company Secretary, E-mail ID: nkm2@amararaja.com				
Details of 38th Annual General Meeting	Date of Meeting	Saturday, August 12, 2023			
	Time of Meeting	From 3.00 p.m. IST onwards			
	Place of Meeting	Deemed Venue - Registered office of the Company			
	Mode of Meeting	Through OAVM (e-Mode)			
E-Voting Dates	Cut-off (for determining shareholders eligible for e-voting) : August 5, 2023 E-Voting Start Date : August 8, 2023 E-Voting End Date : August 11, 2023				
Book Closure Dates	The dates of book closure are from July 29, 2023 to August 4, 2023 (both days inclusive) for the purpose of payment of the final dividend for FY 2022-23.				
Listing Details and Listing Fee	The National Stock Exchange of India Limited (NSE) : AMARAJABAT (Script Code) BSE Limited (BSE) : 500008 (Script Code) The listing fees for the listing of equity shares of the Company have been paid for FY 2022-23 & FY 2023-24 to both NSE and BSE.				
International Securities Identification Number (ISIN)	INE885A01032 (ISIN number for equity shares of ₹1/- each) 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.				
Registrar and Share Transfer Agent (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: Unit : Amara Raja Batteries Limited Name of the RTA : Cameo Corporate Services Limited; Contact person : Mr. P. Muralidharan, Joint Manager Address : V Floor, Subramanian Building, No.1, Club House Road, Chennai - 600002 Tel : 91 44 28460390 Fax : 91 44 28460129 E-mail id : investor@cameoindia.com Website : www.cameoindia.com				
Credit Ratings	Name of the Rating Agency : CRISIL 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 for mobilization of funds were issued or undertaken by the Company during the financial year				

Dividend Details for FY 2022-23	Final Dividend for FY 2022-23
2022-23	<p>Rate : ₹3.20/- per equity share of ₹1 each (320%)</p> <p>Date of Approval : Subject to the approval of Members at 38th Annual General Meeting</p> <p>Divided payment Date : September 10, 2023</p>
Outstanding GDRs/ ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity	Interim Dividend for FY 2022-23
	<p>Rate : ₹2.90/- per equity share of ₹1 each (290%)</p> <p>Date of Approval : November 3, 2022</p> <p>Divided payment Date : December 1, 2022</p>
Nomination Facility	<p>The Company has not issued any GDR/ ADR/Warrants and convertible instruments.</p> <p>Section 72 of the Act provides the facility of nomination to share / debenture / deposit holders. The facility is mainly useful for all those holding the shares / debentures / deposits in single name. In cases where the securities / deposits are held in joint names, the nomination will be effective only in the event of the death of all the holders. Shareholders are advised to avail of this facility, especially investors holding securities in single name.</p> <p>Shareholders are requested to note that SEBI has mandated registration of nomination or opt out of nomination for all shareholders of the Company either holding shares in physical mode or demat mode along with valid PAN and KYC details.</p> <p>Shareholders holding shares in physical mode are requested to refer note no. 14 and 16 to the Notice and submit the prescribed forms along with requisite documents to RTA regarding mandatory submission of Nomination Valid PAN, and KYC details on or before September 30, 2023.</p> <p>Shareholders holding shares in demat mode are requested to submit the necessary forms to their respectively depository participant regarding mandatory submission of Nomination Valid PAN, and KYC details on or before September 30, 2023.</p>
Shareholders Forms	Forms for shareholders holding physical shares can be downloaded from https://www.amarabajabatteries.com/investors/downloads
Questions prior to AGM	Members seeking any information or asking questions with regard to the financial statements of the Company or on any matter in the annual report 2022-23, are requested to write from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investorservices@amarajaja.com on or before Tuesday, August 8, 2023 (5:00 P.M.) IST. Such information sought or questions by the members shall be furnished or replied by the Company suitably.
National electronic Clearing service (NECS) Facility for remittance of Dividend electronically	The company provides the facility for the remittance of dividends to shareholders through NECS. Under this facility, shareholders can receive dividends electronically by way of direct credit to their bank account. With this service, problems such as loss of dividend warrants during postal transit/fraudulent encashment are avoided. This also expedites the credit of dividends directly to the shareholder's account as compared to the payment through a physical dividend warrant. Shareholders are advised to write to RTA or Company for any further details on how to avail of this facility.
Plant Locations	<ul style="list-style-type: none"> (a) 4 Wheeler Battery Plant 1: Renigunta - Cuddapah Road. Karakambadi, Tirupati, Chittoor District Andhra Pradesh - 517520, India (b) LVRLA Battery Plant: Renigunta - Cuddapah Road, Karakambadi, Tirupati, Chittoor District Andhra Pradesh - 517520, India (c) 2 Wheeler Battery Plant: Renigunta - Cuddapah Road, Karakambadi, Tirupati, Chittoor District Andhra Pradesh - 517520, India. (d) 4 Wheeler Battery Plant 2 & 3: Nunegundlapalle Village, Bangarupalayam Mandal, Chittoor District, Andhra Pradesh 517 416 (e) MVRLA Battery Plant: Nunegundlapalle Village, Bangarupalayam Mandal, Chittoor District, Andhra Pradesh 517 416 (f) 2 Wheeler Battery Plant: Nunegundlapalle Village, Bangarupalayam Mandal, Chittoor District, Andhra Pradesh 517 416

2. 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)
2021-22	Through Video Conferencing / Other Audio-Visual Means (Deemed venue of the meeting: Renigunta-Cuddapah Road, Karakambadi Tirupati, Andhra Pradesh – 517 520)	Saturday, August 6, 2022 at 2.30 P.M. IST	No Special Resolution was passed at this meeting.
2020-21	Through Video Conferencing/ Other Audio-Visual Means (Deemed venue of the meeting: Renigunta-Cuddapah Road, Karakambadi Tirupati, Andhra Pradesh – 517 520)	Saturday, August 14, 2021 at 3:00 P.M. IST	<ul style="list-style-type: none"> • Special resolution was passed to approve the appointment of Mr. Harshavardhana Gourineni (DIN : 07311410) as an Executive Director and fix his remuneration • Special resolution was passed to approve the appointment of Mr. Vikramadithya Gourineni (DIN : 03167659) as an Executive Director and fix his remuneration • Special resolution was passed to amend the main objects clause of the Memorandum of Association of the Company
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	<ul style="list-style-type: none"> • 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 Ms. 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: 00143610) 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.

3. Postal Ballot during the year: During the year under review, one special resolution was passed through postal ballot by remote e-voting. There is no proposal to conduct a postal ballot for any matter in the ensuing annual general meeting.

Date of Postal ballot notice	Approval date	Details of Resolution and Voting pattern	Scrutinizer															
August 6, 2022	September 25, 2022	Business Transacted: (a) Special Resolution: Amendment of Main Object Clause of Memorandum of Association of the Company:	Mr. V Suresh Associates, Practicing Company Secretary (C.P No. 6032)															
Voting Details																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Particulars</th> <th>No.</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Votes cast in favour</td> <td>9,90,04,488</td> <td>99.97</td> </tr> <tr> <td>Votes cast against</td> <td>27,977</td> <td>0.03</td> </tr> <tr> <td>Total Valid Votes</td> <td>9,90,32,465</td> <td>100.00</td> </tr> <tr> <td>Invalid Votes</td> <td>-</td> <td>-</td> </tr> </tbody> </table>				Particulars	No.	%	Votes cast in favour	9,90,04,488	99.97	Votes cast against	27,977	0.03	Total Valid Votes	9,90,32,465	100.00	Invalid Votes	-	-
Particulars	No.	%																
Votes cast in favour	9,90,04,488	99.97																
Votes cast against	27,977	0.03																
Total Valid Votes	9,90,32,465	100.00																
Invalid Votes	-	-																

Procedure for postal ballot

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and applicable circulars issued by the Ministry of Corporate Affairs from time to time.

The Scrutinizer's report and the voting results are also displayed on the website of the Company i.e. www.amararajabatteries.com

4. Financial Calendar

The tentative calendar for the declaration of financial results of FY 2022-23

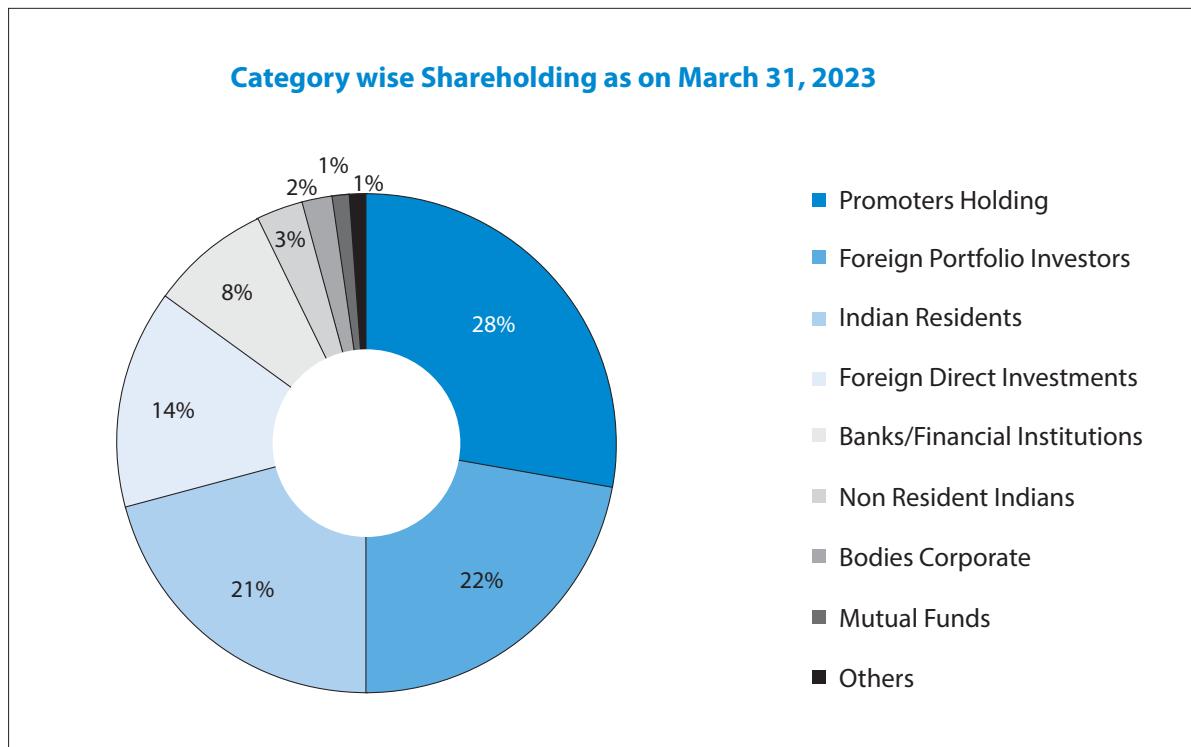
For the quarter ending June 30, 2023	On or before Second week of August 2023
For the quarter and half year ending September 30, 2023	On or before Second week of November 2023
For the quarter and nine months ending December 31, 2023	On or before Second week of February 2024
For the quarter and year ending March 31, 2024	On or before Fourth week of May 2024
Annual General Meeting for FY 2023-24	On or before Second week of August 2024

5. Shareholding pattern as on March 31, 2023

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, 2023		As on March 31, 2022		% change
	No. of Shares held	%	No. of Shares held	%	
PROMOTERS HOLDING					
Individuals	-	-	-	-	-
Companies	47,932,452	28.06	47,932,452	28.06	-
Sub Total	47,932,452	28.06	47,932,452	28.06	-
INSTITUTIONS (INDIAN)					
Alternate Investment Funds	216,142	0.13	142,250	0.08	0.05
Banks/ Financial Institutions	13,350,454	7.82	13,722,406	8.03	(0.21)
Insurance Companies	0	0.00	710,400	0.42	(0.42)
Mutual Funds	2,163,893	1.27	4,863,558	2.85	(1.58)
Sub Total	15,730,489	9.22	19,438,614	11.38	(2.16)
INSTITUTIONS (FOREIGN)					
Foreign Direct Investments	23,913,750	14.00	23,913,750	14.00	0.00
Foreign Portfolio Investors Category - I	36,773,518	21.53	30,910,211	18.10	3.43
Foreign Portfolio Investors Category - II	1,133,476	0.66	-	0.00	0.66
Foreign Institutional Investors	1,500	0.00	1,500	0.00	0.00
Sub Total	61,822,244	36.19	54,825,461	32.10	4.09
NON- INSTITUTIONS					
Bodies Corporate	2,456,410	1.43	2,342,635	1.37	0.06
Clearing members	7,316	0.00	680,095	0.40	(0.40)
Foreign Nationals	35	0.00	-	0.00	0.00
Foreign Portfolio Investor (Individual) Category III	300	0.00	661	0.00	0.00
Hindu Undivided Family	888,706	0.52	766,661	0.45	0.07
Indian Residents	36,036,377	21.10	37,465,806	21.93	(0.83)
Investor Education Provident Fund	697,952	0.41	714,928	0.42	(0.01)
Non-Resident Indians	5,186,071	3.04	6,589,539	3.86	(0.82)
Trusts	2,398	0.00	2,398	0.00	0.00
Unclaimed Suspense account	51,750	0.03	53,250	0.03	0.00
Sub Total	45,327,315	26.53	48,615,973	28.46	(1.93)
Total	170,812,500	100.00	170,812,500	100.00	

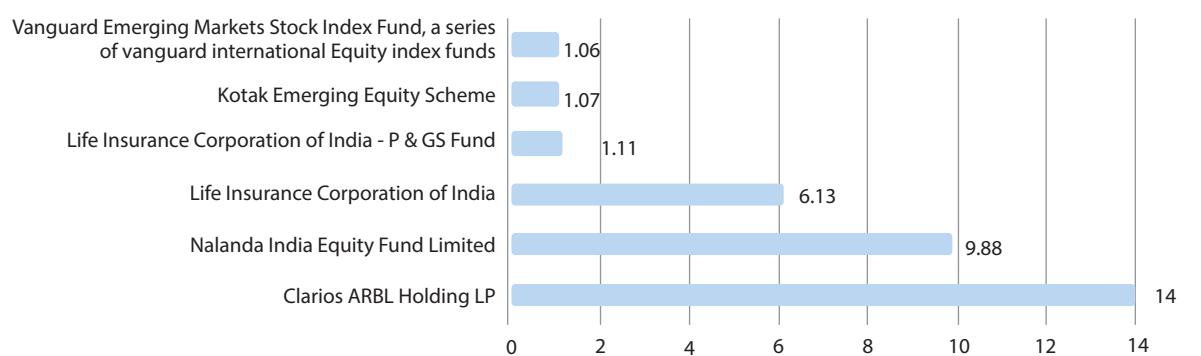


b. Distribution of shareholding on basis of ownership as on March 31, 2023:

No. of shares held	No. of shareholders	% to no. of shareholders	No. of shares held	% to total shares
1-100	418,154	88.70	9,951,675	5.84
101-500	43,803	9.29	9,390,374	5.50
501-1000	4,963	1.04	3,762,104	2.20
1001-2000	2,679	0.57	3,897,018	2.28
2001-3000	759	0.16	1,995,804	1.17
3001-4000	225	0.05	793,971	0.46
4001-5000	216	0.05	996,992	0.58
5001-10000	310	0.07	2,244,933	1.31
10001- And Above	326	0.07	137,779,629	80.66
Total	471,435	100.00	170,812,500	100.00

6. Name of the persons (non promoters) who hold more than 1% of equity shares of the Company as on March 31, 2023

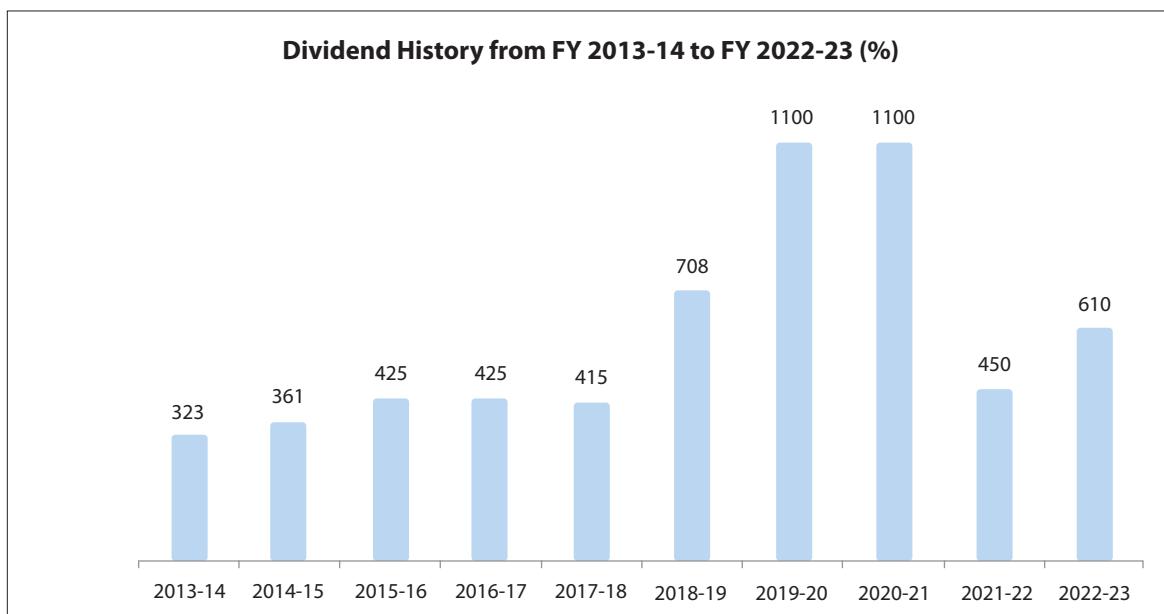
Shareholders (Non-Promoters) holding more than 1% of shares as on March 31, 2023



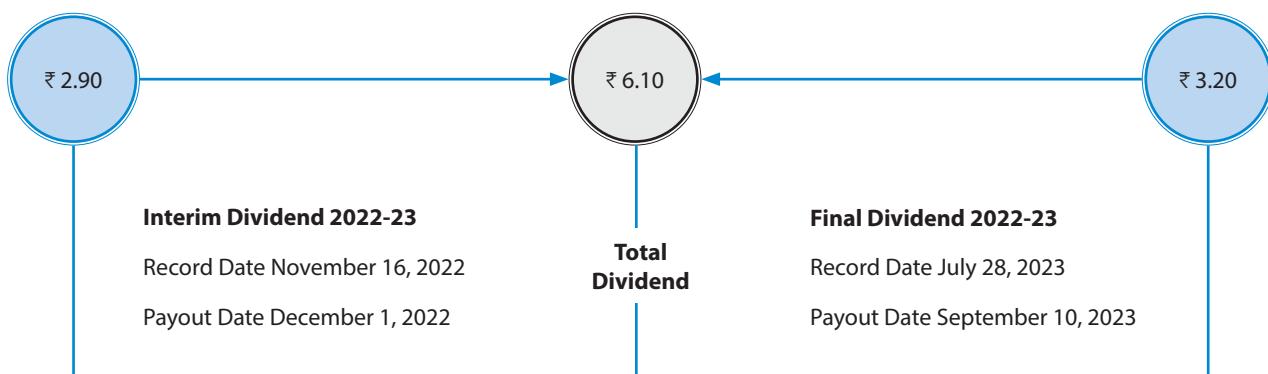
Name of the shareholder	No. of shares held	%
Vanguard Emerging Markets Stock Index Fund, a series of vanguard international Equity index funds	18,07,770	1.06
Kotak Emerging Equity Scheme	18,33,301	1.07
Life Insurance Corporation of India – P & GS Fund	18,89,145	1.11
Life Insurance Corporation of India	1,04,65,771	6.13
Nalanda India Equity Fund Limited	1,68,80,938	9.88
Clarios ARBL Holding LP	2,39,13,750	14.00

7. Dividend History

The following graph shows the dividend history of the company from the FY 2013-14 to FY 2022-23. This chart is inclusive of the proposed final dividend at the 38th Annual General Meeting.



Dividend Fiscal 2022-23



8. 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.

9. Share Transfer System

As per amended Regulation 39 and 40 of Listing Regulations, the Company shall issue securities in dematerialized form only while processing any requests from shareholders holding shares in physical mode in respect of i. Issue of duplicate securities certificate; ii. Claim from Unclaimed Suspense Account; iii. Renewal / Exchange of securities certificate; iv. Endorsement; v. Sub-division / Splitting of securities certificate; vi. Consolidation of securities certificates/folios; vii. Transmission and viii. Transposition ("service requests").

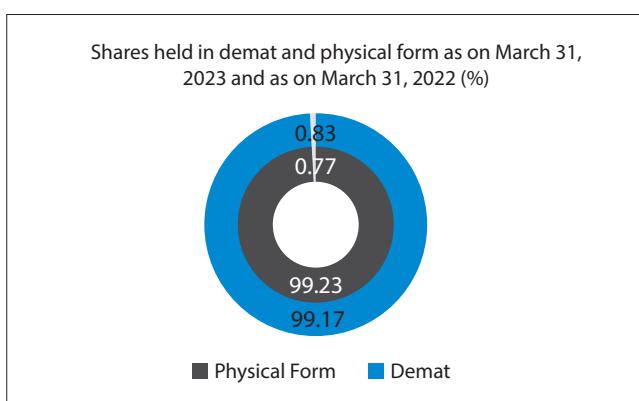
Shareholders holding shares in physical mode are requested to refer the Notice of AGM for details regarding service requests. All queries and requests relating to service requests shall addressed to RTA in prescribed form along with requisite documents.

10. Dematerialization

To facilitate easy access of the dematerialized system to the investors, the Company have signed up with both the depositories in India — NSDL and 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, 2023 compared with March 31, 2022:



Financial year at	Physical Form%	Demat %
March 31, 2023	0.77	99.23
March 31, 2022	0.83	99.17

11. 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 ₹40,81,337/- being unclaimed final dividend pertaining to the financial year 2014-15 was transferred to IEPF on October 1, 2022.

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 10,024 equity shares of ₹1/- each to the demat account of IEPF. The IEPF had settled applications pertaining to 27,000 shares to respective shareholders and IEPF holds 697,952 shares as on March 31, 2023 on account of transfer of shares under the IEPF Rules.

Members who have not yet encashed their final dividend from the financial year 2016-17 onwards are requested to make their claims without any delay to M/s. Cameo Corporate Services Limited, Registrar and Share Transfer Agent 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:

Financial Year	Type of payment	Date of Declaration	Unclaimed dividend as on March 31, 2023 (₹)	Due Date of Transfer to IEPF
2015-16	Interim Dividend	March 15, 2016	4,682,888.00	April 20, 2023 ¹
2016-17	Final Dividend	August 7, 2017	4,933,634.00	September 12, 2024
2017-18	Interim Dividend	November 9, 2017	2,285,908.00	December 15, 2024
2017-18	Final Dividend	August 11, 2018	1,074,268.00	September 16, 2025
2018-19	Interim Dividend	November 9, 2018	3,105,360.00	December 15, 2025
2018-19	Final Dividend	July 20, 2019	2,048,256.00	August 25, 2026
2019-20	I Interim Dividend	November 9, 2019	2,522,172.00	December 15, 2026
2019-20	II Interim Dividend	March 9, 2020	2,393,590.00	April 14, 2027
2020-21	Interim Dividend	February 13, 2021	1,855,899.00	March 21, 2028
2020-21	Final Dividend	August 14, 2021	2,464,383.00	September 13, 2028
2021-22	Interim Dividend	November 12, 2021	1,604,592.00	December 11, 2028
2021-22	Final Dividend	August 6, 2022	254,475.00	September 4, 2029
2022-23	Interim Dividend	November 3, 2022	1,382,985.90	December 2, 2029
Total			30,608,411.00	

¹The Unclaimed dividend pertaining to FY2015-16 and the corresponding shares were transferred to IEPF.

As required under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (IEPF Rules) the Company uploaded on the Company's website www.amararajabatteries.com the particulars of unclaimed dividend as on March 31, 2023 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

12. 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, 2022	22	53,250
Number of equity shareholders who approached the Company for transfer of shares of ₹1 each from the suspense account	Nil	Nil
Number of equity shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
Number of equity shareholders whose shares were transferred to Investor Education and Protection Fund (IEPF) during the year	1	1500
Aggregate number of equity shareholders and the outstanding shares of ₹1 each in the suspense account lying as on March 31, 2023	21	51,750

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.

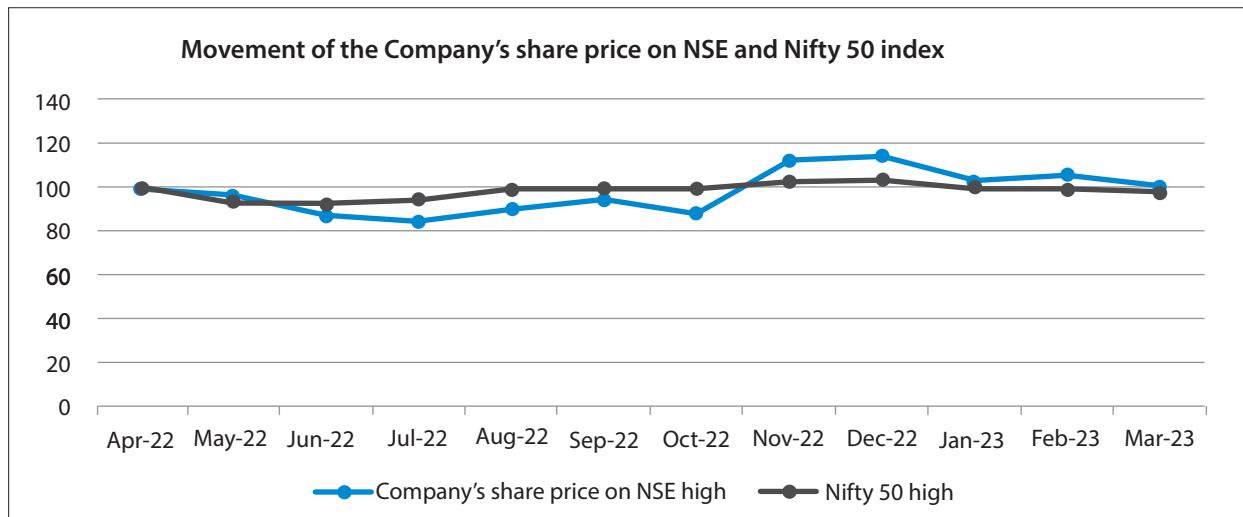
13. Stock Data

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, 2022 to March 31, 2023 are furnished below:

Month	NSE		Nifty 50		BSE		S&P BSE Sensex	
	High (₹)	Low (₹)	High	Low	High (₹)	Low (₹)	High	Low
April 2022	576.57	550.68	18,053.40	16,953.95	576.48	550.78	60,611.74	56,463.15
May 2022	554.46	483.29	17,069.10	15,782.15	554.78	483.04	56,975.99	52,792.23
June 2022	505.16	447.87	16,628.00	15,293.50	505.43	448.69	55,818.11	51,360.42
July 2022	489.02	462.57	17,158.25	15,752.05	488.35	462.11	57,570.25	52,907.93
August 2022	522.48	499.75	17,956.50	17,312.90	522.36	499.86	60,298.00	57,972.62
September 2022	546.23	485.81	18,070.05	16,818.10	546.10	485.62	60,571.08	56,409.96
October 2022	509.38	485.67	18,012.20	16,887.35	508.90	487.37	60,746.59	56,788.81
November 2022	649.32	513.65	18,758.35	18,028.20	648.70	513.14	63,099.65	60,613.70
December 2022	661.24	556.76	18,812.50	17,806.80	660.51	556.74	63,284.19	59,845.29
January 2023	593.99	566.85	18,232.55	17,604.35	593.81	567.33	61,294.20	59,330.90
February 2023	610.64	554.50	18,035.85	17,303.95	610.27	554.33	61,319.51	58,962.12
March 2023	580.87	562.28	17,754.40	16,945.05	581.35	561.00	60,348.09	57,527.10

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

A comparative line chart showing performance of share price (WAP high) of the Company on NSE with NSE Nifty 50 (closing high) during the financial year 2022-23.



Note: All values are indexed to 100 as on April 1, 2022.

- 14. 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.
- 15. Disclosure on legal proceedings pertaining to shares:** There is one pending case relating to disputes over the title of the shares of the company, in which the company has been made a party. These cases, however, are not material in nature.
- 16. Information on Memorandum and Articles of Association:** The Company's memorandum and articles of association are available on its website. Please refer point 30 of Board's report for the weblink of the same.

For and on behalf of the Board of Directors

Place: Hyderabad
Date: May 23, 2023

Jayadev Galla
Chairman, Managing Director & CEO



Business Responsibility and Sustainability Reporting (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L31402AP1985PLC005305
2. Name of the Listed Entity	Amara Raja Batteries Limited ("The Company" or "ARBL" or "Amara Raja")
3. Year of incorporation	1985
4. Registered office address	Renignuta-Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh – 517520 India.
5. Corporate address	TERMINAL A, 1-18/1/AMR/NR, Nanakramguda, Gachibowli, Hyderabad – 500032 India.
6. E-mail	investorservices@amararaja.com
7. Telephone	040-23139000
8. Website	www.amararajabatteries.com
9. Financial year for which reporting is being done	FY2022-2023
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11. Paid-up Capital	17.08 Crores
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Prashant Tiwari Email - pt1@amararaja.com Phone: 040-23139000
13. Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% of turnover of the entity (FY23)
1	Manufacturing	Manufacturing of Batteries for Automotive and Industrial applications	93.41 %

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Batteries for Automotive and Industrial applications	27201	93.41 %

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	7	23	30
International	0	0	0

Plant Locations:

- **4-Wheeler Battery Plant 1:** Renignuta - Cuddapah Road, Karakambadi, Tirupati, Chittoor District Andhra Pradesh - 517520, India
- **LVRLA Battery Plant:** Renigunta - Cuddapah Road, Karakambadi, Tirupati, Chittoor District Andhra Pradesh - 517520, India
- **2-Wheeler Battery Plant:** Renignuta - Cuddapah Road, Karakambadi, Tirupati, Chittoor District, Andhra Pradesh - 517520, India.
- **4-Wheeler Battery Plant 2 & 3:** Nunegundlapalle Village, Bangarupalayam Mandal, Chittoor District, Andhra Pradesh 517416
- **MVRLA Battery Plant:** Nunegundlapalle Village, Bangarupalayam Mandal, Chittoor District, Andhra Pradesh 517416
- **2-Wheeler Battery Plant:** Nunegundlapalle Village, Bangarupalayam Mandal, Chittoor District, Andhra Pradesh 517416

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Present across PAN India through franchisees and dealers
International (No. of Countries)	49 countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

- Revenue - Outside India - ₹1,237.77 Crores
- Exports a percentage of the total turnover - 11.92 %

c. A brief on types of customers

Amara Raja Batteries Limited (ARBL) is a prominent player and technology leader in the Indian battery storage industry. We have a significant market share in the manufacturing of lead-acid batteries for industrial and automotive applications. Through our wide retail network, we distribute top-notch automotive and home UPS/Inverter batteries which are available pan-India under the brand names Amaron®, PowerZone®, Quanta® Power Stack®, Amaron Volt™, Amaron Brute™ and Amaron Sleek™. Our products and services are preferred by industry segments such as telecom (service providers and equipment manufacturers), UPS, Indian Railways, Motive, and Power and Gas among others.

We have forged robust OEM partnerships with recognized automobile companies and are also a leading supplier of private-label products to renowned brands. Our markets extend beyond India, and we cater to a vast majority of countries situated along the Indian Ocean Rim.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No. Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES					
1. Permanent (D)	2289	2105	91.96%	184	8.04%
2. Other than Permanent (E)	0	0	0	0	0
3. Total employees (D + E)	2289	2105	91.96%	184	8.04%
WORKERS					
4. Permanent (F)	5704	5078	89.03%	626	10.97%
5. Other than Permanent (G)	0	0	0	0	0
6. Total workers (F + G)	5704	5078	89.03%	626	10.97%

b. Differently abled Employees and worker

S. No. Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES					
1. Permanent (D)	2	2	100%	0	0%
2. Other than Permanent (E)	0	0	0%	0	0%
3. Total differently abled employees (D + E)	2	2	100%	0	0%
DIFFERENTLY ABLED WORKERS					
4. Permanent (F)	18	18	100%	0	0%
5. Other than Permanent (G)	0	0	0%	0	0%
6. Total differently abled workers (F + G)	18	18	100%	0	0%

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	14%
Key Management Personnel	3	0	0%

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15.10	15.34%	15.12	12.14%	14.93%	12.38%	9.37%	5.15%	8.98%
Permanent Workers	8.86%	6.68%	8.64%	13.59%	8.84%	13.27%	10.92%	4.84%	10.64%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Amara Raja Batteries Middle East (FZE) (ARBME)	Wholly owned subsidiary	100%	No
2.	Amara Raja Circular Solutions Private Limited	Wholly owned subsidiary	100%	No
3.	Amara Raja Advanced Cell Technologies Private Limited	Wholly owned subsidiary	100%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in ₹) - ₹10,385.91 Crores

(iii) Net worth (in ₹) - ₹5,297.84 Crores

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	11	1	NA	8	0	NA
Employees and workers	Yes	381 [#]	0	NA	453 [#]	0	NA
Customers	Yes	9	0	NA	11	0	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA

[#]The numbers are inclusive of the suggestions that we received for safety and workplace improvement. Our reporting mechanism is robust and transparent, offering multiple avenues for reporting such as a mobile platform and regular meetings. In addition, we hold frequent HSE council meetings to discuss health and safety matters.

- **Communities**

We have a formal Community grievance management process which defines the process that must be followed when written or verbal complaints/grievances are received relating to our own operations and/or Contractors. The process ensures that complaints/grievances are managed in a culturally sensitive, respectful, timely, and consistent manner. In addition, our CSR personnel take on-site feedback and suggestions on issues that are of concern to communities and these issues are resolved on priority. We have defined timelines and escalation mechanisms. We ensure all community grievances are received, acknowledged, assessed, assigned, investigated, and responded.

- Investors and Shareholders**

We have a well-established investor grievance mechanism to respond to and redress investors'/ shareholders' grievances.

- Employee and Worker**

Our organization has established grievance redressal procedures for our employees and workers. Furthermore, our senior management team holds an annual communication meeting, providing them with a platform to express any concerns.

- Customer**

ARBL's customer complaints mechanism addresses product, quality, service, warranty, and related grievances. Our customers can use a digital platform or the "Amaron Konnekt" mobile app to log complaints for a quick resolution. We also have a 24x7 helpline that our customers can call for any queries or concerns.

- Value chain partner**

Grievances from value chain partners are handled formally in accordance with the supplier code of conduct and the specific terms and conditions of each individual contract. Additionally, by regularly engaging with suppliers and channel partners through events like the annual channel partners meet amongst others, we identify and handle any concerns or complaints. We present these issues to relevant decision-makers who work to resolve them within appropriate timelines.

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

We have conducted a materiality analysis to identify material risks and opportunities for our business as well as for our stakeholders. In the process of conducting this analysis, we sought inputs from a diverse group of internal and external stakeholders who represent a variety of perspectives. Additionally, we drew from our internal knowledge of global trends, societal challenges, our business model, and the sector to establish these issues. We assessed each issue based on its degree of importance to our organization as well as its importance to employees, customers, and local communities; we also considered the likelihood that the issues represent compliance risk in the present or are likely to do so in the future. We evaluated these issues for the strength of their relevance to stakeholders and their impact on our business. We are also undertaking a detailed risk assessment for our CDP & TCFD disclosures. Based on the outcome we shall relook into the risks and opportunities identified.

S. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Waste Management	Risk/ Opportunity	<p>Risk Non-compliance to statutory regulations, spills, and contamination of the environment</p> <p>Opportunity Increase in resource use efficiency, waste to wealth, reduction in raw material inputs, circular economy</p>	<ul style="list-style-type: none"> Robust system of collection, storage, transportation and disposal of hazardous waste, E-waste, and bio-medical waste at our facilities. Disposal of waste in accordance with our authorizations and through Pollution Control Board authorized recyclers/ Treatment Storage Disposal Facilities (TSDF) Internal audits and checks to evaluate compliance 	Negative/ Positive

S. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Employee Welfare	Opportunity	Opportunity <ul style="list-style-type: none"> Creating a positive work environment to boost employee productivity, employee well-being, improve recruitment and retention, and to sustain high employee morale 		Positive
3	Emissions	Risk/ Opportunity	Risk <ul style="list-style-type: none"> Evolving regulations around carbon emissions pricing, carbon border taxes and negative stakeholder feedback resulting in business implications Opportunity <ul style="list-style-type: none"> Reducing dependency on fossil fuels, positive climate impact and increased energy and resource use efficiency. Potential market of lithium-ion batteries 	<ul style="list-style-type: none"> Accounting of carbon emissions in accordance with Greenhouse Gas Protocol (GHGP) & ISO 14064 Carbon emissions reduction and energy efficiency projects to reduce ARBL's carbon footprint. Renewable energy usage in the form of solar power. Facilities certified under ISO 50001:2018 for energy management systems. 	Negative/Positive
4	Water Footprint	Risk/ Opportunity	Risk <ul style="list-style-type: none"> impacts of climate change on future water availability Opportunity <ul style="list-style-type: none"> Cost savings from reduced freshwater usage. Increase in resource use efficiency. Eliminating effluent discharge thus averting potential violations due to wastewater. 	<p>Improved water management practices such as efficient water utilization, rainwater harvesting and check dams, and the development of climate-resilient water infrastructure.</p> <p>Establish Zero liquid discharge units and reduce dependence on freshwater</p>	Negative/Positive
5	Health and Safety	Risk	Risk <ul style="list-style-type: none"> Affects the basic right to life and well-being of individuals. Legal repercussions arising out of statutory laws such as the Factories Act and others. 	<ul style="list-style-type: none"> Occupational Health & Safety Management System certified under ISO 45001 covers all sites. Competent Health & Safety teams deployed at all sites. Occupational health services are present at all locations. Special provisions to deal with high-consequence injuries and related rehabilitation measures. Medical insurance covers all employees. 	Negative

S. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Compliance	Risk	Risk <ul style="list-style-type: none"> Non-compliance with statutory regulations and notifications would result in fines, litigations, penalties, a decrease in the company's reputation and even the closure of operations 	<ul style="list-style-type: none"> Standard Operating Procedures (SOPs) implemented for all critical jobs undertaken by the workforce World-class emergency and fire management infrastructure 	Negative
7	Raw Materials	Risk	Risk <ul style="list-style-type: none"> Scarcity of natural resources leading to rising prices. Raw material procurement impacted due to supply chain disruptions 	<ul style="list-style-type: none"> A full-fledged corporate team to monitor and ensure that all our facilities are compliant with all applicable regulations Regular review of compliance status and prompt action for addressing any potential non-compliances Status of compliances is also predictably presented to the Audit Committee/Board 	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	--	Yes	Yes
c. Web Link of the Policies, if available	https://www.amararaja.com/about/code-of-ethics https://www.amararajabatteries.com/Investors/corporate-governance-policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	--	Yes	Yes

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, we have a Supplier's code of conduct https://www.amarajabatteries.com/Investors/DownloadPolicyPDF/28?name=Supplier%20Code%20of%20Conduct								
4. Name of the national and international codes/ certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusteas) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.	ARBL has certifications for ISO 9001, ISO 14001, ISO 45001, IATF 16949 and ISO 50001 and undergoes periodical assessment to evaluate the effectiveness of management systems and policies. ARBL is a signatory to 10 principles of the UN Global Compact.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The baseline and target years for the objectives below are FY21-22 and FY23-24 respectively. Energy and Carbon <ul style="list-style-type: none">• Increase ARBL's renewable energy share to 25%.• Reduce carbon intensity (scope 1 and 2 emissions) by 30% and overall absolute reduction by 10%.• Reduce energy intensity by 15%.• Complete life cycle assessment for two high-volume products. Water <ul style="list-style-type: none">• Reduce specific freshwater consumption by 20% in absolute and water intensity by 30%. Circular Economy <ul style="list-style-type: none">• Reduce waste intensity by 20%.• Increase recycled RM in production to 80%+ (lead & lead alloys).• Improve battery recycling collection rate to 50% as per BWMR, 2022. Safety and Occupational Health <ul style="list-style-type: none">• Continue to be a zero-fatality organization.• Reduce LTIFR by 60 %.• 100% compliance with an initial medical examination and periodic medical examinations. People <ul style="list-style-type: none">• Improve Gender diversity within the organization to 14%. Communities <ul style="list-style-type: none">• Complete village infrastructure projects (underground drainage and solid waste management).• Establish a second skill development centre for skill building for rural youth and increase livelihood opportunities.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<ul style="list-style-type: none">• Increased the use of renewable energy sources such as solar power; At present, renewable energy sources account for 12% of our overall energy mix• Our energy conservation initiatives have resulted in a 12% decrease in our Energy intensity• Development of captive solar power capacity at our plant locations• Use of recycled lead to the tune of 70% of all lead consumed leading to avoided abiotic depletion• Voluntary REC procurement to offset GHG emissions resulting from non-conventional energy usage• Zero Liquid Discharge systems commissioned at all our facilities leading to an increase in effluent recycling rate & reduction in fresh-water consumption• Rainwater harvesting structures for the collection & usage of rainwater as an alternative source replacing freshwater withdrawn from surface & ground sources• ETP optimization done to reduce the amount of auxiliary water required for ETP operations• Near miss reporting improved by 40%• Conducted Life Cycle Assessment for two major products								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)									
<p>The purpose of Amara Raja has been to transform and improve the quality of life by providing better access to better opportunities to more people all the time. For Amara Raja, sustainability has been at the core of what we do. We realise our pivotal role in India's ambition to become net zero by 2070 and switch to renewable energy and electric mobility.</p> <p>We plan to lead the energy transition by developing batteries for EVs & energy storage solutions. We are invested in start-ups in India and abroad venturing into advanced cell chemistry & new energy. We are setting up manufacturing facilities including a lithium cell giga factory in Telangana with a proposed capacity of 16GWh and a battery pack assembly unit of 5GWh with a total investment of ₹9500 Cr in phases after obtaining necessary approvals. The entire project is slated to create around 4,500 direct jobs when fully operational over a period of 8 to 9 years, including around 800 jobs in the innovation centre.</p> <p>We continue to reduce our environmental footprints and GHG emissions. We have installed 59.1 MW of renewable power capacity and shall be commissioning another 7.5 MW to increase our renewable energy mix by FY24. We have world-class ETPs at our manufacturing locations and have commissioned Zero Liquid Discharge units along with water efficiency initiatives to reduce our water footprint. We continue to work towards improving groundwater levels through initiatives like check dams, rainwater harvesting and restoration of ponds.</p> <p>Towards circular economy, more than 70% of our raw material comes from recycled sources and we are setting up a lead recycling facility with a capacity of 1.5 LTPA capacity. We are bringing product innovation to make our products last longer, corrosion resistant, maintenance free and reduce resource consumption during manufacturing. We have conducted life cycle assessments for some of our key products to understand & mitigate environmental impact.</p> <p>We have established a Sustainability committee at the apex level to define the ESG roadmap & monitor progress. We have taken ambitious targets on energy & carbon, water and wastewater management, circular economy, and gender diversity as well as continue doing good for communities where we operate. The year is marked by a renewed effort to build sustainability capability amongst leaders. We also reached out to our supply chain partners and built consensus on a common ESG vision and collaboration for the greater good. We have implemented ESG software to improve disclosure quality and ESG analytics. We obtained limited assurance of our ESG data through a third party and are in the process of disclosing against the Carbon disclosure project climate change criterion. We shall be working towards aligning our emission targets to SBTi (Science Based Target Initiative)</p> <p>As a testament to our empowering work culture, Amara Raja companies have clinched the best place awards announced by the Great Place to Work Institute.</p> <p>At Amara Raja, right from Inception, our commitment and service to society is of paramount importance. We believe in delivering high social impact through community investment projects.</p> <p>Rajanna Foundation is the CSR arm of Amara Raja which commenced its activities by executing community investment projects in the thematic areas of education & skill building, health care, sustainable agriculture, art and culture, empowering women, building village infrastructure and more.</p> <p>We are a signatory to the ten principles of the UNGC on human rights, labour rights, environment and anti-corruption, and committed to demonstrating progress on the United Nations Sustainable Development Goals (SDGs).</p> <p>Our leaders, employees & business partners shall continue to integrate sustainability in decision making so as to leave a net positive impact on the environment and society.</p>									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies									
<p>ARBL monitors the implementation of business responsibility policies through a leadership team chaired by Mr. Jayadev Galla, Chairman and Managing Director. Environment, Social and Governance aspects are regularly discussed at meetings.</p>									

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.									

Yes, the Company has an executive sustainability committee which constitutes of the C-suite executives of ARBL for sustainability which oversees the progress and implementation of sustainability linked initiatives on monthly basis. The committee is chaired by Mr. Harshavardhana Gourineni, ED and all direct reportees are members of the committee.

The broad objective of sustainability committee is:

- Define ESG metrics and monthly monitoring of progress
- Review ESG projects (planned/potential) and provide inputs/ support
- Build ESG capability within the organisation
- Conduct periodic benchmarking and bring in external/customer perspective
- Develop & roll out AR sustainability framework and assurance protocol I

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action																		
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances																		
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.																		

ARBL's policies are internally reviewed periodically or on a need basis by Functional Heads, Business Heads Executive Directors etc. During this assessment, the efficacy of the policies is reviewed, and necessary changes are implemented. We have also engaged an accredited certification body to assess our policies and procedures.

ARBL is compliant with all applicable regulations

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P7
The entity does not consider the Principles material to its business (Yes/No)	
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	ARBL does not currently have a specific policy on "Policy Advocacy." However, we actively engage in advocacy efforts concerning policies that impact the Battery Industry and our organization. We are represented in 11 trade and industry chambers/associations, including the Indian Battery Manufacturing Association, Auto Component Manufacturers Association, Recycling and Environment Association of India, Confederation of Indian Industries (CII) at the national level, and the United Nations Global Compact (UNGC) and World Economic Forum (WEF) at the global level. Additionally, we collaborate with statutory authorities to address regulatory policies.
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	
It is planned to be done in the next financial year (Yes/No)	
Any other reason (please specify)	

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors (BoD) and Key Management Personnel (KMP)	1	<ul style="list-style-type: none"> • We delivered training and update to the Board of Directors (BoD) on the Environment, Sustainability, and Governance roadmap, which outlines ARBL's short and medium-term sustainability targets. The training was updated during the establishment and progress phases and included new sustainability reporting requirements such as the BRSR. Thus, all nine principles of BRSR were covered in the training. • Training Impact: Among designated Senior Management Personnel, the training increased awareness of important provisions, compliance and details which are aligned with SEBI guidelines. It also enhanced the BoD's understanding of the significance of sustainability and provided a clear roadmap for integrating sustainability into ARBL's strategy. 	100%
Employees other than BoD and KMPs	415	<ul style="list-style-type: none"> • Training is imparted to employees on various subjects around ESG, Sustainability, ethical/cultural, behavioral, well-being, safety, skill upgradation, policy, compliance and technical. • Training Impact: Improved motivation and competence among employees. 	100%
Workers	549	<ul style="list-style-type: none"> • Workers undergo training on topics such as technical, soft skills, QHSE, human rights, wellbeing for workers. • Training Enhancement in skills year on year 	100%

- 2. Details of fines/penalties/punishment/award/compounding fees/ settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary				
NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine				
Settlement		NIL		
Compounding fee				

Non-Monetary				
NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment		Nil		
Punishment				

- 3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Nil	Not Applicable

- 4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

ARBL has implemented an anti-corruption and anti-bribery policy to prevent, deter, and identify fraudulent and corrupt business practices. We are dedicated to conducting business with the utmost honesty, integrity, and ethical standards and are committed to enforcing these standards across all our global operations. This policy applies to all employees, including directors and other stakeholders associated with ARBL, and is included in the onboarding process for all new hires.

Web link to the policy: <https://www.amararajabatteries.com/Investors/DownloadPolicyPDF/14?name=CODE%20OF%20CONDUCT%20FOR%20DIRECTORS%20AND%20SENIOR%20MANAGEMENT%20PERSONNEL>

- 5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

- 6. Details of complaints with regard to conflict of interest:**

	FY 2022-23 Current Financial Year		FY 2021-22 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors			Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

- 7. Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**
- Not Applicable

Leadership Indicators

- 1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Supplier Sustainability Summit for class A, B & C category suppliers (2 Nos)	ARBL's sustainability strategy along with our expectations from the vendor partners. Additionally, we discussed the Supplier Code of Conduct and the Sustainable Sourcing Policy. The topics covered ensured a comprehensive understanding of our approach to sustainability and responsible sourcing practices	60%

- 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes, ARBL has a Code of Conduct that applies to the Board of Directors and senior management team. The Code includes measures to prevent and manage conflicts of interest and mandates that the individuals covered under it should act with honesty, ethics, and integrity. All those covered under the Code are required to disclose and avoid any potential or actual conflicts of interest. The Code also provides guidance on professional and respectful conduct, that mitigates and prevents any conflicts of interest that may arise.

For further details, please refer to our policy at <https://www.amararajabatteries.com/Investors/DownloadPolicyPDF?id=14>

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	61%	60%	Reduction in hazardous waste generation, conservation of natural resources, resource use efficiency, reduction in GHG emissions, conservation of water resources, lessening dependence on fossil fuels for mobility, lowered vehicular pollution, fostering a safe and healthy working environment, increased end-user satisfaction with products, increasing safety and reliability of products.
Capex	1.77%	0.76%	

- 2. Does the entity have procedures in place for sustainable sourcing? (Yes/No) b. If yes, what percentage of inputs were sourced sustainably?**

Yes. We are practising sustainable procurement in line with our Sustainable Procurement policy covering all suppliers, vendors and input material. The policy covers the aspects related to ethics, business integrity, human rights, social responsibility, health and safety, environment, local community, green products & practices, quality, good manufacturing practices, and legal compliance.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

ARBL has adopted a systematic approach towards lead management, right from procurement through processing, and waste generation to recovery. In the post-use phase, we have designed a closed-loop system, through which we procure old and used batteries from dealers, recycle the material through third-party recyclers, and procure the used lead to manufacture new batteries. Further, we have mechanisms to refurbish and reuse the old batteries.

At ARBL, we are bound by the Extended Producer Responsibility (EPR) regulations, and we have successfully developed and submitted our EPR plan to the Pollution Control Board. Consequently, we have obtained registration as a Brand Owner, enabling us to manage the disposal of Multilayered Plastic (MLP) and other plastic waste generated by our products in accordance with the EPR Action Plan. As part of our commitment to responsible battery management, we participate in the To be replaced with BWMR (Battery Waste Management Rules) Project, initiated by the Government of India. We create awareness among end customers by displaying messages on warranty cards, requesting them to deposit used batteries at designated collection centres which have been set up throughout India. We have been recycling lead by collecting scrap batteries and offering replacements to customers. The used batteries are carefully transported to designated smelting plants for safe lead-recycling, ensuring zero harm to the environment. Currently, 70% of lead used in manufacturing comes from recycled sources and we strive to increase this proportion by setting up more used battery collection mechanisms. We are setting up 1.5 LPTA of a lead recycling facility in Cheyyar, TN through our wholly owned subsidiary ARCSPL.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

The Extended Producer Responsibility (EPR) is applicable to us. We have prepared our EPR plan and successfully submitted it to the Pollution Control Board. Our plan is carefully aligned with our overall waste management strategy and complies with all relevant regulations.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment Was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
27201	Automotive Battery (40B20)	2.6 %	Cradle to grave	Yes	No
27201	Industrial Battery (2v, 600 Ah)	8.5%	Cradle to grave	Yes	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action Taken
Automotive Battery 40B20 Industrial Battery 2V, 600 Ah	Abiotic Depletion (ADP fossil): It is a measure of the use of non-renewable sources as energy for the product lifecycle. The risk essentially flags the dependency of the product lifecycle on non-renewable sources of energy which is concentrated in the product production phase	<ul style="list-style-type: none"> Increasing the use of renewable energy sources such as solar power at our production sites Development of captive solar power capacity at our plant locations Use of recycled lead to the tune of 70% of all lead consumed leading to avoided abiotic depletion Our energy conservation initiatives have resulted in a 12% decrease in our Energy intensity
	Global Warming Potential (GWP 100 yrs.)- It is a measure of the amount of GHG emissions as a result of the product lifecycle. The risk flags the contribution of the product in global warming or climate change which is concentrated in the product production phase	<ul style="list-style-type: none"> Increasing the use of renewable energy sources such as solar power at our production sites Development of captive solar power capacity at our plant locations Voluntary REC procurement to offset GHG emissions resulting from non-conventional energy usage Our energy conservation initiatives have resulted in a 12% decrease in our Energy intensity
	Blue-water consumption: It is a measure of the amount of blue-water (freshwater from surface & ground sources) consumed during the product lifecycle essentially providing us with a footprint of the product. The risk flags the potential scarcity of blue water that can result from excessive consumption during the product life cycle mostly concentrated in the production phase	<ul style="list-style-type: none"> Zero Liquid Discharge systems commissioned at all our facilities leading to an increase in effluent recycling rate & reduction in freshwater consumption Rainwater harvesting structures for the collection & usage of rainwater as an alternative source replacing freshwater ETP optimization done to reduce the amount of auxiliary water required for ETP operations

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material (by Weight)	Recycled or re-used input material to total material	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Recycled Lead	69.53 %	63.49 %
Recycled Plastics	6.70 %	6.70 %
Recycled Pallets	21.94 %	25.85 %

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed of.

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
	Recycled	Recycled
Hazardous waste (batteries)	79,747	79,918

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Used Batteries – 2022-23	Automotive - 32% Industrial – 45%
Used Batteries – 2021-22	27 %

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1.a. Details of measures for the well-being of employees.

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	2,105	2,105	100%	2,105	100%	-	-	2105	100%	2105	100%
Female	184	184	100%	184	100%	184	100%	-	-	184	100%
Total	2289	2289	100%	2289	100%	184	100%	2105	100%	2289	100%
Other than Permanent employees											
Male	0	0	-	0	-	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Total	0	0	-	0	-	0	-	0	-	0	-

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	5078	5078	100%	5078	100%	-	-	5078	100%	5078	100%
Female	626	626	100%	626	100%	626	100%	-	-	626	100%
Total	5704	5704	100%	5704	100%	626	100%	5078	100%	5704	100%
Other than Permanent workers											
Male	0	0	-	0	-	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Total	0	0	-	0	-	0	-	0	-	0	-

2. Details of retirement benefits.

Benefits	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	No. of employees covered as a % of total Employees	No. of workers Covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total Employees	No. of workers Covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	100%	Y	100%	Y
Gratuity	100%	100%	100%	NA	100%	NA
ESI	100%	100%	100%	Y	100%	Y
Others -SAS	100%	100%	100%	Y	100%	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

Yes, ARBL ensures that all premises and offices are accessible to employees and workers with disabilities. Further, we are deploying more amenities for differently abled employees at the plant and other work locations to improve accessibility.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

We adhere to our equal opportunity policy outlined as per Rights of Persons with Disabilities Act, 2016. We are committed to providing equal employment opportunities to all individuals who meet the qualifications specified in our Human Resources recruitment policies and selection processes, regardless of their physical or mental abilities, caste, gender, race, color, religion, or creed. As an equal opportunity employer and in accordance with the laws of the country, ARBL does not discriminate or show preference based on any of these factors.

<https://www.amararaja.com/about/code-of-ethics>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	83%	100%	92%	100%
Total	91.30%	100%	96.30%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

(If Yes, then give details of the mechanism in brief)

Permanent Workers	ARBL has established a mechanism for addressing complaints, referred to as the Grievance Redressal Mechanism which is handled by the HR department.
Other than Permanent Workers	We also conduct open house sessions such as Company Communication Meet, Plant Communication Meet, and Open Forums to provide employees and workers with a platform to voice their grievances.
Permanent Employees	
Other than Permanent Employees	Any grievance from the workforce can be communicated to the respective HR personnel. All such grievances are then discussed internally, and a resolution plan is formulated.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)
Total Permanent Employees	2289	48	2.10%	2,249	50	2.22%
Male	2105	45	2.14%	2,068	47	2.27%
Female	184	3	1.63%	181	3	1.66%
Total Permanent Workers	5704	27	0.47%	5,356	30	0.54%
Male	5078	26	0.51%	4,904	2	0.55%
Female	626	1	0.16%	452	2	0.44%

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	2105	2105	100%	2105	100%	2,068	2,068	100%	2,068	100%
Female	184	184	100%	184	100%	181	181	100%	181	100%
Total	2,289	2,289	100%	2,289	100%	2,249	2,249	100%	2,249	100%
Workers										
Male	5078	5078	100%	5078	100%	4,904	4,904	100%	4,904	100%
Female	626	626	100%	626	100%	452	452	100%	452	100%
Total	5,704	5,704	100%	5,704	100%	5,356	5,356	100%	5,356	100%

We conduct skill gap analyses for both employees and workers to identify areas for improvement. Based on these analyses, we update our training calendars and provide periodic training sessions.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	2105	2,105	100%	2,068	2,068	100%
Female	184	184	100%	181	181	100%
Total	2,289	2,289	100%	2,249	2,249	100%
Workers						
Male	5,078	5,078	100%	4,904	4,904	100%
Female	626	626	100%	452	452	100%
Total	5,704	5,704	100%	5,356	5,356	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, we have implemented a formal Occupational Health & Safety Management System (OHSMS) based on ISO 45001 that covers all our operating and manufacturing facilities.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

To identify work-related hazards across all units, we use the Hazard Identification and Risk Assessment (HIRA) process which involves a team comprising operations, maintenance, and safety personnel. We have well-defined SOPs, operational controls, and a work permit system to ensure safe operations. We have documented emergency plans to prepare us for emergency situations. We have performed critical risk identification based on incident statistics to identify top risks and have rolled out safety standards to mitigate the risks. Our Health, Safety, and Environment (HSE) Council meets on a monthly basis to assess top risks and discuss health and safety parameters. Regular safety training and mandatory induction cover hazard identification and reporting for all employees and workers. We conduct periodic safety inspections and audits to ensure compliance and take immediate corrective actions.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, through our implemented ESG software for sustainability performance, we provide a mobile app that allows employees and workers to report any work-related hazards, including unsafe acts or near-miss conditions, and remove themselves from such risks. This process ensures that we meet all statutory and legal compliance requirements and provides a positive assurance in that regard.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes, we provide all employees access to medical and healthcare services for non-occupational purposes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees and Workers	0.67	0.78
Total recordable work-related injuries	Employees and Workers	10	12
No. of fatalities	Employees and Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees and Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

At ARBL, we consider EXCELLENCE as one of our fundamental values. We strongly believe that maintaining a safe and healthy workplace not only protects our employees from injuries and illnesses but also enhances their morale and well-being.

Safety is always our utmost priority, and we are fully committed to fostering a culture of excellence in safety. We have been implementing the occupational health and safety management system (ISO 45001:2018) to continually improve our safety performance across all facilities. Our approach includes various measures such as hazard identification and risk assessment, conducting emergency response drills, ensuring tools and tackles inspection by competent personnel, following work permits and LOTO systems, inspecting engineering controls, and providing comprehensive safety training for both new and existing employees. Through these systems, we adhere to all applicable national and international safety standards. Additionally, we proactively embrace state-of-the-art technologies and management practices that are relevant to our business, aiming to enhance our working environment.

To ensure a safe working environment, the following measures have been implemented:

1. Work Permit System.
2. Workplace safety audit by internal teams.
3. Periodical inspection of lifting Tools and Tackles and pressure vessels by a competent authority.
4. Safety Committee meetings.
5. Trainings to enhance a culture of safety.
6. Behavior-based safety (BBS) practices at all locations.
7. Drills for emergency preparedness and response.
8. Inspection of engineering controls, lifting tools and material handling equipment controls.
9. Lock Out and Tag Out for energy isolation.
10. Monitoring of workplace noise and illumination levels.
11. Risk assessment for all activities and new initiations.
12. State- of-the-art occupational health centre with 24x7 operations.

We continue to implement good practices in the maintenance and monitoring of ventilation systems and ensure that a safe and healthy work environment is maintained

13. Number of complaints on the following made by employees and workers

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks

Working Conditions*	363	0	-	421	0	-
Health and Safety	18	0	-	32	0	-

Note: The numbers are inclusive of the suggestions that we received for safety and workplace improvement. Our reporting mechanism is robust and transparent, offering multiple avenues for reporting such as a mobile platform and regular meetings. In addition, we hold frequent HSE council meetings to discuss health and safety matters.

14. Assessments for the year

**% of your plants and offices that were assessed
(by entity or statutory authorities or third parties)**

Health and safety practices	100%
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

At ARBL, we follow a robust Incident investigation process and implement corrective and preventive actions across our organization. Our safety management system includes revising the- Hazard Identification and Risk Assessment (HIRA) document to prevent the recurrence of incidents and mitigate risks. We have a well-established process for identifying near misses, unsafe acts, and unsafe conditions, enabling us to take necessary corrective actions. To identify health and safety risks, we conduct monthly internal audits, safety inspections, and periodic external safety audits. All these procedures are aligned with the ISO 45001 management system standards.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

The Company has Group term life insurance & Benevolent Fund for all the employees & workers.

Group Life Cover Policy (GTLI):

We provide a Group Life Cover Policy which extends financial security to our employees' dependents in the event of loss of life during their employment with the Amara Raja Group. Each person is covered since their date of joining. The payout includes 36 months of the last drawn gross salary. The premium and associated costs for this insurance coverage and policy are borne by us.

Group Personal Accident Policy (GPA):

We make this policy available to all employees and include benefits for temporary total disability, permanent total disability, permanent partial disability, and accidental death. Each employee is insured for a sum which is available for meeting claims to cover the impact of disability or death arising out of accidents. The coverage starts from the date of joining of the employee.

Benevolent Fund Policy:

Regular employees and those under probation are eligible for benefits under this policy. The benefits include retirement benefits, disablement benefits, death benefits and benefits related to critical ailments.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Our Supplier Code of Conduct (SCoC) includes a clause that mandates suppliers to adhere to all relevant laws and regulations, tax obligations, and the code of conduct. We also encourage our Suppliers to maintain adequate documentation to demonstrate compliance with these principles.

- 3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Employees	0	0	0	0
Workers				

- 4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

The Company conducts informative sessions led by banking experts to educate our employees about the financial market, government schemes, and provides biannual financial wellness awareness programs to all employees on various benefits such as SAS, gratuity, PF, benevolent fund, leave encashment, and post-retirement benefits.

- 5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	50%
Working conditions	

Note - % is derived from critical supplier assessment in FY 22-23.

- 6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

ARBL works with multiple partners and suppliers to deliver high-quality products and services to customers. We conduct regular audits and reviews and take corrective actions, if required, to ensure compliance. No significant risks have been identified from the assessment of our value chain partners.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

- 1. Describe the processes for identifying key stakeholder groups of the entity.**

The stakeholder identification process at ARBL is built around the following procedures marked in order of execution as mentioned below:

1. Purpose of stakeholder analysis
2. Identifying potential stakeholders who may affect or may be affected by the business
3. Stakeholder categorization (internal or external)
4. Stakeholder prioritization based on impact on the business
5. Information gathering on stakeholder expectations
6. Developing a stakeholder engagement plan

Identifying key stakeholders is an ongoing process that requires regular monitoring and engagement to ensure that the company is meeting the needs of its stakeholders and achieving its goals. Stakeholder engagement plan is periodically reviewed and revised as per assessments.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Intranet, Company Communication, Open Houses, Notice Boards, Internal Mobile app, Internal Chat bot etc.,	Intranet – Daily Newsletters-Quarterly, Emails & company communication – As and when required	Employee engagement activities, training, awareness and welfare programmes
Customers	No	Regular business meetings, Customer satisfaction surveys, Advertisements, publications, website, app and social media	Frequent and need-based	New product launches; customer satisfaction, grievance redressal, service support, product health checks
Suppliers	No	Regular business meetings & supplier meets (including supplier sustainability workshops)	Frequent and need-based	Business-related discussions, awareness and training programmes, workshops and seminars, supplier sustainability
Local community	Yes	Rajanna Foundation, Krishnadevaraya Educational and Cultural Association (KECA), community meetings, newspapers	Frequent and need based	CSR projects delivery, managing community expectations & demands
Investors and Shareholders	No	Quarterly results, Annual Reports, Earnings call, Analyst meet, press releases, website, Email, newspaper advertisement, intimation to stock exchanges, Annual General Meetings and investor meetings / conferences	Annual, quarterly and need based	To inform the current performance of the Company and its future plans

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Feedback/grievances, if any received from various stakeholders are updated to the Board based on relevance by respective functional leaders.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. ARBL understands the importance of stakeholder consultation in decision-making, risk management, relationship-building, and achieving sustainable outcomes. Through active stakeholder involvement, we foster inclusivity, accountability, and responsiveness, ultimately leading to more successful and impactful initiatives.

As a first step, we identified our key stakeholders and their interests and issues. This is followed by a comprehensive materiality assessment which determines the significance of the identified material issues. This assessment considers factors such as the potential impact of each issue on organization's performance, reputation, stakeholder trust, and long-term sustainability. ARBL engaged with a diverse group of internal and external stakeholders including employees, customers, local communities, investors etc. Their inputs were then benchmarked against our internal knowledge of global and sectoral trends, major social issues, business model, regulatory requirements, and those of well-established sustainability standards. Finally, the issues that

emerged were evaluated for their impact on both ARBL as well as its stakeholders. In response, we have modified our existing policies, introduced new policies and procedures to specifically address these material issues. Furthermore, these changes were also reflected in our overall ESG strategy and sustainability projects. To ensure ongoing progress, a defined set of goals and targets were established for regular performance monitoring.

As part of our formal and continuous stakeholder engagement process, we actively seek feedback and suggestions to refine our Sustainability strategy. We value the input we receive and consider it essential for enhancing our approach to sustainability.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company's CSR initiatives aim to improve the lives and livelihoods of underprivileged, marginalized, and vulnerable communities near its operating facilities. Periodic on-site discussions are held by our CSR personnel to gather feedback and suggestions on issues concerning the communities, which are then addressed promptly. These initiatives, which are led by the Rajanna Foundation, cover the following:

- **Primary Health** - The Company's CSR aims at providing healthcare access to the vulnerable sections of the society, who don't have the resources to afford quality healthcare. It provides primary healthcare services to almost 20000 people including children, women, senior citizens, and marginalized communities.
- **Education** - Amara Raja Educational Society (ARES) operates three Schools located at Karakambadi, Petamitta and Diguvamagham in the Tirupati & Chittoor districts, which are affiliated to CBSE. In FY23, 4620 children benefitted by getting quality education. Of them, 80% belong to the marginalized or vulnerable sections.
- **Skill development** - Amara Raja Skill Development Centre (ARDC) was set up way back in 2014. The Company has a dedicated team on the field, gathering youth force and providing opportunities to them, especially in rural areas, to enhance their skills and enable them to seek non-migratory employment opportunities. In the current year a total of 1050 students are undergoing on the job training through our skill development programme.
- **Environment and Social Forestry** - ARBL envisions a sustainable future for generations to come and has taken concrete steps towards it which include conservation of soil & regeneration of vegetation through social forestry schemes. Social forestry promotes the expansion of forests which can then be used by tribal & forest dependent people in harvesting forest produce on which these vulnerable sections are dependent on a day-to-day basis. In FY 22-23 a total of 71000 saplings were planted under the scheme which directly benefited 40 tribal families through employment.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	2,289	2,289	100%	2,249	2,249	100%
Other than permanent	0	0	-	0	0	100%
Total employees	2,289	2,289	100%	2,249	2,249	100%
Workers						
Permanent	5,704	5,704	100%	5,356	5,356	100%
Other than permanent	0	0	-	0	0	-
Total workers	5,704	5,704	100%	5,356	5,356	100%

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	2,289	0	-	2,289	100%	2,249	0	-	2,249	100%
Male	2,105	0	-	2,105	100%	2,068	0	-	2,068	100%
Female	184	0	-	184	100%	181	0	-	181	100%
Other than Permanent	0	0	-	0	-	0	0	-	0	-
Male	0	0	-	0	-	0	0	-	0	-
Female	0	0	-	0	-	0	0	-	0	-
Workers										
Permanent	5,704	0	-	5,704	100%	5,356	0	-	5,356	100%
Male	5,078	0	-	5,078	100%	4,904	0	-	4,904	100%
Female	626	0	-	626	100%	452	0	-	452	100%
Other than Permanent	0	0	-	0	-	0	0	-	0	-
Male	0	0	-	0	-	0	0	-	0	-
Female	0	0	-	0	-	0	0	-	0	-

3. Details of remuneration/salary/wages, in the following format:

Employees other than BoD and KMP:

	Number	Male	Female	
		Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	13,19,60,403.5	1	7,10,000*
Key Managerial Personnel	3	1,01,41,006	0	0
Employees other than BoD and KMP	2102	6,00,012	184	5,51,004
Workers	5,078	2,29,872	626	3,60,704

*Sitting fees for Non-Executive Director.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

ARBL prioritizes upholding and safeguarding of human rights, and we have a zero-tolerance policy towards any violations related to human rights. Guidelines incorporated in the Code of Conduct & Ethics, as well as HR policies and processes specifically address this subject. We are also signatory to United Nations Global Compact. Human rights due diligence is carried out based on UNGC protocol to identify risks related to human rights and put in place appropriate controls.

To ensure that human rights are respected across the organization, we have put in place a process through which red flags related to Human Rights can be reported. Such incidents are thoroughly investigated by an Internal Complaints Committee or Ombudsperson. The internal committee also ensures that the impacts of human rights violations are managed and addressed appropriately.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

At ARBL, we deeply value and prioritize human rights. We are committed to promoting fair and ethical business and employment practices by actively supporting, safeguarding, and advocating for human rights. Our strict policy reflects zero tolerance for any form of slavery, forced labor, child labor, human trafficking, or any type of physical, sexual, psychological, or verbal abuse.

To ensure our commitment, we have implemented a comprehensive set of human rights policies. These policies include No Harassment at Workplace, Equal Opportunity for Employment and Diversity, Prevention of Child Labor, Discrimination and Equal Opportunities, and Prevention of Sexual Harassment. These policies serve as a clear demonstration of our dedication to upholding and protecting human rights in every aspect of our operations.

The mechanisms for redressing grievances concerning human rights are implemented through the following policies:

Grievance Redressal Policy: ARBL has established a policy to address concerns and to foster a healthy and cohesive work culture among Amara Raja Group employees. Through mutual trust and timely grievance resolution, this policy strives to improve employee and organizational performance. The policy provides a systematic procedure for addressing grievances, and amicable and speedy remedies for all employees.

Prevention of Sexual Harassment Policy (POSH): The Management has formed an Internal Complaints Committee (ICC) to investigate and resolve complaints of sexual harassment.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending Resolution at the end of year	Remarks	Filed during the year	Pending Resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/ Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

At ARBL, we maintain a zero-tolerance policy when it comes to workplace harassment. We strongly encourage employees to promptly report any incidents of harassment to the appropriate authority. Upon receiving a report, we shall conduct a thorough investigation and take appropriate action.

To address complaints of sexual harassment, we have established an independent Internal Complaints Committee. This committee operates autonomously and ensures the protection of employees from victimization. Its members are dedicated to resolving grievances in a peaceful and conciliatory manner. Additionally, we have appointed an Ombudsperson to handle the received complaints. All complaints are treated with utmost confidentiality, and the complainant's identity remains anonymous throughout the process. Furthermore, we strictly prohibit any form of retaliation against individuals who make a complaint, report of harassment in good faith, and those who participate in the investigation process.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, our Supplier Code of Conduct aligns to the globally recognized standards such as the Core Conventions of ILO, UN's Universal Declaration of Human Rights, and UN Global Compact Principles, as well as other relevant industry standards and statutory requirements.

9. Assessments of the year

**% of your plants and offices that were assessed
(by entity or statutory authorities or third parties)**

Child labour	
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	100%
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No significant risks reported in the assessment.

Leadership Indicators**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

ARBL's policies are reviewed regularly and modified as required. The modifications take into consideration any grievances or incidents that are flagged through our redressal mechanisms. These policies serve as the foundation to our operating procedures and the way in which we conduct business.

2. Details of the scope and coverage of any Human rights due diligence conducted

Human rights due diligence is carried out based on UNGC protocol to identify risks related to human rights and put in place appropriate controls. We ensure human rights aspects are addressed through our Code of Conduct & Ethics, HR policies, Sustainable procurement policy and Supplier Code of Conduct. We conduct training programs to raise awareness among our employees and value chain partners on the Code of Conduct and human rights issues. These programs aim to promote understanding and adherence to ARBL's policies and practices concerning human rights.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the premises / offices are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016. This demonstrates ARBL's commitment to creating an inclusive and accommodating environments for all individuals.

4. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed

Sexual harassment	
Discrimination at workplace	
Child labour	
Forced/involuntary labour	50%
Wages	
Others – please specify	

Note - % is derived from critical supplier assessment in FY 22-23

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

No significant risks reported in the assessment.

Principle 6: Businesses should respect and make efforts to protect and restore the environment**Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	12,31,436 GJ	13,58,387 GJ
Total fuel consumption (B)	43,556 GJ	15,442 GJ
Energy consumption through other sources (C)	1,69,932 GJ	-
Total energy consumption (A+B+C)	14,44,924 GJ	13,73,829 GJ
Energy intensity per Crore of turnover (Total energy consumption (Kilo Joules)/turnover in crore rupees)	139.12 GJ/Cr	158.00 GJ/Cr

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Independent assurance was carried out by DNV India.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the organization is not classified as a designated consumer for the Performance, Achieve, and Trade (PAT) program administered by the Bureau of Energy Efficiency (BEE).

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water (harvested rainwater)	3,653	-
(ii) Groundwater	10,88,777	11,39,569
(iii) Third party water (Municipal water supplies)	-	-
(iv) Seawater/desalinated water	-	-
(v) Others (Packaged Drinking water)	49.1	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	10,92,479	11,39,569
Total volume of water consumption (in kiloliters)*	13,39,332	14,21,388
Water intensity per crore of turnover (Water consumed/turnover in crores)	128.96 KL/Cr	163.46 KL/Cr

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Independent assurance was carried out by DNV India.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

ARBL has installed Zero Liquid Discharge units (ZLDs) in all facilities (100%) to ensure that no effluent is discharged from manufacturing processes

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

*PM mentioned as PM10 and PM2.5

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	µg/m3	22.48	17.56
SOx	µg/m3	14.62	11.12
Particulate matter* (PM10)	µg/m3	53.29	52.21
Particulate matter (PM2.5)	µg/m3	20.88	22.68
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Independent assurance was carried out by DNV India.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO2 equivalent	6,159	2,282
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO2 equivalent	2,42,867	2,67,904
Total Scope 1 and Scope 2 emissions per Crore of turnover		23.97	31.07

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Independent assurance was carried out by DNV India.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The company has made improvements to its renewable infrastructure and remains dedicated to energy efficiency improvement. This commitment is demonstrated through the upgrading of process technology, efficient production scheduling, and the implementation of various energy-saving initiatives. Few initiatives are mentioned below.

Renewable energy initiatives:

Commissioned 42.5 MW of renewable power infrastructure with more 7.5 MW in pipeline for implementation, overall renewable power generation capacity is 59.1 MW. Avoided 33,514 Tons of CO2 emissions on account of this project in 2022-23

ARBL has achieved cost savings of INR 4.2 crores by implementing the below listed projects promoting energy efficiency:

- ✓ Improving heater control system for lead pots
- ✓ Conversion of V-belt drive to direct coupling in FA\ FE Systems
- ✓ Cooling tower process pump automation by providing VFD
- ✓ Replacement of old conventional chargers with IGBT chargers
- ✓ Axial Fans (HVLS) in Finishing areas

- ✓ Replacement of conventional lights with LED lights
- ✓ Oven Control Panels Upgradation with IGBT technology
- ✓ Install auto descaling system for Acid chillers
- ✓ Elimination of Dumper washing tunnel blowers line1
- ✓ Inter linking of FA System WRT production lines
- ✓ Manually alternate Street lightings switch on in North and South side
- ✓ Timer base switch on Lighting (6.00PM to 06.00AM)
- ✓ Skin temperature reduction in lead melting pots
- ✓ Replacement of conventional motors with BLDC motors in HVAC AHUs.
- ✓ Finishing line 2 conveyor motor 2Hp to 1 Hp changed
- ✓ Power factor improvement in SDB level
- ✓ Replacement of pneumatic vibrators with electrical vibrators
- ✓ Occupancy Sensors for Stores, chargers' room, Formation tubs and other utility buildings to control lighting energy
- ✓ Replace AODD pumps with energy EODD pump in ETP
- ✓ Installed VFD for Treated water transfer pump at ETP @20 hp
- ✓ Reduction of Compressed air leaks in shop floor
- ✓ Energy Optimization in curing and drying ovens

Capital investment made on energy efficiency and conservation initiatives:

₹241 Cr for captive solar project

₹5.2 Cr for other project within the plant facility

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tons)		
Plastic waste (A)	2,540.4	1,731
E-waste (B)	2.6	1.67
Bio-medical waste (C)	0.25	0.22
Construction and demolition waste (D)	0.00	0.00
Battery waste (E)	5095.58	5126.77
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Haz. Waste from process + Haz. Waste from pollution control equipment's, + Filter bed sand+ Filter bags etc. (G)	16,508	17,090.99
Other Non-hazardous waste generated (H). MS Scrap + Aluminum scrap (Break-up by composition i.e. by materials relevant to the sector)	5004.8	4,338.52
Total (A + B + C + D + E + F + G + H)	29,151	28,289

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste		
(i) Recycled	27,823	27,235
(ii) Re-used*	--	--
(iii) Other recovery operations	--	--
Total	27,823	27,235
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration	12.1	21.18
(ii) Landfilling	1,316	1,032.56
(iii) Other disposal operations	-	-
Total	1,328	1,054

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Independent assurance was carried out by DNV India.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

ARBL has implemented a waste classification system to manage the disposal and recycling of waste materials. We prioritize recycling and timely disposal of waste, using third-party contractors for controlled disposal. Solid waste is categorized into hazardous and non-hazardous, and the team follows established procedures to collect and store waste in designated bins. The production plant has a temporary storage area for solid waste, with relevant signs and measures in place to prevent pollution and leakage.

Hazardous waste is handled according to the Hazardous Waste Management Rule, 2020. Authorized agencies handle hazardous waste transportation, and a waste registry is maintained to track proper handling. Non-hazardous waste including scrap paper, plastic packaging, and metals, are forwarded to authorized recyclers.

- a) **Plastics:** We use recyclable stretch film of an appropriate thickness for web sealing packing. Only authorized recyclers receive the plastic waste that is generated. Most plastic components used in batteries are recycled. Plastics recycling, particularly packaging recycling, is underway as part of the plastic waste management standards.
- b) **E-waste:** We comply with E-waste regulations by ensuring that the E-waste generated is only sent to authorized recyclers.
- c) **Bio medical waste:** We manage biomedical waste in accordance with the Bio-medical Waste Management Rules and keeps a record of the waste in a waste registry.

Lead Optimization: We source most of the lead we use from recycled batteries. This ensures that mining of lead and its toxicological effects are minimized. Our R&D division is also working on several internal projects to increase material efficiency and reduce the consumption of lead and acid in our batteries. These projects are broadly classified under lead optimization research.

- 10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			NA

Note - ARBL does not conduct any activities or operations in areas that are considered ecologically sensitive.

- 11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

ARBL does not have any green-field projects in the current reporting period which require EIA according to the EIA notification, 2006.

- 12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, ARBL is in adherence to all relevant environmental laws, regulations, and guidelines.

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
			NA*	

Leadership Indicators

- 1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	1,69,932 GJ	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	1,69,932 GJ	-
From non-renewable sources		
Total electricity consumption (D)	12,31,436 GJ	13,58,387 GJ
Total fuel consumption (E)	43,556 GJ	15,442 GJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	12,74,992 GJ	13,73,829 GJ

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Independent assurance was carried out by DNV India.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilo liters)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – Tertiary treatment	0	0
Total water discharged (in kilo liters)*	0	0

*ARBL has installed a Zero Liquid Discharge (ZLD) system. This is designed to minimize wastewater discharge by recycling and reusing water as fully as possible. However, it is expected that there may be some nominal losses of water due to evaporation, accounting for approximately 10% of the total water used in the process.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Independent assurance was carried out by DNV India.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilo liters):

For each facility/plant located in areas of water stress, provide the following information:

- (i) Name of the area:
- (ii) Nature of operations
- (iii) Water withdrawal, consumption, and discharge in the following format:

According to the Central Groundwater classification, the manufacturing units of the Company are not located in areas classified as "Critical" or "Over-exploited" with regards to groundwater.

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed/turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

4. Please provide details of total Scope 3 emissions and its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	4,00,948	3,98,112
Total Scope 3 emissions per Crore of turnover		38.61	45.78

We have considered 8 categories in the Scope 3 emissions (Purchased goods, Upstream transport, Waste, Employee travel, Business travel, Downstream transport, End of life and Leased Assets)

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Independent assurance was carried out by DNV India.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable as ARBL does not conduct any activities or operations in areas that are designated as ecologically sensitive areas.

- 6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Water flow meters	Installed irreversible electromagnetic water flow meters	Monitor, measure and reduce the water consumption
2	Upgradation of ETP	ABD1 ETP was upgraded for better efficacy	Better treatment and meeting discharge standards
3	Zero Liquid Discharge (ZLD)	Zero Liquid Discharge (ZLD)	Zero water discharge
4	Process automation	VFD installation at several pumps AHU belt drive to BLDC controlled	Reduction in electricity consumption & GHG emissions
5	Reducing auxiliary electricity consumption	Occupancy sensors installation Timer based switches on all DCS lighting Replacing conventional light with LED	Reduction in electricity consumption & GHG emissions
6	Energy efficiency initiatives	As mentioned above in Principle 6 under section 7	Improvement in energy intensity

- 7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes. The Business Continuity Plan (BCP) is a comprehensive plan that covers three main areas: people, facilities, and critical IT infrastructure. This demonstrates that ARBL has considered the safety and well-being of employees, the physical facilities where operations are conducted, and the technology systems that are essential to business operations.

We have created a comprehensive “shock playbook” that includes plans for dealing with various emergency scenarios and business risks. We have also taken steps for disaster management to maintain critical facilities, applications, and infrastructure such as domain and email servers. To further minimize the impact of any disasters and reduce the time it takes to restore operations, we have replicated applications to a disaster recovery site and implemented periodic backup processes. Additionally, network devices and links are maintained with high availability to ensure business continuity. Overall, we have taken significant steps to prepare for and mitigate the effects of potential disasters or emergencies.

- 8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard**

Throughout our value chain, we have not identified any significant negative impact on the environment. However, we have taken proactive measures to ensure that our procurement policies promote environmentally friendly and responsible practices. At ARBL, our commitment is to comply with all applicable environmental laws and regulations in the regions where we operate and source materials, products, and services.

We hold our suppliers and franchises to high environmental standards, which go beyond local regulatory requirements, in order to safeguard the environment. Nonetheless, we recognize that the scope and nature of our suppliers' operations may vary, and therefore, the specific environmental principles applied may differ accordingly.

In line with our commitment to sustainability, we strongly encourage all suppliers to identify the sources of their emissions, including CO₂, other greenhouse gases, SO_x, NO_x, and particulate matter. We recommend that they adopt progressive measures to reduce these emissions. By doing so, our suppliers can play a significant role in contributing to a cleaner and more sustainable environment.

- 9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

50% of critical suppliers were assessed on environmental impacts in FY 22-23.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with and industry chambers/associations.

The Company is a member of 11 trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI)	State
3	Federation of Indian Export Organisation (FIEO)	National
4	Engineering Export Promotion Council (EEPC)	National
5	Employers' Federation of Southern India (EFSI)	National
6	Recycling and Environment Industry Association of India	National
7	IESA - Customized Energy Solutions India Pvt Ltd	National
8	Auto Component Manufacturers Association(ACMA)	National
9	Indian Battery Manufacturers Association (IBMA)	National
10	World Economic Forum (WEF)	International
11	United Nations Global Compact	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

There have been no instances where regulatory authorities have issued adverse orders regarding anti-competitive conduct.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

ARBL actively participates in various issues related to business and society by being on governing bodies and committees at both state and national levels of CII. Through these forums, we can engage in discussions and collaborate with other companies and stakeholders on important matters.

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/ Others – please specify)	Web Link, if available
ARBL does not maintain a distinct policy on "Policy Advocacy." Instead, we engage in policy advocacy efforts through our representation in 11 trade and industry chambers/associations. Among these, eight have a national reach, one has a state-level reach, and two have an international presence. These affiliations allow us to actively participate in shaping policies related to the Battery Industry and other areas that impact our organization. These industry associations include Indian Battery Manufacturing Association, Auto Component Manufacturers Association, Recycling and Environment Association of India, Confederation of Indian Industries (CII) at National level and United Nations Global Compact (UNGCG) & World Economic Forum (WEF) at the Global level. We also engage with statutory authorities on regulatory policies.					

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

- 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

We are not required to carry out Social Impact Assessments as per law.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
			Not Applicable		

- 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (RandR) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which RandR is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by RandR	Amounts paid to PAFs in the FY (In INR)
No Rehabilitation and Resettlement projects are on-going at ARBL						

- 3. Describe the mechanisms to receive and redress grievances of the community.**

We have established a formal community grievance management process that outlines the steps to be followed when we receive written or verbal complaints or grievances regarding our own operations and/or contractors. This process is designed to ensure that complaints and grievances are handled in a culturally sensitive, respectful, timely, and consistent manner. Additionally, our CSR personnel actively gather on-site feedback and suggestions from the communities to address any concerns raised. Through this mechanism, we receive, acknowledge, assess, assign, investigate, and respond to all community grievances.

- 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

We firmly believe that fostering a thriving and resilient MSME (micro, small, and medium-sized enterprise) ecosystem is vital for the economic advancement and prosperity of our nation. With this conviction, ARBL actively engages with several small and medium-sized enterprises located in the vicinity of our manufacturing and service operations. Our objective is to procure a diverse range of goods and services, thereby supporting and contributing to the growth of these enterprises.

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	32%	34%
Sourced directly from within the district and neighboring districts	43%	41%

Leadership Indicators

- 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
No Social Impact Assessments (SIA) were required to be done in the current financial year	

- 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

ARBL's current Corporate Social Responsibility (CSR) initiatives do not include any specific aspirational districts

- (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

Our procurement decisions related to goods and services are based on merit. We invest significant resources to build capability amongst local supplier base and people belonging to marginalised/vulnerable

(b) From which marginalized/vulnerable groups do you procure?

We procure from small and medium-sized enterprises (SMEs), minority-owned businesses, SC / ST and Economically Backward Entrepreneurs, women-owned businesses, and enterprises owned by previously disadvantaged individuals.

(c) What percentage of total procurement (by value) does it constitute?

The mechanism to estimate the value is currently not available.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
		Nil		

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
	Not Applicable	

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Education to Rural Youth - Amara Raja Educational Society (ARES) is dedicated to fulfilling the vision of a knowledgeable and educated India. Objectives: <ul style="list-style-type: none">• Ensuring affordable access to quality education in rural areas• Extending CBSE curriculum education to rural areas• Fostering personality development of students• Embracing technology through smart classrooms and tablets• Providing comprehensive development opportunities for students	No of students benefited: 4,620 Students passing out after course completion: 3,471	80%
2	Skill Development: Amara Raja Skill Development Centre (ARSDC) was established with the intention of giving young people, particularly those who reside in rural regions, opportunities to develop requisite skills to explore employment possibilities in their own neighborhoods. Thus, this effort also aims to lessen the need for people to migrate in pursuit of work. Objectives: <ul style="list-style-type: none">• Empowering rural youth with a structured curriculum encompassing technical, non-technical, and life skills, to enhance their employability prospects.• Addressing the skills gap in society by offering training programs that align with the evolving business/work landscape in the industrial and related sectors.	1,050 students benefitted including 300 Girls	100%

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
3	Primary Health - The vision was to establish Primary Health Center (PHC) that would be an example for the entire country. The PHC has been established under a Public Private Partnership (PPP) program with the Government of Andhra Pradesh. Objectives: <ul style="list-style-type: none">• Ensuring availability of high-quality primary healthcare services.• Conducting outreach programs in collaboration with Amara Hospital to extend healthcare services to remote areas.• Equipping the PHC with a basic laboratory that meets the necessary standards.	Outpatients 20,230 and no of diagnostics (lab tests) 16,336	100%
4	Environment and Social Forestry - Amara Raja envisions a sustainable future for generations to come and has taken concrete steps towards it. Objectives: <ul style="list-style-type: none">• Conservation of soil and regeneration of vegetation.	Over time, around 71,000 saplings have been planted 40 Tribal families employed	100%
5	Rural Infrastructure Development - Rajanna Foundation as a representative of the Amara Raja Group, has undertaken significant initiatives towards the development and adoption of neighboring villages. The projects undertaken include the construction of roads, rainwater storage tanks, leisure parks with internet access and a library and supply channels, among others.	2 Villages - Petamitta and Diguvamaghram	100%
6	Water - Under the Rajanna Jalasayamu Programme, the Foundation has constructed 23 check dams and desilted three tanks in Chittoor district. The Foundation also ensures the regular maintenance of these check dams.	60 Villages, 12 Panchayats Benefitted	100%
7	Community Support Programs - Ensure provision of services that address fundamental human needs and facilitate the creation of safe public facilities	2 schools and 3 Villages Benefitted	100%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

At ARBL, we prioritize customer complaints and recognize the importance of being responsive, transparent, and solution-oriented in resolving them effectively and to the satisfaction of our customers. We have implemented a customer complaints mechanism that systematically records and addresses grievances related to our products, quality, service, warranty, and other relevant matters. Additionally, we actively engage in digital conversations with our customers during service calls to capture their valuable feedback. The company employs other mechanisms also for customer engagement as mentioned below:

AMCARE: The company supports its customers every mile of the way & at every moment. It runs 24x7 service centers to ensure that customers face zero difficulty with replacements, installations & servicing of batteries. ARBL also has a toll-free number that can be contacted at any time to register customer complaints & query resolution. The company also facilitates free battery inspections to get health reports of batteries that are in use by our customers.

AMARON KONNEKT: An app developed exclusively for the company's esteemed channel partners & customers. The app provides several attributes for a better customer experience & digitalizing product record. The app facilitates query resolution for customers along with other supportive attributes.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Parameter	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

ARBL has not received any consumer complaints with respect to data privacy, advertising, cyber security, restrictive trade practices, and unfair trade practices during the financial year 2021-22 and 2022-23.

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy						
Advertising						
Cyber-security						
Delivery of essential services						Nil
Restrictive Trade Practices						
Unfair Trade Practices						
Other	9	0	-	11	0	-

4. Details of instances of product recalls on account of safety issues:

No such instances of product recall were reported on account of safety issues.

	Number	Reasons for recall
Voluntary recalls	0	Nil
Forced recalls	0	Nil

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The Company's Information Security Policy and Data Protection Policy comply with the ISO 27001 framework. This policy is hosted on the company's internal servers & is accessible to all internal stakeholders.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Not Applicable

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information relating to all the products provided by the Company are available on the Company's website.

- <https://www.amararajabatteries.com/Business/Automotive>
- <https://www.amararajabatteries.com/Industrial/Products>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Awareness Campaigns:

The Company has run several awareness and advertisement campaigns with regards to hazards of Lead such as

- a) Printed messages on warranty cards for disposing end-of-life products at designated collection centers
- b) Campaigns on safe disposal of Used Lead Acid Batteries (ULABs).

Product information display:

All the company's product labels carry necessary information about safe & responsible usage (through operating & maintenance guidelines), cautionary information & end-of-life disposal

Amaron Konnekt:

This mobile application helps the company's customers in accessing the "do's & dont's" that should be followed for safe & responsible usage of ARBL products

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Dedicated sales and customer support teams have consistent communication to keep the customers abreast of any issues or disruptions.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief? Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the company displays product information that conforms to all mandated local laws & beyond. ARBL product labels carry information on safe & responsible usage along with recycling & disposal attributes. The company's labelling is in line with all the jurisdictions where its products are being sold.

Yes, the company carries out, customer satisfaction surveys to capture feedback from its customers which are one of the most important stakeholders of the company. This feedback is used for customer data analytics and to drive quality delivery of our products & services for our customers.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

None

b. Percentage of data breaches involving personally identifiable information of customers

None

Annual Report on Corporate Social Responsibility (CSR)

(As per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. A brief outline of the CSR Policy

CSR Policy of the Company focuses on 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 underprivileged meritorious students and promoting preventive healthcare activities.

2. Composition of the CSR Committee:

S. No	Members of the Committee	Designation/Nature of Directorship	Meetings held in Member's tenure	Meetings attended
1	Mr. Jayadev Galla	Chairman, Managing Director	1	1
2	Mr. T R Narayanaswamy	Member, Independent Director	1	1
3	Mr. N Sri Vishnu Raju	Member, Independent Director	1	1

3. Provide the web link where the Composition of the CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

CSR Policy	https://www.amararajabatteries.com/Investors/DownloadPolicyPDF/9?name=Corporate%20Social%20Responsibility
CSR Committee	https://www.amararajabatteries.com/Investors/committe-of-board#commitee-board-content
CSR Projects	https://www.amararaja.com/beyond-business

4. Provide the executive summary along with the web-link(s) of the 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:

Impact Assessment was conducted by Price Waterhouse Chartered Accountants LLP [FRN number: 012754N/N500016] to evaluate the effectiveness of our eligible projects that were implemented during the year 2020-2021 and have been completed for one year from implementation. The report was approved and taken note of by the Board at their meeting held on May 23, 2023. The said report is available at <https://www.amararajabatteries.com/Investors/annual-general-meetings>

S. No.	Particulars	Details
5(a)	Average net profit of the company as per sub-section (5) of section 135	₹ 799.35 crores
5(b)	Two percent of the average net profit of the company as per sub-section (5) of section 135.	₹ 15.99 crores
5(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	-
5(d)	Amount required to be set-off for the financial year, if any	-
5(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	₹ 15.99 crores

S. No.	Particulars	Details
6(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	₹ 15.98 crores
6(b)	Amount spent in Administrative Overheads.	-
6(c)	Amount spent on Impact Assessment, if applicable.	₹ 0.10 crores
6(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	₹ 16.08 crores

6(e) CSR amount spent or unspent for the Financial Year:

Total amount spent for the financial year FY 2022-23	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
₹16.08 Crores	Nil	NA	NA	Nil	NA

6(f) Excess amount for set-off, if any

(i) Two percent of average net profit of the company as per sub-section (5) of section 135	₹	15.99 crores
(ii) Total amount spent for the Financial Year	₹	16.08 crores
(iii) Excess amount spent for the Financial Year [(ii)-(i)]	₹	0.09 crores
(iv) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	₹	0.18 crores
(v) Amount available for set off in succeeding Financial Years	₹	0.27 crores

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: **NIL**

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: (Yes/No) : **No**

If Yes, enter the number of Capital assets created/ acquired: **NA**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
-----	-----	-----	-----	-----	-----	-----	-----

(Note: All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135:
Not Applicable

For and on behalf of the Board of Directors

Jayadev Galla

Place: Hyderabad

Date: May 23, 2023

Chairman, Managing Director & CEO

Chairman of the CSR Committee



Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) 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 arrangements or transactions at an arm's length basis

(a) Name(s) of the related party and nature of the Relationship	Name Relationship	Mangal Industries Limited ("MIL") Promoter of the Company, Owned and Controlled by Promoters of the Company. Wholly Owned Subsidiary of RNGalla Family Private Limited, Promoter of the Company.
(b) Nature of contracts/arrangements/ transactions		Sale of goods, interest income, other recoveries and sharing of expenses, Purchase of materials, plastic components, storage racks, tools, moulds and sharing of expenses.
(c) Duration of the contracts / arrangements/ transactions		On-Going and based on the requirements
(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 14, 2021, authorized the Board (including Committees of the Board) to enter into transactions with MIL up to ₹1,500 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 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: Hyderabad
Date: May 23, 2023

Jayadev Galla
Chairman, Managing Director & CEO

**INFORMATION UNDER SECTION 134(3)(m) OF THE ACT READ WITH
RULE 8 OF THE COMPANIES (ACCOUNTS) RULES 2014 AND FORMS PART OF THE BOARD'S REPORT:**

A. Conservation of Energy

(i) the steps taken or impact on the 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 the installation of energy-efficient equipment. Few initiatives are mentioned below.

- Improving heater control system for lead pots
- Cooling tower process pump automation by providing VFD
- Replacement of old conventional chargers with IGBT chargers
- Axial Fans (HVLS) in Finishing areas
- Replacement of conventional lights with LED lights
- Oven Control Panels Upgradation with IGBT technology
- Install auto descaling system for Acid chillers
- Inter linking of FA System WRT production lines
- Timer base switch on Lighting (6.00PM to 06.00AM)
- Skin temperature reduction in lead melting pots
- Replacement of conventional motors with BLDC motors in HVAC AHUs.
- Power factor improvement in SDB level
- Replacement of pneumatic vibrators with electrical vibrators
- Occupancy Sensors for Stores, chargers room, Formation tubs and other utility buildings to control lighting energy
- Replace AODD pumps with energy EODD pump in ETP
- Reduction of Compressed air leaks in shop floor
- Energy Optimization in curing and drying ovens

(ii) The Steps taken by the company for utilising alternate sources of energy

Renewable energy initiatives:

- Successfully commissioned 42.5 MW Solar generation plant taking renewable energy capacity to 59.1 MW.
- Avoided 33,500 Tons of CO₂ emissions on account of this project in 2022-23

Benefits out of energy conservation measures:

- Got "Energy efficient unit" award from CII, during the 23th National Awards for Excellence in Energy management 2021.
- Cost saving of ₹42 Mn with energy conservation projects in the plants.

(iii) Capital investment on energy conservation initiatives:

- ₹241 Cr for captive solar project
- ₹5.2 Cr for other energy conservation projects inside the plant.



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 Components
- Exploration of environmentally friendly operations/ materials.
- 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 to foster innovative products

02. Benefits derived as a result of the above Technology Projects

- Introduced High Performance 2W battery: variants boasting exceptional performance of 2W, empowered by the cutting-edge Multi Stamp Grid technology.
- Presenting our latest breakthrough: Advanced Stamped Grid batteries specifically engineered for automotive applications.
- Successful development of advanced AGM batteries designed specifically for automotive applications.
- Excited to introduce our latest innovation: high-performance commercial batteries incorporating cutting-edge Ca-Ca technology.
- Accomplished in-house validation utilizing our state-of-the-art Advanced Plate Making Technology for UPS application batteries, marking a significant milestone in the concept evaluation phase.
- Technology demonstration project for telecom applications, we have successfully completed validation with Low resistance Path Grid profile, showcasing the capabilities of our advanced solution.
- Value Engineered product as part of "Development of Cost-Effective Batteries for UPS Application"
- Energy conservation in 2W & Tubular plate making process through optimised curing cycle times.
- Optimized 2W battery assembly process flow to reduce energy consumption.
- Process validation and launch of Automotive AGM batteries.
- Developed Method for consumption of lead alloy scrap in 2W assembly to reduce process scrap.
- Validated and implemented optimized formation process to reduce cycle time of UPS batteries.
- Validation and Implementation of Optimized Lead alloy in MVRLA COS process to reduce material cost & improve bonding quality
- Energy conservation in Automotive & Tubular formation process by formation input Ah optimization
- Introduced Novel adhesives for terminal sealing application in UPS batteries
- Evaluated and implemented new grade polypropylene to meet the market demand/customer requirements
- Enhanced productivity of Automotive plates with Pasting materials optimization
- Developed 2170 LFP cylindrical cells in collaboration with technology partners
- Successfully powered an E-Bike using in-house NMC based 2170 cylindrical cells

Patents filed 01 Nos

1. Innovative bush design to enable double shot formation for DIN Battery.

Designs Registered 08 Nos

1. Adjustable separator cross knurling elimination in Battery Assembly Process.
2. Test Setup for Battery Electrolyte Spillage
3. Acid retention under compression and resilience instrument for AGM Separators.
4. Positive insulator for Li-ion cells
5. Negative insulator for Li-ion cells
6. Filleted poly for AGM Batteries
7. Duraframe poly for Automotive batteries
8. Gouge bush design for Sealed Maintenance Free AGM- VRLA battery

03. Future Plan of Action

- Development of NextGen Enhanced Flooded batteries for automotive application.
- Development of AUX product range for vehicle electric versions
- Development of market specific BCI product range
- Development of AGM product range for start stop application.
- Development of market specific product range of UPS Batteries with Advanced Plate Making Technology
- Development of robust battery for commercial vehicle applications.
- Study and Concept Evaluation of Advanced Plate making technology for Telecom Application.
- Evaluation of Chemistry Agnostic Solutions for Automotive and Industrial Applications
- Lead Optimization through Value Engineering
- Evaluation of different flame-retardant material grades to meet the global regulations/ directives
- New pasting additives to enhance the performance of 4W batteries
- Improve pasting process to enhance plate electrolyte availability
- Development of eco-friendly materials for bushing adhesive
- Throughput improvement of 2W negative plates curing process
- Evaluation & implementation of improved formation process for DIN batteries to reduce formation energy
- Advanced formation process validation for Flooded automotive batteries
- Develop and implement processes and controls to meet market specific requirements
- Develop & validate acid homogenization process for flooded batteries
- Screening of Lithium-Cell Technologies of different potential technology partners
- Development of 2170 NMC cylindrical cells with different compositions
- Develop 2/3 series LFP cylindrical cells.

04. Technology absorption, adaptation and innovation**i. Efforts in brief, made towards technology absorption, adaptation and innovation**

- Introduced High Performance 2W battery: variants boasting exceptional performance of 2W, empowered by the cutting-edge Multi Stamp Grid technology.
- Accomplished in-house validation utilizing our state-of-the-art Advanced Plate Making Technology for UPS application batteries, marking a significant milestone in the concept evaluation phase.

ii. 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
- Intellectual Property rights

iii. 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	-

iv. Expenditure on Research and Development

S. No.	Parameter	2022-23	(Amount in ₹ crore)	2021-22
1.	Capital	5.05		4.95
2.	Recurring	12.12		10.84
	Total	17.17		15.79

C. Foreign Exchange earnings and outgo

S. No.	Particulars	2022-23	(Amount in ₹ crore)	2021-22
1.	Foreign exchange used	1,252.92		1,126.07
2.	Foreign exchange earned	1245.41		1,129.26

For and on behalf of the Board of Directors

Place: Hyderabad
Date: May 23, 2023

Jayadev Galla
Chairman, Managing Director & CEO

**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 or Manager if any for the financial year 2022-23:

S. No. Name of the Director/Key Managerial Personnel	Designation	Ratio of the remuneration to the median remuneration of the employees	% increase/ (decrease) in remuneration
Non-Executive Directors			
1. Mr. N Sri Vishnu Raju	Independent Director	2.74	(1.28%)
2. Mr. T R Narayanaswamy	Independent Director	2.56	(4.00%)
3. Ms. Bhairavi Tushar Jani	Independent Director	2.53	2.90%
4. Mr. Annush Ramasamy	Independent Director	2.31	NA ¹
Executive Directors			
1. Mr. Jayadev Galla	Chairman, Managing Director & CEO	1872.45	38.50%
2. Mr. Harshavardhana Gourineni	Executive Director	936.23	NA ¹
3. Mr. Vikramadithya Gourineni	Executive Director	936.23	NA ¹
Key Managerial Personnel			
1. Mr. Y Delli Babu	Chief Financial Officer	36.08	12.31%
2. Mr. Vikas Sabharwal	Company Secretary	26.99	15.16%

¹Not comparable as previous year's tenure was not for full year

- b. **The percentage increase in the median remuneration of employees in the financial year: 4.48%**
- c. **The number of permanent employees on the rolls of the Company: 7993**
- 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 9.25%. The remuneration of the Managing Director and Executive Directors is linked to the commission based on the profits of the Company.
- 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

Place: Hyderabad
Date: May 23, 2023

Jayadev Galla
Chairman, Managing Director & CEO

Financial Statements

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, 2023, 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, 2023, 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 (SAs) specified

under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' 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	Auditors' Response
1	Accounting for the loss on account of the fire accident and the related insurance claim Refer Note 31 to the standalone financial statements. On January 30, 2023, a fire broke out at one of the manufacturing units of the Company at Chittoor, Andhra Pradesh which caused damage to the property, plant and equipment and inventories. As stated in the said note, the Company is insured for fire incidents including for damage to its property, plant and equipment, inventories and loss of profits. The Company has submitted its claim which has been admitted by the insurance company and the amount of final loss under the policy is being evaluated by the surveyor. The determination of the loss and the amount of insurance claim recoverable involves significant management judgement considering the nature and quantitative significance of the amounts involved.	<p>We have performed the following principal audit procedures including:</p> <ul style="list-style-type: none">• Obtaining and examining the list of assets and inventories destroyed during the fire incident.• Visiting the plant location to physically observe the damage to the property, plant and equipment and inventories.• Assessing completeness and accuracy of the loss accounted by comparing the list of assets and inventories damaged with the respective registers maintained in the Company's ERP system.• Verifying the Company's insurance policy and underlying documents to ascertain validity, adequacy and coverage of the claim submitted.• Verifying the Company's claim with the insurance company including assessing the timing of filing, amount claimed and also inspecting the correspondences with the insurance company / surveyors with respect to the status of the claim including its admissibility.

Sr. No.	Key Audit Matter	Auditors' Response
2.	Revenue Recognition Refer Note 2M "Revenue Recognition" of 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.	<ul style="list-style-type: none"> Seeking independent confirmation from the insurance company with respect to the validity and status of the claim submitted and evaluating the response received. Verifying the Management's judgement to estimate the amount accounted as recoverable from the insurance company in accordance with its accounting policy. Assessing the appropriateness of the presentation and disclosures made in relation to the loss and the related insurance claim receivable in the standalone financial statements. <p>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:</p> <ul style="list-style-type: none"> 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.
3.	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 42 of 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.	<p>We carried out a combination of principal audit procedures involving test of internal controls and substantive testing including:</p> <ul style="list-style-type: none"> 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.

Sr. No.	Key Audit Matter	Auditors' Response
	Because of the quantitative significance, complexity and level of judgement involved, there is a risk of inaccurate and inadequate provision for warranty obligation.	<ul style="list-style-type: none"> Testing documentation relating to actual warranty replacement and an analysis of the actual failure trend with the estimates used in determining future warranty obligation.

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 information included in the Board's Report, Annexures to the Board's Report and Business Responsibility and Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditors' report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information 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, 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.

Responsibilities of Management and Those Charged with Governance 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 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' 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 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 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 auditors' 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 auditors' 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 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.

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 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to standalone financial statements 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 with reference to standalone financial statements.

- 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 / payable 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 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 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.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including

foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

The interim dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act.

As stated in Note 44 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is

not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("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

UDIN: 23202309BGVTID2496

Hyderabad, May 23, 2023

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(F.R.N: 117366W/W- 100018)

R. Prasanna Venkatesh

Partner

Membership No. 214045

UDIN: 23214045BGWJZG5052

Hyderabad, May 23, 2023

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 with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **Amara Raja Batteries Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date which includes internal financial controls with reference to standalone financial statements.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate

internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements 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

UDIN: 23202309BGVTID2496

Hyderabad, May 23, 2023

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(F.R.N: 117366W/W- 100018)

R. Prasanna Venkatesh

Partner

Membership No. 214045

UDIN: 23214045BGWJZG5052

Hyderabad, May 23, 2023

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)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.
B. The Company has maintained proper records showing full particulars of intangible assets.
 - (b) Some of the property, plant and equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment, capital work-in-progress and right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on the examination of the registered sale deed / Government orders provided to us, we report that, the title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in property, plant equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, the goods have been received subsequent to the year-end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.
 - (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising stock statements and book debt statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters, and no material discrepancies have been observed.
- (iii) (a) The Company has provided loans during the year and details of which are given below:
- | Loans
(₹ in crores) |
|--|
| A. Aggregate amount granted/ provided during the year:
- Others 88.71 |
| B. Balance outstanding as at balance sheet date in respect of above cases:
- Others 88.71 |

The Company has not provided any guarantee or security to any other entity during the year.

- (b) The investments made, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
- (c) In respect of loans granted, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest were not due as of March 31, 2023.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) None of the loans granted by the Company have fallen due during the year.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted and investments made. The Company has not provided guarantees or securities.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (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 books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
 - (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amounts involved (` crores)	Amount unpaid (` crores)
VAT Laws	VAT	Appellate Authority upto Commissioner level	2012-13 and 2014-15 to 2017-18	4.42	3.79
		Tribunal	2007-08, 2009-10 and 2011-12 to 2015-16	3.27	1.78
Sales Tax Laws	Sales Tax	Appellate Authority upto Commissioner level	2004-05 and 2012-13	0.35	0.34
		Tribunal	2007-08	0.14	-
Entry Tax Laws	Entry Tax	Appellate Authority upto Commissioner level	2010-11 to 2011-12 and 2013-14	0.41	0.15
Income-tax Act, 1961	Income-tax	Tribunal	2008-09 2017-18 2019-20 to 2021-22	23.56	14.91
Central Excise Act, 1944	Excise Duty	Tribunal	2003-04 to 2007-08 and 2015-16	8.02	7.41

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amounts involved (₹ crores)	Amount unpaid (₹ crores)
Finance Act, 1994	Service tax	Tribunal	2013-14 to 2017-18	56.17	54.88
GST Laws	Goods and Services tax	Appellate Authority upto Commissioner level	2017-18, 2019-20 to 2020-21 and 2022-23	1.10	0.64
Customs Act, 1962	Custom Duty	Appellate Authority upto Commissioner level	2021-22	0.01	-
Wealth-tax Act, 1957	Wealth-tax	Tribunal	2010-11 to 2011-12	0.36	0.34

Out of the total disputed dues aggregating ₹97.81 crores as above, ₹73.89 crores has been stayed for recovery by the relevant authorities.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961 (43 of 1961) during the year.
- (ix)
 - (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - (b) The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
 - (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and, hence, reporting under clause (ix)(c) of the Order is not applicable.
 - (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
 - (e) We report that the Company has neither taken any funds from any entity or person during the year, nor it had any unutilised funds as at the beginning of the year of the funds raised through issue of shares or borrowings in the previous year and, hence, reporting under clause (ix)(e) of the Order is not applicable.
 - (f) The Company has not raised any loans during the year and, hence, reporting on clause (ix)(f) of the Order is not applicable.
 - (x)
 - (a) The Company has not issued any of its securities (including debt instruments) during the year and, hence, reporting under clause (x)(a) of the Order is not applicable.
 - (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and, hence, reporting under clause (x)(b) of the Order is not applicable to the Company.
 - (c) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - (d) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - (e) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
 - (f) The Company is not a Nidhi Company and, hence, reporting under clause (xii) of the Order is not applicable.
 - (g) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
 - (h)
 - (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - (b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to December 2022 and the draft of the internal audit reports were issued after the balance sheet date covering the period January 2023 to March 2023 for the period under audit.

- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its subsidiary company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under (a), (b), Section 45-IA of the Reserve Bank of India Act, 1934.
- (c) Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have any Core Investment Company ('CIC') as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of

financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provisions of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For BRAHMAYYA & Co.

Chartered Accountants
(F.R.N: 000513S)

Karumanchi Rajaj

Partner
Membership No. 202309
UDIN: 23202309BGVTID2496

Hyderabad, May 23, 2023

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(F.R.N: 117366W/W- 100018)

R. Prasanna Venkatesh

Partner
Membership No. 214045
UDIN: 23214045BGWJZG5052

Hyderabad, May 23, 2023

Standalone Balance Sheet

as at March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	Notes	As at March 31, 2023	As at March 31, 2022
A. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3.1	2,500.16	2,127.59
(b) Right-of-use assets	3.2	330.93	285.18
(c) Capital work-in-progress	3.1	232.90	829.32
(d) Other intangible assets	4	65.81	79.53
(e) Intangible assets under development	4	0.76	0.33
(f) Financial assets			
(i) Investments	5	462.24	43.05
(ii) Other financial assets	7	115.78	8.32
(g) Income-tax assets (net)	20	-	7.24
(h) Other non-current assets	11	106.72	171.27
Total non - current assets		3,815.30	3,551.83
Current assets			
(a) Inventories	8	1,643.42	1,803.78
(b) Financial assets			
(i) Investments	5	23.77	34.73
(ii) Loans	6	88.71	-
(iii) Trade receivables	9	779.67	792.56
(iv) Cash and cash equivalents	10 (a)	89.44	34.31
(v) Bank balances other than (iv) above	10 (b)	10.39	19.26
(vi) Other financial assets	7	313.67	16.66
(c) Other current assets	11	111.43	122.72
(d) Assets classified as held for sale	22	223.28	-
Total current assets		3,283.78	2,824.02
Total assets		7,099.08	6,375.85
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	17.08	17.08
(b) Other equity	13	5,280.76	4,534.31
Total equity		5,297.84	4,551.39
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	9.64	16.52
(ii) Lease liabilities	15	63.50	77.28
(b) Provisions	16	130.66	108.26
(c) Deferred tax liabilities (net)	17	72.79	31.37
(d) Other non-current liabilities	21	63.54	63.69
Total non - current liabilities		340.13	297.12
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	6.88	6.87
(ii) Lease liabilities	15	26.79	25.22
(iii) Trade payables	18		
-Total outstanding dues of Micro enterprises and small enterprises		17.76	23.05
-Total outstanding dues of creditors other than Micro enterprises and small enterprises		732.99	783.40
(iv) Other financial liabilities	19	245.10	298.78
(b) Provisions	16	141.34	137.25
(c) Current tax liabilities (net)	20	0.54	-
(d) Other current liabilities	21	266.30	252.77
(e) Liabilities directly associated with assets classified as held for sale	22	23.41	-
Total current liabilities		1,461.11	1,527.34
Total equity and liabilities		7,099.08	6,375.85
Corporate information	1		
Significant accounting policies	2		

See accompanying notes to the standalone 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

R. Prasanna Venkatesh
Partner
M.No. 214045

Place: Hyderabad
Date: May 23, 2023

Place: Hyderabad
Date: May 23, 2023

For and on behalf of the Board of Directors

CIN : L31402AP1985PLC005305

Jayadev Galla
Chairman & Managing Director
DIN: 00143610

Harshavardhana Gourineni
Executive Director
DIN: 07311410

Vikramadithya Gourineni
Executive Director
DIN: 03167659

Delli Babu Y
Chief Financial Officer

Place: Hyderabad
Date: May 23, 2023

Vikas Sabharwal
Company Secretary

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
I Revenue from operations	23	10,385.91	8,695.82
II Other income	24	89.33	77.98
III Total Income (I+II)		10,475.24	8,773.80
IV Expenses			
Cost of materials consumed		6,638.72	5,969.39
Purchases of stock-in-trade		487.29	473.80
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	60.68	(321.86)
Employee benefits expense	26	591.03	498.76
Finance costs	27	22.08	15.10
Depreciation and amortization expense	28	427.23	395.72
Other expenses	29	1,252.99	1,053.09
Total Expenses		9,480.02	8,084.00
V Profit before exceptional items and tax (III-IV)		995.22	689.80
VI Exceptional items (net)	31	47.65	-
VII Profit before tax (V - VI)		947.57	689.80
VIII Tax expense	30		
(i) Current tax		247.87	187.92
(ii) Deferred tax (net)		5.29	(9.37)
Tax expense		253.16	178.55
IX Profit for the year (VII - VIII)		694.41	511.25
X Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss :			
(a) Remeasurements of the defined benefit plans		5.21	1.76
(b) Net fair value gain / (loss) on investments in financial instruments through Other Comprehensive Income (net of tax)		104.91	(1.06)
Total Other Comprehensive Income		110.12	0.70
XI Total comprehensive income for the year (IX + X)		804.53	511.95
Earnings per share (of ₹1/- each)	37		
Basic and Diluted (₹)		40.65	29.93
Corporate information	1		
Significant accounting policies	2		

See accompanying notes to the standalone financial statements

In terms of our report attached

For Brahmaya & Co.
Chartered Accountants
(F.R.N : 000513S)

Karumanchi Rajaj
Partner
M. No. 202309

Place: Hyderabad
Date: May 23, 2023

For Deloitte Haskins & Sells LLP
Chartered Accountants
(F.R.N : 117366W/W-100018)

R. Prasanna Venkatesh
Partner
M.No. 214045

Place: Hyderabad
Date: May 23, 2023

For and on behalf of the Board of Directors

CIN : L31402AP1985PLC005305
Jayadev Galla
Chairman & Managing Director
DIN: 00143610

Vikramadithya Gourineni
Executive Director
DIN: 03167659

Place: Hyderabad
Date: May 23, 2023

Harshavardhana Gourineni
Executive Director
DIN: 07311410

Delli Babu Y
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Standalone Cash Flow Statement

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flows from operating activities		
Profit before tax	947.57	689.80
Adjustments for:		
Depreciation and amortisation expense	427.23	395.72
Loss on sale of property, plant and equipment/written off (net)	15.39	6.96
Exceptional item (net) [Refer Note 31]	47.65	-
Gain on de-recognition of Right-of-use assets	(0.38)	-
Finance costs	22.08	15.10
Interest income on bank deposits and loans	(7.48)	(2.13)
Dividend income from equity instruments designated at FVTOCI	(0.00)	(0.00)
Gain on disposal of mutual fund units	(12.35)	(11.62)
Deferred revenue recognised	(15.70)	(12.85)
Net gain arising on financial assets mandatorily measured at FVTPL	(0.16)	(0.21)
Liabilities no longer required written back	(0.80)	(9.39)
Provision for doubtful trade receivables written back	(2.85)	(2.96)
Provision for doubtful trade receivables	1.18	2.07
Provision for doubtful advances and other receivables	3.36	1.30
Bad trade receivables written off (net)	0.99	1.92
Net unrealised foreign exchange gain	(6.77)	(0.82)
	471.39	383.09
Operating profit before working capital changes	1,418.96	1,072.89
Movements in working capital		
Adjustments for (increase)/decrease in operating assets:		
- Trade receivables	(96.96)	(4.72)
- Inventories	(97.12)	(365.54)
- Other assets	(59.67)	(6.82)
Adjustments for increase/(decrease) in operating liabilities:		
- Trade payables	(50.14)	68.78
- Other liabilities	19.57	42.76
- Provisions	31.39	24.94
	(252.93)	(240.60)
Cash generated from operations	1,166.03	832.29
Income taxes paid (net)	(240.09)	(199.34)
Net cash generated from operating activities [A]	925.94	632.95
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(447.08)	(760.92)
Proceeds from sale of property, plant and equipment	1.16	1.17
Investment in wholly-owned subsidiaries	(200.00)	-
Purchase of non-current investments	(77.82)	(36.99)
Purchase of current investments	(2,519.75)	(1,307.00)
Proceeds from sale / redemption of current investments	2,543.22	1,557.52
Proceeds from sale of non-current investments	0.03	-
Loans granted	(79.80)	-
Bank balances not considered as cash and cash equivalents (net)	8.49	59.66
Interest received	1.14	4.67
Dividend income	0.00	0.00
Net cash used in investing activities [B]	(770.41)	(481.89)

Standalone Cash Flow Statement (contd.)

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2023	For the year ended March 31, 2022
C. Cash flows from financing activities		
Repayment of borrowings	(6.87)	(10.95)
Repayment of lease liabilities	(26.65)	(24.97)
Finance costs (including on lease liabilities)	(8.80)	(6.74)
Dividend paid	(58.08)	(170.82)
Net cash used in financing activities [C]	(100.40)	(213.48)
Net increase/(decrease) in cash and cash equivalents [A+B+C]	55.13	(62.42)
Cash and cash equivalents at the beginning of the year	34.31	96.73
Cash and cash equivalents at the end of the year	89.44	34.31
(Refer Note 10(a))		

Notes:

- (a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS - 7) - Statement of Cash Flows.
- (b) **Reconciliation of liabilities from financing activities for the year ended March 31, 2023**

	As at March 31, 2022	Cash flows	Non cash changes Current/ Non-current Classification	As at March 31, 2023
Borrowings	23.39	(6.87)	-	16.52
Lease liabilities	102.50	(34.17)	21.96	90.29
Total	125.89	(41.04)	21.96	106.81

Reconciliation of liabilities from financing activities for the year ended March 31, 2022

	As at March 31, 2021	Cash flows	Non cash changes Current / Non-current Classification	As at March 31, 2022
Borrowings	34.34	(10.95)	-	23.39
Lease liabilities	57.98	(30.95)	75.47	102.50
Total	92.32	(41.90)	75.47	125.89

See accompanying notes to the standalone financial statements

In terms of our report attached

For Brahmaya & Co.
Chartered Accountants
(F.R.N : 000513S)

Karumanchi Rajaj
Partner
M. No. 202309

Place: Hyderabad
Date: May 23, 2023

For Deloitte Haskins & Sells LLP
Chartered Accountants
(F.R.N : 117366W/W-100018)

R. Prasanna Venkatesh
Partner
M.No. 214045

Place: Hyderabad
Date: May 23, 2023

For and on behalf of the Board of Directors

CIN : L31402AP1985PLC005305
Jayadev Galla
Chairman & Managing Director
DIN: 00143610

Vikramadithya Gourineni
Executive Director
DIN: 03167659

Place: Hyderabad
Date: May 23, 2023

Harshavardhana Gourineni
Executive Director
DIN: 07311410

Delli Babu Y
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Standalone Statement of changes in equity

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

A) Equity share capital

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	17.08	17.08
Changes in equity share capital during the year	-	-
Balance at the end of the year	17.08	17.08

B) Other equity

	Reserves and surplus	Equity investments through other comprehensive income			Total
	Securities premium	Capital reserve*	General reserve	Retained earnings	
Balance at March 31, 2021	31.19	0.00	582.59	3,582.12	(2.72) 4,193.18
Profit for the year	-	-	-	511.25	-
Other comprehensive income/(loss) for the year, net of income tax	-	-	-	1.76	(1.06) 0.70
Total comprehensive income for the year 2021-22	-	-	-	513.01	(1.06) 511.95
Payment of dividends [Refer Note 44]	-	-	-	(170.82)	-
Transfer for General reserve	-	-	51.13	(51.13)	-
Balance at March 31, 2022	31.19	0.00	633.72	3,873.18	(3.78) 4,534.31
Profit for the year	-	-	-	694.41	-
Other comprehensive income for the year, net of income tax	-	-	-	5.21	104.91 110.12
Total comprehensive income for the year 2022-23	-	-	-	699.62	104.91 804.53
Payment of dividends [Refer Note 44]	-	-	-	(58.08)	-
Transfer for General reserve	-	-	69.44	(69.44)	-
Balance at March 31, 2023	31.19	0.00	703.16	4,445.28	101.13 5,280.76

*Amounts below ₹1 Lakh

See accompanying notes to the standalone financial statements

In terms of our report attached

For Brahmayya & Co.
Chartered Accountants
(F.R.N : 000513S)

Karumanchi Rajaj
Partner
M. No. 202309

Place: Hyderabad
Date: May 23, 2023

For Deloitte Haskins & Sells LLP
Chartered Accountants
(F.R.N : 117366W/W-100018)

R. Prasanna Venkatesh
Partner
M.No. 214045

Place: Hyderabad
Date: May 23, 2023

For and on behalf of the Board of Directors

CIN : L31402AP1985PLC005305
Jayadev Galla
Chairman & Managing Director
DIN: 00143610

Vikramadithya Gourineni
Executive Director
DIN: 03167659

Place: Hyderabad
Date: May 23, 2023

Harshavardhana Gourineni
Executive Director
DIN: 07311410

Delli Babu Y
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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. For certain investments in equity instruments, where more recent information to measure fair value is insufficient, or there is a wide range of possible fair value measurements, cost is considered as the best estimate of fair value. 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) Insurance Receivable

The amount expected to be reimbursed against a provision is recognised as a separate asset, but only when it is determined to be virtually certain in accordance with the accounting policy.

vii) 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.

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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)
Buildings	3-60
Plant and machinery (including electrical installations and moulds)	1-10
Solar equipment	25
Furniture and fixtures	5-10
Vehicles	3-10
Office equipment	3-5
Computers	3-6

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at an amount of transaction price (net of returns and discounts) allocated to that performance obligation. The discount is estimated based on the expected value of outflow.

Sale of goods:

Revenue from sale of products is recognised when control of the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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. Insurance Claim Receivable

Income from insurance proceeds is recognised when (i) it is virtually certain that a valid and adequate insurance policy exists to cover the insured event entitling the Company to a compensation as per the terms and conditions of the policy and (ii) when the amount of compensation expected to be received for a valid insurance claim made and admitted can be measured reliably. Where the final amount of such compensation is subject to final acceptance / determination by the insurance company pending completion of survey or other required activities, the amount of insurance income recognised is restricted to the amount of the loss or expenses recognised in the statement of profit and loss for the insured event. Any additional amount of compensation is recognised only on final acceptance and determination by the insurance company.

P. Assets classified as held for sale

The Company classifies assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. Assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortised.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Q. 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.

R. 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

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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.

S. 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.

T. 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.

U. 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.

V. 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.

W. Exceptional items

An ordinary item of income or expense which by its size, nature, occurrence or incidence requires a disclosure in order to improve understanding of the performance of the Company is treated as an exceptional item in the Statement of Profit and Loss account.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

X. Recent Accounting pronouncements

Standards issued but not yet effective:

In March 2023, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2023 which amended certain Ind AS as explained below:

- Ind AS 1 – Presentation of Financial Statements – the amendment prescribes disclosure of material accounting policies instead of significant accounting policies. The impact of the amendment on the Financial Statements is expected to be insignificant basis the preliminary evaluation.
- Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – the amendment added definition of accounting estimate and clarifies what is accounting

estimate and treatment of change in the accounting estimate and accounting policy. There is no impact of the amendment on the Financial Statements basis the preliminary evaluation.

- Ind AS 12 – Income taxes – the definition of deferred tax asset and deferred tax liability is amended to apply initial recognition exception on assets and liabilities that does not give rise to equal taxable and deductible temporary differences. There is no impact of the amendment on the Financial Statements basis the preliminary evaluation.

The above amendments are effective from annual periods beginning on or after April 1, 2023.

Note 3.1: Property, plant and equipment and capital work-in-progress

Carrying amounts of:	As at March 31, 2023	As at March 31, 2022
Freehold Land	1.24	1.24
Leasehold improvements	2.50	2.58
Buildings	655.80	643.20
Plant and Equipment (including electrical installations)	1,764.24	1,409.60
Furniture and fixtures	13.39	14.28
Vehicles	20.26	19.35
Office equipment	30.32	31.10
Computers	12.41	6.24
	2,500.16	2,127.59
Capital work-in-progress [Refer note (ii)]	232.90	829.32
	232.90	829.32

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

NOTE 3.1: PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (CONTD.)

	Freehold land	Leasehold improvements	Buildings	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
(A) Cost or deemed cost								
Balance at March 31, 2021	1.24	49.76	751.04	2,530.59	20.78	19.89	73.53	29.90
Additions	-	-	55.15	282.58	4.68	11.50	10.13	3.31
Disposals	-	-	(0.07)	(27.61)	(0.11)	(4.06)	(0.39)	(0.00)
Balance at March 31, 2022	1.24	49.76	806.12	2,785.56	25.35	27.33	83.27	33.21
Additions	-	-	109.14	869.41	2.12	7.68	8.53	9.91
Reclassified as held for sale [Refer Note 22]	-	-	-	(21.67)	(0.16)	(1.90)	(0.26)	(0.21)
Disposals	-	-	(78.49)	(312.10)	(1.18)	(3.45)	(0.89)	(1.98)
Balance at March 31, 2023	1.24	49.76	836.77	3,321.20	26.13	29.66	90.65	40.93
(B) Accumulated depreciation and impairment								
Balance at March 31, 2021	-	41.19	135.86	1,100.21	8.93	7.83	42.57	24.11
Depreciation expense	-	5.99	27.12	297.31	2.16	2.33	9.89	2.86
Eliminated on disposal	-	-	(0.06)	(21.56)	(0.02)	(2.18)	(0.29)	(0.00)
Balance at March 31, 2022	-	47.18	162.92	1,375.96	11.07	7.98	52.17	26.97
Depreciation expense	-	0.08	34.10	322.47	2.42	3.42	9.05	3.46
Reclassified as held for sale [Refer Note 22]	-	-	-	(4.93)	(0.02)	(0.47)	(0.19)	(0.08)
Impairment loss [Refer Note 31]	-	-	62.35	154.24	0.45	-	0.17	0.09
Eliminated on disposal	-	-	(78.40)	(290.78)	(1.18)	(1.53)	(0.87)	(1.92)
Balance at March 31, 2023	-	47.26	180.97	1,556.96	12.74	9.40	60.33	28.52
(C) Carrying amount								
Balance at March 31, 2022	1.24	2.58	643.20	1,409.60	14.28	19.35	31.10	6.24
Balance at March 31, 2023	1.24	2.50	655.80	1,764.24	13.39	20.26	30.32	12.41

Notes:

- (i) 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 ₹14.74 crores (March 31, 2022: ₹7.13 crores) [Refer Note 39].

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 3.1: Property, plant and equipment and capital work-in-progress (contd.)

(ii) Capital work-in-progress ageing schedule*

	Amount in capital work-in-progress for a period of				As at March 31, 2023
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	167.62	56.24	9.04	-	232.90
	167.62	56.24	9.04	-	232.90

	Amount in capital work-in-progress for a period of				As at March 31, 2022
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	659.68	107.59	60.05	2.00	829.32
	659.68	107.59	60.05	2.00	829.32

*There are no capital work-in-progress where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2023 and March 31, 2022. Project execution plans are calibrated annually on the basis of Management's judgement and estimates w.r.t future business, technology developments / economy / industry / regulatory environment and all the projects are assessed as per rolling annual plan.

Note 3.2 : Right-of-use assets

Carrying amounts of:	As at March 31, 2023		As at March 31, 2022
	Leasehold land	Buildings	
Leasehold land		177.13	115.83
Buildings		135.60	150.96
Plant and Equipment (including electrical installations)		17.84	18.03
Office equipment		0.01	0.01
Computers		0.35	0.35
		330.93	285.18

	Leasehold land	Buildings	Plant and Equipment (including electrical installations)	Office equipment	Computers	Total
(A) Cost or deemed cost						
Balance at March 31, 2021	115.06	142.64	18.49	0.01	0.35	276.55
Additions	3.70	69.38	-	-	-	73.08
Disposals	-	(25.37)	-	-	-	(25.37)
Balance at March 31, 2022	118.76	186.65	18.49	0.01	0.35	324.26
Additions	62.86	16.89	-	-	-	79.75
Disposals	-	(11.60)	-	-	-	(11.60)
Balance at March 31, 2023	181.62	191.94	18.49	0.01	0.35	392.41
(B) Accumulated amortisation and impairment						
Balance at March 31, 2021	1.72	30.90	0.28	0.00*	0.00*	32.90
Amortisation expense	1.21	27.83	0.18	0.00*	0.00*	29.22
Eliminated on disposal	-	(23.04)	-	-	-	(23.04)
Balance at March 31, 2022	2.93	35.69	0.46	0.00*	0.00*	39.08
Amortisation expense	1.56	30.18	0.19	0.00*	0.00*	31.93
Eliminated on disposal	-	(9.53)	-	-	-	(9.53)
Balance at March 31, 2023	4.49	56.34	0.65	0.00*	0.00*	61.48
(C) Carrying amount						
Balance at March 31, 2022	115.83	150.96	18.03	0.01	0.35	285.18
Balance at March 31, 2023	177.13	135.60	17.84	0.01	0.35	330.93

*Amount below ₹1 lakh

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 4: Other intangible assets

	As at March 31, 2023	As at March 31, 2022
Carrying amounts of:		
Technical Know-how	45.17	58.79
Software	20.64	20.74
	65.81	79.53
Intangible assets under development [Refer Note below]	0.76	0.33
	0.76	0.33
Total		
(A) Cost or deemed cost		
Balance at March 31, 2021	72.70	36.84
Additions	1.00	3.14
Disposals	-	-
Balance at March 31, 2022	73.70	39.98
Additions	-	6.82
Reclassified as held for sale [Refer Note 22]	-	(0.15)
Disposals	-	-
Balance at March 31, 2023	73.70	46.65
(B) Accumulated amortisation and impairment		
Balance at March 31, 2021	1.27	13.19
Amortisation expense	13.64	6.05
Eliminated on disposal	-	-
Balance at March 31, 2022	14.91	19.24
Amortisation expense	13.62	6.82
Reclassified as held for sale [Refer Note 22]	-	(0.05)
Eliminated on disposal	-	-
Balance at March 31, 2023	28.53	26.01
(C) Carrying amount		
Balance at March 31, 2022	58.79	20.74
Balance at March 31, 2023	45.17	20.64
	65.81	79.53

Note:

(i) Intangible assets under development ageing schedule*

	Amount in intangible assets under development for a period of				As at March 31, 2023
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	0.76	-	-	-	0.76
	0.76	-	-	-	0.76

	Amount in intangible assets under development for a period of				As at March 31, 2022
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	0.08	0.25	-	-	0.33
	0.08	0.25	-	-	0.33

*There are no intangible assets under development where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2023 and March 31, 2022. Project execution plans are calibrated annually on the basis of Management's judgement and estimates w.r.t future business, technology developments / economy / industry / regulatory environment and all the projects are assessed as per rolling annual plan.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 5 : Investments

	As at March 31, 2023	As at March 31, 2022
Non-current		
(I) Investments in equity instruments		
Quoted investments (fully paid) [at FVTOCI]		
(i) Standard Batteries Limited 125 (March 31, 2022: 125) equity shares of ₹1 each*	0.00	0.00
(ii) Nicco Corporation Limited 25 (March 31, 2022: 25) equity shares of ₹2 each*	0.00	0.00
(iii) Exide Industries Limited 10,000 (March 31, 2022: 10,000) equity shares of ₹1 each	0.18	0.15
(iv) HBL Power Systems Limited 5,500 (March 31, 2022: 5,500) equity shares of ₹1 each	0.05	0.03
Total aggregate quoted investments [A]	0.23	0.18
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, 2022: 2) equity shares of 1,50,000 AED each	0.57	0.57
(ii) Amara Raja Circular Solutions Private Limited (incorporated on June 2, 2022) 10,00,00,000 (March 31, 2022: Nil) equity shares of ₹10 each	100.00	-
(iii) Amara Raja Advanced Cell Technologies Private Limited (incorporated on November 29, 2022) 10,00,00,000 (March 31, 2022: Nil) equity shares of ₹10 each	100.00	-
(b) Investments in others (at FVTOCI)		
(i) Indian Lead Limited 1,128 (March 31, 2022: 1,128) equity shares of ₹10 each*	0.00	0.00
(ii) Atria Wind Private Limited Nil (March 31, 2022: 2,500) equity shares of ₹100 each	-	0.03
(iii) Andhra Pradesh Gas Power Corporation Limited 1,206,000 (March 31, 2022: 1,206,000) equity shares of ₹10 each [also refer footnote to Note 32(i) and footnote (i) to Note 43D in respect of the investment]	-	5.27
(iv) Log 9 Materials Scientific Private Limited 22,524 (March 31, 2022: 22,524) equity shares of ₹1 each [also refer footnote (ii) to Note 43D]	51.15	5.47
(v) Inobat AS [Formerly known as Inobat Auto AS] 1,600 (March 31, 2022: Nil) equity shares of 0.25 NOK each	0.82	-
Total aggregate unquoted investments [B]	252.54	11.34
Total investments in equity instruments [C = A+B]	252.77	11.52
(II) Investment in Preference Shares		
Unquoted investments (fully paid) [at FVTOCI]		
(i) Log 9 Materials Scientific Private Limited 92,263 (March 31, 2022: 58,347) Compulsorily Convertible Preference Shares of ₹100 each [D] [also refer footnote (ii) to Note 43D]	209.46	31.52
(III) Investments carried at amortised cost		
6 years National Savings Certificates (Refer Note below) [E]	0.01	0.01
Total Non-current investments [F=C+D+E]	462.24	43.05

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	0.23	0.18
Aggregate amount of unquoted investments	462.00	42.86
Aggregate amount of impairment in value of investments	15.71	-

*Amounts below ₹1 lakh

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 5: Investments (contd.)

	As at March 31, 2023	As at March 31, 2022
Current		
Investments mandatorily measured at fair value through profit or loss (FVTPL)		
Quoted investments in mutual funds		
SBI Savings Fund - Regular Plan - Growth 8,47,183.12 units of ₹35.41 (March 31, 2022: 28,82,670.63 units of ₹33.69)	3.00	9.71
SBI Savings Fund - Direct Plan - Growth 41,84,247.49 units of ₹37.57 (March 31, 2022: Nil)	15.72	-
ICICI Prudential Liquid - Direct Plan - Growth Nil (March 31, 2022: 3,019.42 units of ₹315.26)	-	0.10
ICICI Prudential Liquid - Ultra Short Term Fund DP Growth Nil (March 31, 2022: 1,306.81 units of ₹23.81)	-	0.00*
UTI - Liquid Cash Plan - Direct Growth Plan Nil (March 31, 2022: 21,891.27 units of ₹3,488.04)	-	7.64
UTI - Ultra Short Term Fund - Direct Growth Plan 13,121.28 units of ₹3,848.19 (March 31, 2022: 509.65 units of ₹3,646.21)	5.05	0.19
Kotak Overnight Fund - Direct Plan Growth Nil (March 31, 2022: 26.37 units of ₹1,133.80)	-	0.00*
Aditya Birla Sun Life Saving Fund - Growth- Direct Nil (March 31, 2022: 2,51,707.23 units of ₹445.31)	-	11.21
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan Nil (March 31, 2022: 1,71,544.37 units of ₹343.13)	-	5.88
Total Quoted investments measured at FVTPL	23.77	34.73
Total Current investments	23.77	34.73
*Amount below ₹1 Lakh		
Aggregate book value of quoted investments - at cost	23.61	34.52
Aggregate market value of quoted investments	23.77	34.73

Note 6: Loans

(Measured at amortised cost)

	As at March 31, 2023	As at March 31, 2022
Current		
Loans to other entities [Refer Note below]		
- Considered good - Unsecured	88.71	-
Total	88.71	-

Note:

The Company as part of its strategic initiative to venture into new energy business and EV batteries had entered into a transaction agreement with Inobat AS [Formerly known as Inobat Auto AS], Oslo Norway ('InoBat Auto') for investment by way of conditionally convertible instruments in Inobat Auto for a value of Euro 9.9 Million. Due to conditions not being met, the instrument has been considered as a loan as per terms of the agreement and is recoverable within a period of 1 year from the date of initial investment along with simple interest @8% p.a.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 7: Other financial assets

	As at March 31, 2023	As at March 31, 2022
Non-current		
(a) Security deposits*	9.35	8.32
(b) Insurance claim receivable (Refer Note 31)	106.43	-
Total	115.78	8.32

*Includes to related parties ₹4.48 crores (As at March 31, 2022: ₹4.48 crores)

	As at March 31, 2023	As at March 31, 2022
Current		
(a) Advances to related parties:		
(i) Reimbursable expenses	18.16	13.92
(b) Security deposits	2.10	1.04
(c) Interest accruals:		
(i) Interest accrued on loans and deposits	8.91	1.69
(ii) Interest accrued on overdue trade receivables	0.02	0.01
(d) Insurance claim and receivable (Refer Note 31)	284.48	-
Total	313.67	16.66

Note 8: Inventories

(at lower of cost and net realisable value)

	As at March 31, 2023	As at March 31, 2022
(a) Raw materials and bought-out components	568.87	621.37
(b) Work-in-progress	332.90	436.39
(c) Finished goods	497.27	505.33
(d) Stock-in-trade (goods purchased for resale)	139.80	102.58
(e) Stores and spares (including secondary packing material)	104.19	137.42
(f) Loose tools	0.39	0.69
Total	1,643.42	1,803.78
Raw materials includes material-in-transit	73.85	104.45

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 25 and 29. An amount of ₹199.43 crores has been recognised as loss of inventories on account of fire accident (Refer Note 31).
- (ii) The cost of inventories recognised as an expense includes ₹3.38 crores (during 2021-22: ₹5 crores) in respect of write-downs of inventory to net realisable value, and has been reduced by ₹ Nil (during 2021-22: ₹ 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 9: Trade receivables

	As at March 31, 2023	As at March 31, 2022
(a) Unsecured, considered good	779.67	792.56
(b) Considered doubtful	2.36	6.75
	782.03	799.31
Less: Allowance for doubtful receivables	(2.36)	(6.75)
Total	779.67	792.56

Trade Receivables ageing schedule

	Outstanding for following periods from due date of payment						As at March 31, 2023
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Trade receivables - Unsecured							
(i) Undisputed, considered good	675.19	104.12	0.36	-	-	-	779.67
(ii) Undisputed, considered doubtful	-	-	-	1.54	0.12	0.29	1.95
(iii) Disputed, considered good	-	-	-	-	-	-	-
(iv) Disputed, considered doubtful	-	-	-	-	0.28	0.13	0.41
	675.19	104.12	0.36	1.54	0.40	0.42	782.03
Less: Allowance for doubtful receivables							(2.36)
Total							779.67

	Outstanding for following periods from due date of payment						As at March 31, 2022
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Trade receivables - Unsecured							
(i) Undisputed, considered good	621.25	168.17	3.14	-	-	-	792.56
(ii) Undisputed, considered doubtful	-	-	-	1.44	0.80	2.78	5.02
(iii) Disputed, considered good	-	-	-	-	-	-	-
(iv) Disputed, considered doubtful	-	-	-	0.28	0.28	1.17	1.73
	621.25	168.17	3.14	1.72	1.08	3.95	799.31
Less: Allowance for doubtful receivables							(6.75)
Total							792.56

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) Of the trade receivables balance, ₹150.03 crores (as at March 31, 2022: ₹ Nil crores) is due from one of the Company's large customer. There are no other customers who represent more than 10% of the total balance of trade receivables.
- (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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 9: Trade receivables (contd.)

(iv) Movement in the expected credit loss allowance

	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	6.75	9.20
Add: Provision created during the year	1.18	2.07
Less: Reclassified as held for sale [Refer Note 22]	(1.33)	-
Less: Provision reversed/released during the year	(4.24)	(4.52)
Balance at the end of the year	2.36	6.75

Note 10 (a): Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
(a) Balances with banks		
(i) in current accounts	43.23	28.80
(ii) in EEFC accounts	44.11	0.63
(b) Cash on hand	0.00*	0.01
(c) Cheques on hand	2.10	4.87
Cash and cash equivalents as per the cash flow statement	89.44	34.31

*Amount below ₹1 Lakh

Note 10(b): Other bank balances

	As at March 31, 2023	As at March 31, 2022
(a) In deposit accounts		
(i) original maturity more than 3 months but less than 12 months	6.43	5.21
(b) In earmarked accounts		
(i) Dividend accounts	3.06	3.44
(ii) Balances held as margin money against guarantees given	0.90	10.61
Total	10.39	19.26

Note 11: Other assets

	As at March 31, 2023	As at March 31, 2022
Non-current		
(a) Capital advances	41.96	110.78
(b) Capital advances to related parties	2.61	3.73
(c) Prepaid expenses	2.08	1.17
(d) Balances with government authorities	14.77	13.80
(e) Other deposits (Electricity deposits, for other utilities, etc.)	45.30	41.79
Total	106.72	171.27
Current		
(a) Contractually reimbursable expenses	4.04	2.89
(b) Commercial advances	45.72	52.65
(c) Advances to employees	0.48	0.32
(d) Balances with government authorities (Advances, GST credit and VAT credit)	20.96	23.73
(e) Prepaid expenses	13.02	13.09
(f) Other receivables (export incentives, etc.)	22.70	30.04
(g) Balance in Gratuity Fund (net of obligations) [Refer Note 34]	4.51	-
Total	111.43	122.72

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 12: Equity share capital

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised				
Equity shares of ₹ 1/- each	200,000,000	20.00	200,000,000	20.00
(b) Issued				
Equity shares of ₹ 1/- each	175,028,500	17.50	175,028,500	17.50
(c) Subscribed and fully paid-up				
Equity shares of ₹ 1/- each	170,812,500	17.08	170,812,500	17.08
	170,812,500	17.08	170,812,500	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, 2021	170,812,500	17.08
Changes during year	-	-
Balance at March 31, 2022	170,812,500	17.08
Changes during year	-	-
Balance at March 31, 2023	170,812,500	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, 2023		As at March 31, 2022	
	Number of shares	%	Number of shares	%
RNGalla Family Private Limited	47,932,452	28.06	47,932,452	28.06
Clarios ARBL Holdings LP (formerly known as Panther ARBL Holdings LP)	23,913,750	14.00	23,913,750	14.00
Nalanda India Equity Fund Limited	16,880,938	9.88	16,880,938	9.88
Life Insurance Corporation of India	12,354,916	7.23	12,354,916	7.23

(iv) Details of equity shares held by promoters at the end of the year

Promoter Name	As at March 31, 2023		As at March 31, 2022		% change during the year
	Number of shares	%	Number of shares	%	
RNGalla Family Private Limited	47,932,452	28.06	47,932,452	28.06	0.00%

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 13: Other equity

	As at March 31, 2023	As at March 31, 2022
(a) General reserve	703.16	633.72
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	101.13	(3.78)
Change in fair value of equity instruments through other comprehensive income.		
(e) Retained earnings	4,445.28	3,873.18
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	5,280.76	4,534.31

*Amount below ₹1 Lakh

Note 14: Borrowings

	As at March 31, 2023	As at March 31, 2022
Non-current		
Unsecured - at amortised cost		
Deferred Payment Liabilities		
Sales tax deferment loans [Refer Note below]	9.64	16.52
Total	9.64	16.52
Current		
Unsecured - at amortised cost		
Sales tax deferment loans [Refer Note below]	6.88	6.87
Total	6.88	6.87

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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 15: Lease Liabilities*

	As at March 31, 2023	As at March 31, 2022
Non-current		
Lease liabilities	63.50	77.28
Total	63.50	77.28
Current		
Lease Liabilities	26.79	25.22
Total	26.79	25.22

*Also Refer Note 38

Note 16 : Provisions

	As at March 31, 2023	As at March 31, 2022
Non-current		
Employee benefits		
- Compensated absences	21.17	20.27
Other provisions		
- Product warranty [Refer Note 42]	109.49	87.99
Total	130.66	108.26
Current		
Employee Benefits		
- Compensated absences	5.41	4.54
- Gratuity [Refer Note 34]	-	0.83
Other provisions		
- Product warranty [Refer Note 42]	135.93	131.88
Total	141.34	137.25

Note 17. Deferred tax liabilities (net)

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet :

	As at March 31, 2023	As at March 31, 2022
(a) Deferred tax assets	7.93	13.67
(b) Deferred tax liabilities	(80.72)	(45.04)
Total	(72.79)	(31.37)

2022-2023 Deferred tax (liabilities)/ assets in relation to :	Opening balance	Recognised in profit and loss	Reclassified as held for sale	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(45.04)	0.17	0.64	-	(44.23)
Financial assets measured at FVTOCI	5.32	(5.32)	-	(36.49)	(36.49)
Provision for doubtful receivables	1.70	(0.64)	-	-	1.06
Provision for employee benefits	6.65	0.50	(0.28)	-	6.87
	(31.37)	(5.29)	0.36	(36.49)	(72.79)

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 17. Deferred tax liabilities (net) (contd.)

2021-2022 Deferred tax (liabilities)/ assets in relation to :	Opening balance	Recognised in profit and loss	Reclassified as held for sale	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(55.91)	10.87	-	-	(45.04)
Financial assets measured at FVTOCI	5.32	-	-	-	5.32
Provision for doubtful receivables	2.32	(0.62)	-	-	1.70
Provision for employee benefits	8.22	(1.57)	-	-	6.65
Others	(0.69)	0.69	-	-	-
	(40.74)	9.37	-	-	(31.37)

Note 18 : Trade payables

	As at March 31, 2023	As at March 31, 2022
(a) Total outstanding dues of Micro enterprises and small enterprises [Refer Note 33]	17.76	23.05
(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises	732.99	783.40
	750.75	806.45

Trade Payables ageing schedule

	Outstanding for following periods from due date of payment					As at March 31, 2023
	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	17.76	-	-	-	-	17.76
(ii) Other than MSME	466.86	110.05	1.54	0.38	3.38	582.21
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	150.78	-	-	-	-	150.78
Total	635.40	110.05	1.54	0.38	3.38	750.75

	Outstanding for following periods from due date of payment					As at March 31, 2022
	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	23.05	-	-	-	-	23.05
(ii) Other than MSME	513.23	122.59	1.09	0.92	2.68	640.51
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	142.89	-	-	-	-	142.89
Total	679.17	122.59	1.09	0.92	2.68	806.45

Note 19: Other financial liabilities

						As at March 31, 2023	As at March 31, 2022
Current							
(a) Unpaid dividends						3.06	3.44
(b) Other payables:							
(i) Payables on purchase of property, plant and equipment						63.51	149.47
(ii) Others (employee related, others) [Refer Note below]						178.53	145.87
Total						245.10	298.78

Note:

Other liabilities includes employees related payables (including payable to Chairman & Managing Director and Executive Directors), commission payable to Other Directors, outstanding liabilities for incentives and trade schemes, etc.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 20: Income tax assets /liabilities (net)

	As at March 31, 2023	As at March 31, 2022
Non-Current		
Advance tax / TDS receivable (net of provisions)	-	7.24
Total	-	7.24
Current		
Income tax payable (net of advance tax)	0.54	-
Total	0.54	-

Note 21: Other liabilities

	As at March 31, 2023	As at March 31, 2022
Non-current		
(a) Revenue received in advance		
(i) Deferred revenue arising from government grant [Refer Note below]	63.54	63.69
Total	63.54	63.69
Current		
(a) Revenue received in advance		
(i) Deferred revenue arising from government grant [Refer Note below]	10.95	12.81
(b) Statutory remittances (GST, PF, VAT, TDS, etc.)	77.35	51.70
(c) Advances from customers	66.76	51.32
(d) Others (includes accruals relating to trade promotion schemes)	111.24	136.94
Total	266.30	252.77

Note:

The deferred revenue of ₹74.49 crores (March 31, 2022: ₹76.50 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. It also includes subsidy received on lease of immovable property from State Industries Promotion Corporation of Tamil Nadu. The deferred revenue will be recognised in the Statement of Profit and Loss in the proportion of depreciation charged on such assets.

Note 22: Assets classified as held for sale

Pursuant to approval granted by the Board of Directors at their meeting held on January 25, 2023, the Management entered into a Business Transfer Agreement (BTA), as amended with Amara Raja Advanced Cell Technologies Private Limited ("ARACT"), a wholly-owned subsidiary of the Company for sale/transfer of the New Energy Business of the Company as a going concern on a slump sale basis, effective June 1, 2023, for a consideration specified in the said agreement. The completion of the transaction is subject to the conditions of the BTA.

The New Energy Business which is expected to be sold within 12 months has been classified as disposal group held for sale and presented separately in the balance sheet. The proceeds of disposal are expected to be at the carrying amount of the related net assets and accordingly no impairment losses have been recognized on the classification of this business as held for sale. The major classes of assets and liabilities comprising the business classified as held for sale are as follows:

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 22: Assets classified as held for sale (contd.)

	As at March 31, 2023	As at March 31, 2022
(a) Assets classified as held for sale:		
Property, plant and equipment	18.51	-
Capital work-in-progress	1.01	-
Intangible assets	0.10	-
Other non-current assets	0.17	-
Inventories	58.05	-
Trade receivables	110.78	-
Other current assets	34.66	-
Total	223.28	-
(b) Liabilities directly associated with assets classified as held for sale:		
Non-current provisions	12.75	-
Deferred tax liabilities (net)	0.36	-
Trade payables	7.15	-
Other financial liabilities	2.55	-
Current provisions	0.22	-
Other current liabilities	0.38	-
Total	23.41	-
Net assets [a - b]	199.87	-

Note 23: Revenue from operations

	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Sale of products (Refer Note (i) below)	10,291.77	8,611.53
b. Sale of services (Refer Note (ii) below)	45.28	41.84
c. Other operating revenues (Refer Note (iii) below)	48.86	42.45
Total	10,385.91	8,695.82
Notes:		
(i) Sale of products comprises:		
Manufactured goods		
- Storage batteries	9,701.63	8,080.76
Sub-total - Sale of manufactured goods	9,701.63	8,080.76
Traded goods		
- Storage batteries and Components	451.50	432.28
- Home UPS	138.64	98.49
Sub-total - Sale of traded goods	590.14	530.77
Total - Sale of products	10,291.77	8,611.53
(ii) Sale of services comprise:		
- Installation and Commissioning	7.50	5.04
- Operational and Maintenance Services including annual maintenance	21.51	0.40
- Others (subject and other matters experts, service charges, etc.)	16.27	36.40
Total - Sale of services	45.28	41.84

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 23: Revenue from operations (Contd.)

	For the year ended March 31, 2023	For the year ended March 31, 2022
(iii) Other operating revenues comprise:		
- Sale of process scrap	2.96	4.35
- Export benefits (including RoDTEP, Duty Drawback & EPCG benefits) [Refer Note (iv) below]	45.90	38.10
Total - Other operating revenues	48.86	42.45

(iv) Includes ₹15.70 crores (for the year ended March 31, 2022: ₹12.85 crores) recognised as income in proportion to the depreciation charged to the Statement of Profit and Loss. [Refer Note 21]

(v) Reconciliation of gross revenue with the revenue from contracts with customers:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Gross Revenue	10,737.49	8,938.46
Less: Incentives and Discounts	(400.44)	(285.09)
Net revenue recognised from contracts with customers	10,337.05	8,653.37

Note 24: Other income

	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Interest income		
(i) Interest income earned on financial assets that are not designated as at FVTPL		
- Bank deposits (at amortised cost)	0.94	2.13
- Other financial assets carried at amortised cost	0.44	0.78
- Unwinding of discounts on rental deposits	0.23	0.27
	1.61	3.18
b) Dividend income		
(i) Dividend from equity investments designated as at FVTOCI*	0.00	0.00
*Amount below ₹1 Lakh	0.00	0.00
c) Other non-operating income		
(i) Interest income on loans and other deposits	9.05	1.42
(ii) Sale of non process scrap	9.94	6.13
(iii) Liabilities no longer required written back	0.80	9.39
(iv) Provision for doubtful trade receivables written back	2.85	2.96
(v) Others	11.50	9.51
	34.14	29.41
d) Other gains and losses		
(i) Gain on disposal of mutual fund units	12.35	11.62
(ii) Net foreign exchange gains	40.69	33.56
(iii) Net gain arising on financial assets mandatorily measured at FVTPL [Refer Note below]	0.16	0.21
(iv) Gain on de-recognition of Right-of-use asset	0.38	-
	53.58	45.39
Total (a+b+c+d)	89.33	77.98

Note:

The amount represents the increase in fair value on non-derivative current investments which are mandatorily measured at fair value. [Refer Note 5]

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 25: Changes in inventories of finished goods, work-in-progress and stock-in-trade

	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year		
Finished goods - storage batteries	505.33	333.96
Work-in-progress	436.39	291.16
Stock-in-trade		
- Storage batteries	58.69	81.71
- Home UPS	43.89	15.61
[A]	1,044.30	722.44
Inventories at the end of the year		
Finished goods - storage batteries	497.27	505.33
Work-in-progress	332.90	436.39
Stock-in-trade		
- Storage batteries	97.95	58.69
- Home UPS	41.85	43.89
[B]	969.97	1,044.30
Reclassified as held for sale (Refer Note 22) [C]	13.65	-
Decrease / (Increase) in finished goods, work-in-progress and stock-in-trade [A-B-C]	60.68	(321.86)

Note 26: Employee benefits expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Salaries and wages	475.81	389.22
(b) Contribution to provident and other funds [Refer Note 34]	41.53	37.64
(c) Staff welfare expenses	73.69	71.90
Total	591.03	498.76

Note 27: Finance costs

	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Other borrowing costs:		
(i) Unwinding of discounts on warranty provision [Refer Note 42]	13.28	8.36
(ii) Interest on leases liabilities [Refer Note 38]	7.52	5.98
(iii) Others	1.28	0.76
Total	22.08	15.10

Note 28: Depreciation and amortisation expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment (including on right-of-use assets) [Refer Note 3.1 and 3.2]	406.93	376.88
Amortisation of intangible assets [Refer Note 4]	20.44	19.69
Less: Depreciation capitalised to property, plant and equipment/capital work-in-progress	(0.14)	(0.85)
Total	427.23	395.72

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 29: Other expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores and spares (including packing material)	147.14	126.76
Tools consumed	1.28	0.90
Power and fuel	318.55	249.58
Rent	2.12	2.15
Repairs and maintenance		
- Plant and machinery	11.50	9.16
- Buildings	5.56	6.97
- Others	9.75	6.40
Insurance	14.67	12.55
Rates and taxes	6.60	4.27
Communication	2.40	2.00
Travelling and conveyance	23.12	12.23
Outward freight and handling charges	286.50	260.05
Advertisement and sales promotion	39.43	38.34
Expenditure on Corporate Social Responsibility (Refer Note 45)	16.08	16.43
Legal and professional	26.06	26.52
Payment to auditors [Refer Note below]	1.32	1.22
Bad trade receivables written off	2.38	3.48
Less : Provision released	(1.39)	(1.56)
	0.99	1.92
Provision for doubtful trade receivables	1.18	2.07
Provision for doubtful advances and other receivables	3.36	1.30
Loss on sale of property, plant and equipment (net)/written off	15.39	6.96
Warranty expenses (net)	181.62	148.98
Service expenses	32.95	29.91
Printing and stationery	1.64	1.88
Miscellaneous expenses	103.78	84.54
Total	1,252.99	1,053.09
Note:		
Payment to auditors comprise (net of GST)		
(a) To statutory auditors		
- Statutory audit fee	0.90	0.90
- Limited review fee	0.20	0.20
- Tax audit fee	0.05	0.05
- Certification fee	0.08	-
- Reimbursement of expenses	0.04	0.02
(b) To cost auditor for cost audit	0.05	0.05
	1.32	1.22

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 30: Income tax recognised in profit or loss

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Tax		
In respect of the current year	247.81	187.97
In respect of the prior years	0.06	(0.05)
Total	247.87	187.92
Deferred Tax		
In respect of the current year	5.29	(9.37)
Total	5.29	(9.37)
Total income tax expense recognised	253.16	178.55
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	947.57	689.80
Income tax expense calculated at 25.168% (2021-22 : 25.168%)	238.48	173.61
Tax effects of amounts which are not deductible in determining taxable profit	15.20	7.30
Effect of concessions (research and development and other allowances)	(0.52)	(2.36)
Income tax expense recognised in profit or loss	253.16	178.55

Note:

The tax rate used for the year 2022-2023 and 2021-2022 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 31: Exceptional items

On January 30, 2023, a fire broke out at one of the manufacturing facilities of the Company at Chittoor, Andhra Pradesh which caused damage to the Company's property, plant and equipment and inventories. There were no loss of lives. The Company has recognised a loss of ₹438.56 crores arising from such incident for the year ended March 31, 2023. The loss is estimated based on an evaluation of physical condition of property, plant and equipment and inventories, which is subject to a technical inspection by equipment manufacturers or chartered engineers and an assessment of recovery/salvage value by the designated vendors.

The Company has a valid mega all risk insurance policy covering the fire accident and has lodged a claim with the Insurance Company for losses suffered on account of the property, plant and equipment, inventories and loss of profits. The Insurance Company has admitted the claim based on an interim survey carried out by the surveyor appointed by it and the extent of final loss admissible under the policy is being evaluated by the surveyor. The Company has estimated and recognised an insurance claim receivable in respect of the claim in accordance with its accounting policy. As on the date of approval of these financial statements by the Board of Directors, the Company has received an adhoc payment of ₹100 crores from the Insurance Company and is confident of realizing the balance amount on final determination of the loss and completion of the related activities.

The aforementioned losses and the corresponding credit arising from the insurance claim receivable has been presented on a net basis under Exceptional items in these standalone financial statements.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 32: Contingent liabilities and commitments

	As at March 31, 2023	As at March 31, 2022
(i) Contingent Liabilities (to the extent not provided for) :		
Claims against the Company not acknowledged as debt		
Matters under dispute:		
- Excise duty / Service tax	63.58	61.00
- Sales tax/VAT and GST	9.70	9.89
- Income tax	23.39	0.86
- Electricity related (Refer Note below)	36.10	33.43
- Other (Building and other construction workers welfare cess, wealth tax, etc.)	9.07	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.

Note:

Includes an amount of ₹ 10.54 crores (March 31, 2022: ₹ 8.04 crores) which has been claimed by Andhra Pradesh Gas Power Corporation Limited ('APGPCL') with respect to the power supplied by it to the Company through Andhra Pradesh Southern Power Distribution Corporation Limited ('APSPDCL'). The Management has contended that the said dues charged by APSPDCL as part of the regular electricity bills has been duly discharged by the Company to APSPDCL.

APGPCL has also consequently placed a lien on the investment held by the Company in it for non-payment of dues. The Management has initiated arbitration proceedings against the claim and the said action of APGPCL and is confident of a favourable outcome in this matter.

(ii) Commitments:

	As at March 31, 2023	As at March 31, 2022
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	235.22	373.41
(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.		
(c) The Company along with its subsidiaries has entered into a Memorandum of Understanding with the Government of Telangana for setting up of new energy related projects in the State of Telangana.		
(d) The Company has Committed a capital investment of ₹ 495.51 crores to the State Industries Promotion Corporation of Tamil Nadu Limited upon entering into a lease agreement for land in Cheyyar for 99 years.		

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 33: 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:

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	17.76	23.05
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(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)	-	-
(vi) Interest due and payable to suppliers under MSMED Act for payments already made	-	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

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 34: 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 ₹16.51 crores (Year ended March 31, 2022: ₹14.51 crores) for provident fund contributions, ₹15.36 crores (Year ended March 31, 2022: ₹15.35 crores) for Superannuation Fund contributions and ₹4.27 crores (Year ended March 31, 2022: ₹3.93 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

(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, 2023	As at March 31, 2022
Present value of obligation	59.77	59.03
Fair value of plan assets	(64.28)	(58.20)
Net liability/(asset) recognized in the Balance Sheet	(4.51)	0.83

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

	Plan Assets	Plan Obligation	Total Net
As at March 31, 2021	50.06	55.98	5.92
Current service cost	-	4.48	4.48
Past service cost	-	(2.07)	(2.07)
Interest cost	-	3.68	3.68
Interest income	3.29	-	(3.29)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(1.19)	(1.19)
Contributions	6.13	-	(6.13)
Benefit payments	(2.39)	(2.39)	-
Return on plan assets, excluding interest income	0.57	-	(0.57)
Transfer to Group Companies	0.54	0.54	-
As at March 31, 2022	58.20	59.03	0.83
Current service cost	-	4.29	4.29
Interest cost	-	4.07	4.07
Interest income	4.03	-	(4.03)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(1.78)	(1.78)
Actuarial (gain)/loss arising due to experience	-	(3.26)	(3.26)
Contributions	4.46	-	(4.46)
Benefit payments	(3.19)	(3.19)	-
Return on plan assets, excluding interest income	0.17	-	(0.17)
Transfer to Group Companies	0.61	0.61	-
As at March 31, 2023	64.28	59.77	(4.51)

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

	Year ended March 31, 2023	Year ended March 31, 2022
Employee Benefit Expenses		
Current service cost	4.29	4.48
Interest cost	4.07	3.68
Past service cost	-	(2.07)
Interest income	(4.03)	(3.29)
Net impact on profit before tax	4.33	2.80
Remeasurement of the net defined benefit plan		
Actuarial (gain)/loss arising from changes in financial assumptions	(1.78)	(1.19)
Actuarial (gains)/losses arising due to experience	(3.26)	-
Return on plan assets, excluding interest income	(0.17)	(0.57)
Net impact on other comprehensive income before tax	(5.21)	(1.76)

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

(iv) Assets

The major categories of plan assets as a % of the total plan assets

	As at March 31, 2023	As at March 31, 2022
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, 2023	As at March 31, 2022
Discount rate	7.41%	6.90%
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 2012-14 (Urban)

(vi) Sensitivity analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	3.20	3.59	(3.34)	3.76
Salary escalation rate (1% movement)	3.31	(3.07)	3.41	(3.16)

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, 2023	As at March 31, 2022
Within 1 year	7.42	6.75
1-2 year	6.90	6.29
2-3 year	6.37	6.86
3-4 year	6.71	5.74
4-5 year	6.24	5.90
5-10 year	27.06	26.66
> 10 Year	41.17	41.02

The Company expects to contribute ₹ Nil to its defined benefit plans during the next fiscal year.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 35: Segment reporting

The Chairman & 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 and other storage batteries. Accordingly, manufacturing and trading of lead acid and other 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

	For the year ended March 31, 2023	For the year ended March 31, 2022
India	9,148.14	7,558.17
Outside India	1,237.77	1,137.65
Total	10,385.91	8,695.82

Refer to Note 43 on Financial Instruments and related disclosures for information on revenue from major customers.

Note 36: Related party transactions

(a) Details of related parties

Entity exercising significant influence

RNGalla Family Private Limited

Entity where control exists - Subsidiary

Amara Raja Batteries Middle East (FZE), U.A.E.

Amara Raja Circular Solutions Private Limited [w.e.f. June 2, 2022]

Amara Raja Advanced Cell Technologies Private Limited [w.e.f. November 29, 2022]

Key Management Personnel (KMP)

Jayadev Galla	Chairman & Managing Director
Harshavardhana Gourineni	Executive Director
Vikramadithya Gourineni	Executive Director

Relative of Key Management Personnel

Dr. Ramachandra N. Galla	Relative of Jayadev Galla
Dr. Ramadevi Gourineni	Relative of Jayadev Galla
G. Amara Kumari	Relative of Jayadev Galla
Ashok Galla	Relative of Jayadev Galla
Siddharth Galla	Relative of Jayadev Galla

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 Foundation (Formerly known as "Rajanna Trust")

Amara Raja Blaze Technologies Private Limited

HG Global Private Limited

HG Chemicle Private Limited (w.e.f. May 13, 2022)

Tropical Island Spas and Resorts Private Limited (w.e.f. October 17, 2022)

Subsidiaries of the entity exercising significant influence

Mangal Industries Limited

Amara Raja Infra Private Limited

Amara Raja Power Systems Limited

Amara Raja Media and Entertainment Private Limited

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

(b) Transactions with the above related parties during the year were:

Particulars	For the year ended March 31, 2023*	For the year ended March 31, 2022*
Sale of goods (Net of sale returns)		
Amara Raja Power Systems Limited	24.06	15.46
Amara Raja Electronics Limited	0.08	0.02
Mangal Industries Limited	0.72	1.02
RNGalla Family Private Limited	-	0.05
Amara Raja Infra Private Limited	0.32	-
Amara Raja Batteries Middle East (FZE)	5.51	3.79
Amara Raja Circular Solutions Private Limited**	7.69	-
Rental Income		
Mangal Industries Limited	0.38	0.18
Purchase of goods		
Amara Raja Power Systems Limited	72.35	67.28
Amara Raja Electronics Limited	143.47	92.25
Mangal Industries Limited	905.13	864.02
RNGalla Family Private Limited	0.08	0.05
Availing of services		
Amara Raja Infra Private Limited	94.92	86.79
Rajanna Foundation (Formerly known as Rajanna Trust)	-	0.13
G2 Healthcare Private Limited	-	1.41
Amara Raja Batteries Middle East (FZE)	1.14	1.02
Purchase of Fixed Assets		
Amara Raja Power Systems Limited	17.96	242.84
Amara Raja Electronics Limited	0.05	0.42
Mangal Industries Limited	45.23	56.80
Amara Raja Infra Private Limited	56.55	108.71
Rent Expense		
Jayadev Galla	3.87	3.64
Dr. Ramachandra N. Galla	0.60	0.57
Dr. Ramadevi Gourineni	3.53	3.30
Harshavardhana Gourineni	0.03	0.02
Vikramadithya Gourineni	0.03	0.02
G. Amara Kumari	0.05	0.03
Ashok Galla	0.03	0.02
Siddharth Galla	0.03	0.02
Amara Raja Infra Private Limited	2.43	2.43
Donation Expense		
Rajanna Foundation (Formerly known as Rajanna Trust)	23.34	16.43
Expenses reimbursed to		
Amara Raja Power Systems Limited	-	0.14
Amara Raja Electronics Limited	-	0.00*
Mangal Industries Limited	0.09	0.08
Amara Raja Infra Private Limited	-	0.03
RNGalla Family Private Limited	0.01	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Particulars	For the year ended March 31, 2023*	For the year ended March 31, 2022*
Dividends Paid (including interim dividend)		
RNGalla Family Private Limited	16.30	47.93
Expenses recovered from		
Amara Raja Power Systems Limited	7.87	7.76
Amara Raja Electronics Limited	1.12	0.87
Mangal Industries Limited	16.80	11.49
Amara Raja Infra Private Limited	6.39	4.55
RNGalla Family Private Limited	0.78	0.55
Amara Raja Circular Solutions Private Limited	2.94	-
Amara Raja Advanced Cell Technologies Private Limited	2.55	-
Interest Income		
Amara Raja Power Systems Limited	-	0.12
Amara Raja Electronics Limited	0.01	0.16
Mangal Industries Limited	0.35	0.73
Amara Raja Infra Private Limited	0.07	0.01
RNGalla Family Private Limited	0.01	0.00 [#]
Other recoveries		
Mangal Industries Limited	42.50	38.61
Remuneration		
Jayadev Galla	52.63	38.01
Harshavardhana Gourineni	26.32	15.25
Vikramadithya Gourineni	26.32	15.25

*Transactions have been disclosed net of applicable taxes.

^{**}Includes certain capital equipment which are sold at cost on high seas basis.

(c) Balances receivable from / payable to related parties are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
Amara Raja Power Systems Limited	12.28	8.35
Mangal Industries Limited	12.31	10.46
Amara Raja Batteries Middle East (FZE)	1.37	1.12
Amara Raja Infra Private Limited	2.51	-
Amara Raja Circular Solutions Private Limited	3.01	-
Security Deposits		
Jayadev Galla	2.12	2.12
Dr. Ramachandra N. Galla	0.32	0.32
Dr. Ramadevi Gourineni	2.04	2.04
Interest Receivable		
Amara Raja Electronics Limited	-	0.14
Mangal Industries Limited	0.00 [#]	0.01
Amara Raja Infra Private Limited	0.02	0.00
RNGalla Family Private Limited	0.00 [#]	0.00

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Particulars	As at March 31, 2023	As at March 31, 2022
Rent Receivable		
Mangal Industries Limited	-	0.20
Advances (including contractually reimbursable expenses)		
Amara Raja Power Systems Limited	0.53	7.51
Amara Raja Electronics Limited	8.24	9.47
Mangal Industries Limited	4.72	3.05
Amara Raja Infra Private Limited	2.98	2.16
RNGalla Family Private Limited	0.06	0.12
Amara Raja Circular Solutions Private Limited	0.00#	-
Trade payables		
Amara Raja Power Systems Limited	0.11	0.45
Amara Raja Electronics Limited	5.57	9.52
Mangal Industries Limited	27.43	4.86
Amara Raja Infra Private Limited	14.50	8.26
Amara Raja Batteries Middle East (FZE)	1.14	0.99
Payables on purchase of fixed assets		
Amara Raja Power Systems Limited	0.02	64.85
Mangal Industries Limited	9.59	9.53
Amara Raja Infra Private Limited	16.93	19.10
Other Payables		
Rajanna Foundation (Formerly known as Rajanna Trust)	4.79	-
Investment in subsidiary		
Amara Raja Batteries Middle East (FZE)	0.57	0.57
Amara Raja Circular Solutions Private Limited	100.00	-
Amara Raja Advanced Cell Technologies Private Limited	100.00	-
Other Payables (Employee Related)		
Jayadev Galla	50.23	35.60
Harshavardhana Gourineni	24.91	14.10
Vikramadithya Gourineni	24.91	14.10
Rent Payable		
Jayadev Galla	0.35	0.34
Dr. Ramachandra N. Galla	0.03	0.04
Dr. Ramadevi Gourineni	0.29	0.28
Harshavardhana Gourineni	0.02	0.02
Vikramadithya Gourineni	0.02	0.02
G. Amara Kumari	0.04	0.03
Ashok Galla	0.02	0.02
Siddharth Galla	0.02	0.02
Amara Raja Infra Private Limited	0.21	0.44
Capital commitments		
Amara Raja Power Systems Limited	2.64	24.87
Amara Raja Electronics Limited	-	0.36
Mangal Industries Limited	25.51	42.40
Amara Raja Infra Private Limited	25.91	82.62

#Amount below ₹1 lakh

Note: Also refer Note 22, 32 and 47.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 37: Earnings per share (EPS)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit for the year (in ₹ crores) [A]	694.41	511.25
Weighted average number of equity shares outstanding during the year (No's) [B]	170,812,500	170,812,500
Earnings per share (Face Value of ₹1 per share)		
- Basic and diluted (in ₹) [A/B]	40.65	29.93

Note 38: Leases

Particulars	As at March 31, 2023	As at March 31, 2022
(i) The following is the breakup of current and non-current lease liabilities		
Current liabilities	26.79	25.22
Non-current liabilities	63.50	77.28
	90.29	102.50
(ii) The following is the movement of lease liabilities during the year ended March 31:		
Balance at the beginning	102.50	57.98
Additions during the year	16.89	63.51
Deletions during the year	(2.45)	-
Finance cost accrued during the year	7.52	5.98
Payment of lease liabilities	(34.17)	(24.97)
Balance at the end	90.29	102.50
(iii) Maturity analysis of lease liabilities		
Less than one year	26.79	25.22
One to five years	57.39	64.26
More than five years	6.11	13.02
	90.29	102.50

Note 39: Revenue expenditure capitalized to fixed assets/capital work-in-progress

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Cost of material consumed (net) (Refer Note below)	14.63	6.28
(b) Depreciation and amortization expense [net of deferred revenue arising from government grant of ₹0.07 crores (Year ended March 31, 2022: ₹ Nil)]	0.07	0.85
(c) Others	0.04	-
Total	14.74	7.13

Note: Net of income from sale of batteries, scrap, etc., ₹14.16 crores (Year ended March 31, 2022: ₹13.03 crores)

Note 40: 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, 2022: ₹ 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 41: Details of expenditure incurred on research and development

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue expenditure:		
(a) Cost of materials consumed	0.79	0.88
(b) Consumption of stores and spares (including secondary packing material)	0.47	0.36
(c) Employee benefits expense	8.96	8.10
(d) Power and fuel	0.96	0.78
(e) Others	0.94	0.72
Total Revenue expenditure [A]	12.12	10.84
Capital expenditure [B]	5.05	4.95
Total [A+B]	17.17	15.79

Note 42: 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, 2023	For the year ended March 31, 2022
Balance as at April 1	219.87	186.05
Additional provisions recognised	192.04	156.91
Amount utilised / reversed during the year	(167.90)	(131.45)
Unwinding of discount and effect of changes in the discount rate	13.28	8.36
Reclassified as held for sale	(11.87)	-
Balance as at March 31	245.42	219.87
Out of the above,		
Classified under Non-current provisions (Refer Note 16)	109.49	87.99
Classified under Current provisions (Refer Note 16)	135.93	131.88

Note 43: 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

B. Categories of Financial Instruments

Particulars	Carrying value		Fair value	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets				
Measured at amortised cost				
(i) Cash and cash equivalents	89.44	34.31	89.44	34.31
(ii) Other bank balances	10.39	19.26	10.39	19.26
(iii) Trade receivables	779.67	792.56	779.67	792.56
(iv) Other financial assets	429.45	24.98	429.45	24.98
(v) Investments	0.01	0.01	0.01	0.01
(vi) Loans	88.71	-	88.71	-
Measured at cost				
(i) Investment in subsidiary	200.57	0.57	200.57	0.57
Measured at FVTOCI				
(i) Investment in equity instruments	52.20	10.95	52.20	10.95
(ii) Investment in preference shares	209.46	31.52	209.46	31.52
Measured at FVTPL				
Mandatorily measured:				
Current investment- Mutual funds	23.77	34.73	23.77	34.73
Total Financial assets	1,883.67	948.89	1,883.67	948.89
Financial liabilities				
Measured at amortised cost				
(i) Borrowings	16.52	23.39	16.52	23.39
(ii) Trade payables	750.75	806.45	750.75	806.45
(iii) Other financial liabilities	245.10	298.78	245.10	298.78
(iv) Lease Liabilities	90.29	102.50	90.29	102.50
Total Financial liabilities	1,102.66	1,231.12	1,102.66	1,231.12

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, 2023 and March 31, 2022. 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

The Company's current assets aggregate ₹3,283.78 crores (March 31, 2022 ₹2,824.02 crores) including Current investments, Cash and cash equivalents and Other bank balances of ₹123.60 crores (March 31, 2022 ₹88.30 crores) against an aggregate current liability of ₹1,461.11 crores (March 31, 2022 ₹1527.34 crores). The table below provides details regarding the contractual maturities of significant non-current financial liabilities as of March 31, 2023 and March 31, 2022. Contractual maturities in respect of lease liabilities has been disclosed in Note 38.

	As at March 31, 2023			
	1-3 years	3-5 years	Above 5 years	Total
Borrowings (Non-current)	9.64	-	-	9.64
<hr/>				
	As at March 31, 2022			
	1-3 years	3-5 years	Above 5 years	Total
Borrowings (Non-current)	16.52	-	-	16.52

Further, while the Company's total equity stands at ₹5,297.84 crores (March 31, 2022: ₹4,551.39 crores), it has borrowings of ₹16.52 crores (March 31, 2022: ₹23.39 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 and preference share instruments as at March 31, 2023 is ₹261.66 crores (March 31, 2022 ₹42.47 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, EURO and GBP. 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

The carrying amounts of non-derivative foreign currency denominated financial assets and liabilities are as follows:

As at March 31, 2023

	USD	EURO	GBP	Other currencies*	Total
Financial Assets					
- Loan	-	88.71	-	-	88.71
- Trade receivables	60.43	-	-	-	60.43
- Cash and cash equivalents	44.11	-	-	-	44.11
- Other financial asset	-	6.54	-	-	6.54
Financial Liabilities					
- Trade Payables	(77.93)	(2.58)	(1.56)	(1.27)	(83.34)
- Other financial liabilities	(17.13)	(10.24)	(1.20)	-	(28.57)
Net financial asset / (liability)	9.48	82.43	(2.76)	(1.27)	87.88

As at March 31, 2022

	USD	EURO	GBP	Other currencies*	Total
Financial Assets					
- Trade receivables	84.48	-	-	-	84.48
- Cash and cash equivalents	0.63	0.00	-	0.00	0.63
Financial Liabilities					
- Trade Payables	(128.30)	(3.43)	(1.17)	(0.97)	(133.87)
- Other financial liabilities	(28.54)	(9.82)	(0.48)	-	(38.84)
Net financial asset / (liability)	(71.73)	(13.25)	(1.65)	(0.97)	(87.60)

*Other includes currencies such as Japanese Yen and Dirhams.

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, 2023 would change by ₹1.80 crores [March 31, 2022: ₹(0.93 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, 2023	For the year ended March 31, 2022
Revenue from top customer from whom the Company receives 10% or more of its revenues	-	-
Revenue from top 5 customers	1,354.35	1,010.68

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 43: Financial instruments and related disclosures (Contd.)

D. Fair value measurement

Fair value hierarchy

The fair value of financial instruments as referred to in Note 43.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.

Notes:

- (i) During the year ended March 31, 2023, the performance of investment in unquoted shares of Andhra Pradesh Gas Power Corporation Limited along with the relevant economic and market indicators, Supply chain challenges and closure of power plants resulted in indicators of impairment. Accordingly, the Company determined the fair value of the Investment as ₹ Nil and recorded the impairment loss in Other Comprehensive Income.
- (ii) During the previous year, the Company as part of its strategic initiatives has made an investment of ₹36.99 crores in Series A of Log 9 Materials Scientific Private Limited ('Log 9 Materials') by acquiring 11.86% (on a fully diluted basis) of shareholding in Log 9 Materials. Log 9 Materials is an advanced battery and deep-tech start up providing state of art batteries in terms of EV batteries, energy storage on fuel cells, etc. The investment was recognised at transaction cost and irrevocably designated at fair value through other comprehensive income.

During the current year, the Company made an additional investment of ₹77 crores in the Series B of Log 9 Materials increasing its shareholding to 14.33% (on a fully diluted basis). The Series A investment was fair valued to the transaction cost of Series B funding and based on the market observable inputs the transaction cost of Series B was considered as the best estimate of fair value as at March 31, 2023.

Considering the availability of market observable inputs indirectly, the investment was reclassified under Level 2 from Level 3.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis :

Particulars	Fair value hierarchy (Level)	As at March 31, 2023	As at March 31, 2022
Financial assets			
a) Measured at amortised cost			
i) Loans	3	88.71	-
ii) Other financial assets (non-current)	3	115.78	8.32
Sub-total		204.49	8.32
b) Measured at fair value through OCI			
i) Equity Shares - Quoted	1	0.23	0.18
ii) Equity Shares - Unquoted [Refer Note (ii) above]	2*	51.97	10.77
iii) Preference Shares - Unquoted [Refer Note (ii) above]	2*	209.46	31.52
Sub-total		261.66	42.47
*As at March 31, 2022: Instrument was classified under Level 3.			
c) Measured at fair value through profit or loss			
i) Investment in Mutual Funds	1	23.77	34.73
Sub-total		23.77	34.73
Total		489.92	85.52
Financial liabilities			
a) Measured at amortised cost			
i) Borrowings	3	16.52	23.39
ii) Lease liabilities	3	90.29	102.50
Total		106.81	125.89

Note 44: Dividend

Dividend on equity shares paid during the year

	FY 2022-23	FY 2021-22
Final dividend for FY 2021-22 (₹0.50 per equity share of ₹1 each) [for FY 2020-21 ₹6 per equity share of ₹1 each]	8.54	102.49
Interim dividend for the FY 2022-23 (₹2.90 per equity share of ₹1 each) [for FY 2021-22 ₹4 per equity share of ₹1 each]	49.54	68.33
	58.08	170.82

Interim dividend of ₹2.90 per equity share of face value of ₹1 each approved by the Board of Directors at its meeting held on November 3, 2022 was paid during the current year. The Board of Directors at its meeting held on May 23, 2023 has recommended a dividend of ₹3.20 per equity share of face value of ₹1 each which is subject to approval of the 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 2022-23 amounts to ₹6.10 per equity share (Previous year ₹4.5 per equity share).

Note 45: Corporate Social Responsibility

Particulars	FY 2022-23	FY 2021-22
(i) Gross amount required to be spent by the Company during the year	15.99	16.25
(ii) Amount spent during the year on :		
(a) Construction/acquisition of any assets	7.26	6.88
(b) On purposes other than (i) above	8.82	9.55
Total spent	16.08	16.43
(iii) Related party transactions in relation to Corporate Social Responsibility	15.98	16.43
(iv) Details of excess amount spent		

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Details of excess amount spent	0.18	15.99	16.08	0.27

(v) Nature of CSR activities undertaken by the Company :

- Affordable quality education in rural areas
- Provide healthcare to rural india
- Soil conservation and vegetative regeneration
- Development of surrounding villages that include construction of roads, rain water storage tanks and supply channel amongst others.

Note 46: Key Financial Ratios

Sr. No.	Ratio	Numerator	Denominator	FY 2022-23	FY 2021-22	% variance
1	Current ratio	Current assets	Current liabilities	2.25	1.85	21%
2	Debt-equity ratio	Total Debt (Borrowings)	Total Equity	0.00	0.01	-14%
3	Debt service coverage ratio	Earnings available for debt service [#]	Finance costs (excluding costs pertaining to lease liabilities and unwinding of discount on warranty provision) + Repayment of Borrowings	137.74	77.01	79%*
4	Return on equity (%)	Profit for the year	Average Total Equity	14.10%	11.67%	21%
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	4.17	3.78	10%
6	Trade receivables turnover ratio	Revenue from Sale of Products and Services	Average Trade receivables	13.15	10.95	20%
7	Trade payables turnover ratio	Net Purchases of raw material, packing material and stock-in-trade	Average Trade Payables	9.08	8.34	9%
8	Net capital turnover ratio	Revenue from operations	Working Capital (Current Assets - Current Liabilities)	5.70	6.71	-15%
9	Net profit ratio (in %)	Profit for the year	Revenue from operations	6.69%	5.88%	14%
10	Return on Capital employed (%)	Profit before interest (excluding interest on lease liabilities and unwinding of discount on warranty provision), exceptional items and tax	Average Capital Employed [^]	19.94%	15.53%	28%*
11	Return on investment (%)	Income during the year	Time weighted average of investments			
a	Return on Mutual Funds			5.08%	3.52%	44%\$
b	Return on Fixed deposits			4.84%	6.04%	-20%

*Impact on ratios is on account of increase in profits, due to higher revenue and reduction in input costs.

[#]Earning available for Debt Service: Profit after tax + depreciation and amortisation expense + finance costs (excluding interest on lease liabilities and unwinding of discount on warranty provision) + net loss on sale of property, plant and equipment-deferred revenue income recognised.

[^][Total Equity + Total Debt (Borrowings) + Deferred tax liabilities]

^{\$}Impact is due to market fluctuations

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 47:

The Board of Directors of the Company at its meeting held on September 26, 2022, have approved a Scheme of Arrangement amongst Mangal Industries Limited ('Demerged Company') and Amara Raja Batteries Limited ('ARBL' or the 'Resulting Company', or the 'Company') and their respective shareholders and creditors, under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") with an appointed date of April 1, 2022 or such other date as may be agreed. The Scheme, inter-alia, provides for demerger of the plastic component for battery business ('Demerged Undertaking') from the Demerged Company to the Resulting Company, and consequent issue of fully paid-up equity shares by the Company to the shareholders of the Demerged Company as per the share entitlement ratio defined in the Scheme. The Scheme is subject to the fulfilment of certain conditions including receipt of approval of shareholders (majority of public shareholders) and creditors of the Company, approval of other regulatory authorities as may be required, including those of the Stock Exchanges, Securities and Exchange Board of India ("SEBI") and the Hon'ble jurisdictional National Company Law Tribunal ("NCLT") and any other authority as may be applicable.

As on the date of approval of these standalone financial statements by the Board, the Company has received no objection from the stock exchanges and an approval from the equity shareholders and unsecured creditors of the Company at the NCLT convened meetings held on April 12, 2023. Thereafter, an application has been filed with the Hon'ble NCLT, Amaravati Bench for its approval.

The necessary effects of scheme would be given in the standalone financial statements in the period in which the Scheme is approved.

Note 48:

The Company on April 30, 2021 received closure orders from the Andhra Pradesh Pollution Control Board ('APPCB') for the Company's plants situated at Karakambadi, Tirupati and Nunegundlapalli Village, Chittoor District. Consequently, the Company went in appeal against the said orders to the Hon'ble High Court of Andhra Pradesh at Amravati, which granted interim suspension of the closure orders. The plants of the Company were closed for a period of 5 days during the quarter ended June 30, 2021, from the date of closure orders till the date of the said interim suspension. The Company did not incur any material loss during the period of closure.

APPCB also issued two show cause notices in February, 2022 against which the Company filed a special leave petition with the Hon'ble Supreme Court which vide its order dated February 20, 2023 disposed off the matter for it to be heard at the lower courts and the same is pending disposal.

The Management has also been working with the APPCB to satisfactorily resolve the matter.

Note 49:

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 50:

The standalone financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on May 23, 2023.

For and on behalf of the Board of Directors

CIN : L31402AP1985PLC005305

Jayadev Galla

Chairman & Managing Director
DIN: 00143610

Harshavardhana Gourineni

Executive Director
DIN: 07311410

Vikramadithya Gourineni

Executive Director
DIN: 03167659

Delli Babu Y

Chief Financial Officer
DIN: 07311410

Place: Hyderabad

Date: May 23, 2023

Vikas Sabharwal

Company Secretary

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 subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2023, 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 auditor on separate financial statements of the 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, 2023, 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.

Sr. No.	Key Audit Matter
1	Accounting for the loss on account of the fire accident and the related insurance claim

Refer Note 30 to the consolidated financial statements. On January 30, 2023, a fire broke out at one of the manufacturing units of the Parent at Chittoor, Andhra Pradesh which caused damage to the property, plant and equipment and inventories.

As stated in the said note, the Parent is insured for fire incidents including for damage to its property, plant and equipment, inventories and loss of profits. The Parent has submitted its claim which has been admitted by the insurance company and the amount of final loss under the policy is being evaluated by the surveyor.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. 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 auditors in terms of their report 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 period. 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.

Auditors' Response

We have performed the following principal audit procedures including:

- Obtaining and examining the list of assets and inventories destroyed during the fire incident.
- Visiting the plant location to physically observe the damage to the property, plant and equipment and inventories.
- Assessing completeness and accuracy of the loss accounted by comparing the list of assets and inventories damaged with the respective registers maintained in the Parent Company's ERP system.
- Verifying the Parent's insurance policy and underlying documents to ascertain validity, adequacy and coverage of the claim submitted.

Sr. No.	Key Audit Matter	Auditors' Response
	The determination of the loss and the amount of insurance claim recoverable involves significant management judgement considering the nature and quantitative significance of the amounts involved.	<ul style="list-style-type: none"> Verifying the Parent's claim with the insurance company including assessing the timing of filing, amount claimed and also inspecting the correspondences with the insurance company / surveyors with respect to the status of the claim including its admissibility. Seeking independent confirmation from the insurance company with respect to the validity and status of the claim submitted and evaluating the response received. Verifying the Management's judgement to estimate the amount accounted as recoverable from the insurance company in accordance with its accounting policy. Assessing the appropriateness of the presentation and disclosures made in relation to the loss and the related insurance claim receivable in the consolidated financial statements.
2	Revenue Recognition Refer Note 2L "Revenue Recognition" of 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: <ul style="list-style-type: none"> Assessing the appropriateness of the Parent'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 Parent'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.
3	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 of the Consolidated Financial Statements. The Parent 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.	We carried out a combination of principal audit procedures involving test of internal controls and substantive testing including: <ul style="list-style-type: none"> 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.

Sr. No.	Key Audit Matter	Auditors' Response
	Because of the quantitative significance, complexity and level of judgement involved, there is a risk of inaccurate and inadequate provision for warranty obligation.	<ul style="list-style-type: none"> • 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.

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 information included in Board's Report, Annexures to the Board's Report and Business Responsibility and Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditors' report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the 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 these entities 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 their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 Management 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 with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 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 have been audited by the other auditors, such other auditors remains responsible for the direction, supervision and performance of the audits 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 ₹ 5.24 crores as at March 31, 2023, total revenues of ₹ 8.94 crores and net cash inflows amounting to ₹ 2.12 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 our opinion on the consolidated financial statements, in so far as it relates 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 relates 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 report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports 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 and the report 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, 2023 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2023 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 with reference to consolidated financial statements 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 and subsidiary companies incorporated in India 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 with reference to consolidated financial statements of those companies.
- 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.
 - iv) (a) The respective Managements of the Parent and its subsidiaries which are incorporated in India, whose financial statements have been audited under the Act, have represented to us, that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary

- shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been received by the Parent or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with Section 123 of the Act, as applicable.
The interim dividend declared and paid by the Parent during the year is in accordance with Section 123 of the Act.
As stated in Note 41 of the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meeting. The dividend proposed is in accordance with Section 123 of the Act, as applicable.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent and its subsidiaries which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management, we report that there are no qualifications or adverse remarks by the auditors in the CARO reports of the said companies included in the consolidated financial statements.

For BRAHMAYYA & Co.
Chartered Accountants
(F.R.N: 000513S)

Karumanchi Rajaj
Partner
Membership No. 202309
UDIN: 23202309BGVTIE5913

Hyderabad, May 23, 2023

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(F.R.N: 117366W/W- 100018)

R. Prasanna Venkatesh
Partner
Membership No. 214045
UDIN: 23214045BGWJZH1885

Hyderabad, May 23, 2023

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 with reference to consolidated financial statements 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, 2023, we have audited the internal financial controls with reference to consolidated financial statements of **Amara Raja Batteries Limited** (hereinafter referred to as "Parent") as of that date. Reporting on the adequacy of internal financial control with reference to the financial statements of the two subsidiaries, which are incorporated in India, and the operating effectiveness of such controls, under Section 143(3)(i) of the Act is not applicable in view of the exemption available to the subsidiary companies in terms of the notification no. G.S.R. 583(E) dated 13 June 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25 July 2017. Reporting on internal financial controls with reference to financial statements does not apply to one subsidiary company as it 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 with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements 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 (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 with reference to consolidated financial statements 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 with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance

with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated

financial statements 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 with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal control with reference to consolidated financial statements 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

UDIN: 23202309BGVTIE5913

Hyderabad, May 23, 2023

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(F.R.N: 117366W/W- 100018)

R. Prasanna Venkatesh

Partner

Membership No. 214045

UDIN: 23214045BGWJZH1885

Hyderabad, May 23, 2023

Consolidated Balance Sheet

as at March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	Notes	As at March 31, 2023	As at March 31, 2022
A. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3.1	2,518.68	2,127.59
(b) Right-of-use assets	3.2	371.02	285.18
(c) Capital work-in-progress	3.1	248.10	829.32
(d) Other intangible assets	4	65.91	79.53
(e) Intangible assets under development	4	0.76	0.33
(f) Financial assets			
(i) Investments	5	261.67	42.48
(ii) Other financial assets	7	125.19	8.33
(g) Deferred tax assets (net)	17	0.89	-
(h) Income-tax assets (net)	20	-	7.24
(i) Other non-current assets	11	123.57	171.27
Total non - current assets		3,715.79	3,551.27
Current assets			
(a) Inventories	8	1,702.19	1,804.56
(b) Financial assets			
(i) Investments	5	165.30	34.73
(ii) Loans	6	88.71	-
(iii) Trade receivables	9	886.56	792.00
(iv) Cash and cash equivalents	10 (a)	94.87	34.86
(v) Bank balances other than (iv) above	10 (b)	10.39	19.26
(vi) Other financial assets	7	313.75	16.68
(c) Other current assets	11	146.29	122.74
Total current assets		3,408.06	2,824.83
Total assets		7,123.85	6,376.10
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	17.08	17.08
(b) Other equity	13	5,282.16	4,535.40
Total equity		5,299.24	4,552.48
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	9.64	16.52
(ii) Lease liabilities	15	63.50	77.28
(b) Provisions	16	143.44	108.29
(c) Deferred tax liabilities (net)	17	73.15	31.37
(d) Other non-current liabilities	21	83.01	63.69
Total non - current liabilities		372.74	297.15
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	6.88	6.87
(ii) Lease liabilities	15	26.79	25.22
(iii) Trade payables	18		
-Total outstanding dues of Micro enterprises and small enterprises		19.04	23.05
-Total outstanding dues of creditors other than Micro enterprises and small enterprises		738.03	782.45
(iv) Other financial liabilities	19	251.62	298.79
(b) Provisions	16	141.62	137.29
(c) Current tax liabilities (net)	20	0.86	-
(d) Other current liabilities	21	267.03	252.80
Total current liabilities		1,451.87	1,526.47
Total equity and liabilities		7,123.85	6,376.10
Corporate 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

Place: Hyderabad
Date: May 23, 2023

For Deloitte Haskins & Sells LLP

Chartered Accountants
(F.R.N : 117366W/W-100018)

R. Prasanna Venkatesh

Partner
M.No. 214045

Place: Hyderabad
Date: May 23, 2023

For and on behalf of the Board of Directors

CIN : L31402AP1985PLC005305

Jayadev Galla

Chairman & Managing Director
DIN: 00143610

Vikramadithya Gourineni

Executive Director
DIN: 03167659

Place: Hyderabad
Date: May 23, 2023

Harshavardhana Gourineni

Executive Director
DIN: 07311410

Delli Babu Y

Chief Financial Officer

Vikas Sabharwal

Company Secretary

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
I Revenue from operations	22	10,388.20	8,697.15
II Other income	23	92.04	77.98
III Total Income (I+II)		10,480.24	8,775.13
IV Expenses			
Cost of materials consumed		6,638.72	5,969.39
Purchases of stock-in-trade		487.41	473.91
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	60.74	(321.95)
Employee benefits expense	25	591.80	499.31
Finance costs	26	22.08	15.10
Depreciation and amortization expense	27	427.23	395.72
Other expenses	28	1,257.43	1,052.53
Total Expenses		9,485.41	8,084.01
V Profit before exceptional items and tax (III-IV)		994.83	691.12
VI Exceptional items (net)	30	47.65	-
VII Profit before tax (V - VI)		947.18	691.12
VIII Tax expense	29		
(i) Current tax		248.25	187.92
(ii) Deferred tax (net)		4.40	(9.37)
Tax expense		252.65	178.55
IX Profit for the year (VII - VIII)		694.53	512.57
X Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss :			
(a) Remeasurements of the defined benefit plans		5.21	1.76
(b) Net fair value gain / (loss) on investments in financial instruments through Other Comprehensive Income (net of tax)		104.91	(1.06)
(ii) Items that will be reclassified to profit or loss:			
(a) Exchange difference arising on translation of foreign operation		0.19	0.04
Total Other Comprehensive Income		110.31	0.74
XI Total comprehensive income for the year (IX + X)*		804.84	513.31
*Attributable to owners of the Company			
Earnings per share (of ₹1/- each)	36		
Basic and Diluted (₹)		40.66	30.01
Corporate information	1		
Significant accounting policies	2		

See accompanying notes to the consolidated financial statements

In terms of our report attached

For Brahmaya & Co.
Chartered Accountants
(F.R.N : 000513S)

Karumanchi Rajaj
Partner
M. No. 202309

Place: Hyderabad
Date: May 23, 2023

For Deloitte Haskins & Sells LLP
Chartered Accountants
(F.R.N : 117366W/W-100018)

R. Prasanna Venkatesh
Partner
M.No. 214045

Place: Hyderabad
Date: May 23, 2023

For and on behalf of the Board of Directors

CIN : L31402AP1985PLC005305

Jayadev Galla
Chairman & Managing Director
DIN: 00143610

Vikramaditya Gourineni
Executive Director
DIN: 03167659

Place: Hyderabad
Date: May 23, 2023

Harshavardhana Gourineni
Executive Director
DIN: 07311410

Delli Babu Y
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Consolidated Cash Flow Statement

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flows from operating activities		
Profit before tax	947.18	691.12
Adjustments for:		
Depreciation and amortisation expense	427.23	395.72
Loss on sale of property, plant and equipment (net)/written off	15.39	6.96
Exceptional item (net) [Refer Note 30]	47.65	-
Gain on de-recognition of Right-of-use assets	(0.38)	-
Finance costs	22.08	15.10
Interest income on bank deposits and loans	(7.99)	(2.13)
Dividend income from equity instruments designated at FVTOCI	(0.00)	(0.00)
Gain on disposal of mutual fund units	(13.60)	(11.62)
Deferred revenue recognised	(15.70)	(12.85)
Net gain arising on financial assets mandatorily measured at FVTPL	(1.11)	(0.21)
Liabilities no longer required written back	(0.80)	(9.39)
Provision for doubtful trade receivables written back	(2.85)	(2.96)
Provision for doubtful trade receivables	1.18	2.07
Provision for doubtful advances and other receivables	3.36	1.30
Bad trade receivables written off (net)	0.99	1.92
Net unrealised foreign exchange gain	(6.77)	(0.82)
	468.68	383.09
Operating profit before working capital changes	1,415.86	1,074.21
Movements in working capital		
Adjustments for (increase)/decrease in operating assets:		
- Trade receivables	(93.63)	(4.69)
- Inventories	(97.06)	(365.63)
- Other assets	(71.36)	(6.85)
Adjustments for increase/(decrease) in operating liabilities:		
- Trade payables	(50.02)	67.80
- Other liabilities	19.32	42.79
- Provisions	31.41	24.97
	(261.34)	(241.61)
Cash generated from operations	1,154.52	832.60
Income taxes paid (net)	(240.15)	(199.34)
Net cash generated from operating activities [A]	914.37	633.26
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(492.00)	(760.92)
Proceeds from sale of property, plant and equipment	1.16	1.17
Purchase of non-current investments	(77.82)	(36.99)
Purchase of current investments	(2,750.36)	(1,307.00)
Proceeds from sale / redemption of current investments	2,634.50	1,557.52
Proceeds from sale of non-current investments	0.03	-
Loans granted	(79.80)	-
Bank balances not considered as cash and cash equivalents (net)	8.49	59.66
Interest received	1.65	4.67
Dividend income	0.00	0.00
Net cash used in investing activities [B]	(754.15)	(481.89)

Consolidated Cash Flow Statement (contd.)

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2023	For the year ended March 31, 2022
C. Cash flows from financing activities		
Repayment of borrowings	(6.87)	(10.95)
Repayment of lease liabilities	(26.65)	(24.97)
Finance costs (including on lease liabilities)	(8.80)	(6.74)
Dividend paid	(58.08)	(170.82)
Net cash used in financing activities [C]	(100.40)	(213.48)
Net increase/(decrease) in cash and cash equivalents [A+B+C]	59.82	(62.11)
Cash and cash equivalents at the beginning of the year		
Exchange differences in translating the financial statements of foreign subsidiary	0.19	0.04
Cash and cash equivalents at the end of the year (Refer Note 10(a))	94.87	34.86

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 Flows.
- (b) **Reconciliation of liabilities from financing activities for the year ended March 31, 2023**

	As at March 31, 2022	Cash flows	Non cash changes Current/ Non-current Classification	As at March 31, 2023
Borrowings	23.39	(6.87)	-	16.52
Lease liabilities	102.50	(34.17)	21.96	90.29
Total	125.89	(41.04)	21.96	106.81

Reconciliation of liabilities from financing activities for the year ended March 31, 2022

	As at March 31, 2021	Cash flows	Non cash changes Current/ Non-current Classification	As at March 31, 2022
Borrowings	34.34	(10.95)	-	23.39
Lease liabilities	57.98	(30.95)	75.47	102.50
Total	92.32	(41.90)	75.47	125.89

See accompanying notes to the consolidated financial statements

In terms of our report attached

For Brahmaya & Co.
Chartered Accountants
(F.R.N : 000513S)

Karumanchi Rajaj
Partner
M. No. 202309

Place: Hyderabad
Date: May 23, 2023

For Deloitte Haskins & Sells LLP
Chartered Accountants
(F.R.N : 117366W/W-100018)

R. Prasanna Venkatesh
Partner
M.No. 214045

Place: Hyderabad
Date: May 23, 2023

For and on behalf of the Board of Directors

CIN : L31402AP1985PLC005305

Jayadev Galla
Chairman & Managing Director
DIN: 00143610

Vikramadithya Gourineni
Executive Director
DIN: 03167659

Place: Hyderabad
Date: May 23, 2023

Harshavardhana Gourineni
Executive Director
DIN: 07311410

Delli Babu Y
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Consolidated Statement of changes in equity

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

A) Equity share capital

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	17.08	17.08
Changes in equity share capital during the year	-	-
Balance at the end of the year	17.08	17.08

B) Other equity

	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, 2021	31.19	0.00	582.59	3,581.86	(0.01)	(2.72)	4,192.91
Profit for the year	-	-	-	512.57	-	-	512.57
Other comprehensive income/(loss) for the year, net of income tax	-	-	-	1.76	0.04	(1.06)	0.74
Total comprehensive income for the year 2021-22	-	-	-	514.33	0.04	(1.06)	513.31
Payment of dividends [Refer Note 42]	-	-	-	(170.82)	-	-	(170.82)
Transfer for General reserve	-	-	51.13	(51.13)	-	-	-
Balance at March 31, 2022	31.19	0.00	633.72	3,874.24	0.03	(3.78)	4,535.40
Profit for the year	-	-	-	694.53	-	-	694.53
Other comprehensive income for the year net of income tax	-	-	-	5.21	0.19	104.91	110.31
Total comprehensive income for the year 2022-23	-	-	-	699.74	0.19	104.91	804.84
Payment of dividends [Refer Note 42]	-	-	-	(58.08)	-	-	(58.08)
Transfer for General reserve	-	-	69.44	(69.44)	-	-	-
Balance at March 31, 2023	31.19	0.00	703.16	4,446.46	0.22	101.13	5,282.16

*Amounts 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)

Karumanchi Rajaj
Partner
M. No. 202309

Place: Hyderabad
Date: May 23, 2023

For Deloitte Haskins & Sells LLP
Chartered Accountants
(F.R.N : 117366W/W-100018)

R. Prasanna Venkatesh
Partner
M.No. 214045

Place: Hyderabad
Date: May 23, 2023

For and on behalf of the Board of Directors

CIN : L31402AP1985PLC005305

Jayadev Galla
Chairman & Managing Director
DIN: 00143610

Vikramadithya Gourineni
Executive Director
DIN: 03167659

Place: Hyderabad
Date: May 23, 2023

Harshavardhana Gourineni
Executive Director
DIN: 07311410

Delli Babu Y
Chief Financial Officer

Vikas Sabharwal
Company Secretary

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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 Company" or "the Company") and its subsidiaries (collectively, "the Group").

The Group is one of the largest manufacturers of lead-acid storage batteries for industrial and automotive applications in India. The Group's products are exported to various countries in the Indian Ocean Rim. The Group also provides installation, commissioning and maintenance services. The leading automotive and industrial battery brands of the Group are Amaron®, PowerZone®, Power Stack®, AmaronVolt® and Quanta®.

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 consolidated 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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. For certain investments in equity instruments, where more recent information to measure fair value is insufficient, or there is a wide range of possible fair value measurements, cost is considered as the best estimate of fair value. 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) Insurance Receivable

The amount expected to be reimbursed against a provision is recognised as a separate asset, but only when it is determined to be virtually certain in accordance with the accounting policy.

vii) Other estimates

The preparation of consolidated 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

If the financial condition of a customer deteriorates, additional allowances may be required.

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)
Buildings	3-60
Plant and machinery (including electrical installations and moulds)	1-10
Solar equipment	25
Furniture and fixtures	5-10
Vehicles	3-10
Office equipment	3-5
Computers	3-6

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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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 assets 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the group is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at an amount of transaction price (net of returns and discounts) allocated to that performance obligation. The discount is estimated based on the expected value of outflow.

Sale of goods:

Revenue from sale of products is recognised when control of the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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. Insurance Claim Receivable

Income from insurance proceeds is recognised when (i) it is virtually certain that a valid and adequate insurance policy

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

exists to cover the insured event entitling the Group to a compensation as per the terms and conditions of the policy and (ii) when the amount of compensation expected to be received for a valid insurance claim made and admitted can be measured reliably. Where the final amount of such compensation is subject to final acceptance / determination by the insurance company pending completion of survey or other required activities, the amount of insurance income recognised is restricted to the amount of the loss or expenses recognised in the statement of profit and loss for the insured event. Any additional amount of compensation is recognised only on final acceptance and determination by the insurance company.

O. 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.

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 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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.

Q. 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.

R. 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.

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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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 Group's cash management system.

U. Exceptional items

An ordinary item of income or expense which by its size, nature, occurrence or incidence requires a disclosure in order to improve understanding of the performance of the Group is treated as an exceptional item in the Statement of Profit and Loss account.

V. Recent Accounting pronouncements

Standards issued but not yet effective:

In March 2023, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2023 which amended certain Ind AS as explained below:

- Ind AS 1 – Presentation of Financial Statements – the amendment prescribes disclosure of material

accounting policies instead of significant accounting policies. The impact of the amendment on the Financial Statements is expected to be insignificant basis the preliminary evaluation.

- Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – the amendment added definition of accounting estimate and clarifies what is accounting estimate and treatment of change in the accounting estimate and accounting policy. There is no impact of the amendment on the Financial Statements basis the preliminary evaluation.
- Ind AS 12 – Income taxes – the definition of deferred tax asset and deferred tax liability is amended to apply initial recognition exception on assets and liabilities that does not give rise to equal taxable and deductible temporary differences. There is no impact of the amendment on the Financial Statements basis the preliminary evaluation.

The above amendments are effective from annual periods beginning on or after April 1, 2023.

Note 3.1: Property, plant and equipment and capital work-in-progress

Carrying amounts of:	As at March 31, 2023	As at March 31, 2022
Freehold Land	1.24	1.24
Leasehold improvements	2.50	2.58
Buildings	655.80	643.20
Plant and Equipment (including electrical installations)	1,780.98	1,409.60
Furniture and fixtures	13.53	14.28
Vehicles	21.69	19.35
Office equipment	30.39	31.10
Computers	12.55	6.24
	2,518.68	2,127.59
Capital work-in-progress [Refer note (ii)]	248.10	829.32
	248.10	829.32

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

NOTE 3.1: PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (CONTD.)

	Freehold land	Leasehold improvements	Buildings	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
	Plant and Equipment (including electrical installations)							
(A) Cost or deemed cost								
Balance at March 31, 2021	1.24	49.76	751.04	2,530.59	20.78	19.89	73.53	29.90
Additions	-	-	55.15	282.58	4.68	11.50	10.13	3.31
Disposals	-	-	(0.07)	(27.61)	(0.11)	(4.06)	(0.39)	(0.00)
Balance at March 31, 2022	1.24	49.76	806.12	2,785.56	25.35	27.33	83.27	33.21
Additions	-	-	109.14	869.41	2.12	7.68	8.53	9.92
Disposals	-	-	(78.49)	(312.10)	(1.18)	(3.45)	(0.89)	(1.98)
Balance at March 31, 2023	1.24	49.76	836.77	3,342.87	26.29	31.56	90.91	41.15
								4,420.55
(B) Accumulated depreciation and impairment								
Balance at March 31, 2021	-	41.19	135.86	1,100.21	8.93	7.83	42.57	24.11
Depreciation expense	-	5.99	27.12	297.31	2.16	2.33	9.89	2.86
Eliminated on disposal	-	-	(0.06)	(21.56)	(0.02)	(2.18)	(0.29)	(0.00)
Balance at March 31, 2022	-	47.18	162.92	1,375.96	11.07	7.98	52.17	26.97
Depreciation expense	-	0.08	34.10	322.47	2.42	3.42	9.05	3.46
Impairment loss [Refer Note 30]	-	-	62.35	154.24	0.45	-	0.17	0.09
Eliminated on disposal	-	-	(78.40)	(290.78)	(1.18)	(1.53)	(0.87)	(1.92)
Balance at March 31, 2023	-	47.26	180.97	1,561.89	12.76	9.87	60.52	28.60
								1,901.87
(C) Carrying amount								
Balance at March 31, 2022	1.24	2.58	643.20	1,409.60	14.28	19.35	31.10	6.24
Balance at March 31, 2023	1.24	2.50	655.80	1,780.98	13.53	21.69	30.39	12.55
								2,518.68

Notes:

- (i) 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 ₹15.73 crores (March 31, 2022: ₹7.13 crores) [Refer Note 38].

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 3.1: Property, plant and equipment and capital work-in-progress (contd.)

(ii) Capital work-in-progress ageing schedule*

Particulars	Amount in capital work-in-progress for a period of				As at March 31, 2023
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	182.82	56.24	9.04	-	248.10
	182.82	56.24	9.04	-	248.10

Particulars	Amount in capital work-in-progress for a period of				As at March 31, 2022
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	659.68	107.59	60.05	2.00	829.32
	659.68	107.59	60.05	2.00	829.32

*There are no capital work-in-progress where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2023 and March 31, 2022. Project execution plans are calibrated annually on the basis of Management's judgement and estimates w.r.t future business, technology developments/economy/industry/regulatory environment and all the projects are assessed as per rolling annual plan.

Note 3.2: Right-of-use assets

Carrying amounts of:	As at March 31, 2023		As at March 31, 2022	
	Leasehold land	Buildings	Plant and Equipment (including electrical installations)	Office equipment
Leasehold land			217.22	115.83
Buildings			135.60	150.96
Plant and Equipment (including electrical installations)			17.84	18.03
Office equipment			0.01	0.01
Computers			0.35	0.35
			371.02	285.18

	Leasehold land	Buildings	Plant and Equipment (including electrical installations)	Office equipment	Computers	Total
(A) Cost or deemed cost						
Balance at March 31, 2021	115.06	142.64	18.49	0.01	0.35	276.55
Additions	3.70	69.38	-	-	-	73.08
Disposals	-	(25.37)	-	-	-	(25.37)
Balance at March 31, 2022	118.76	186.65	18.49	0.01	0.35	324.26
Additions	103.21	16.89	-	-	-	120.10
Disposals	-	(11.60)	-	-	-	(11.60)
Balance at March 31, 2023	221.97	191.94	18.49	0.01	0.35	432.76
(B) Accumulated amortisation and impairment						
Balance at March 31, 2021	1.72	30.90	0.28	0.00*	0.00*	32.90
Amortisation expense	1.21	27.83	0.18	0.00*	0.00*	29.22
Eliminated on disposal	-	(23.04)	-	-	-	(23.04)
Balance at March 31, 2022	2.93	35.69	0.46	0.00*	0.00*	39.08
Amortisation expense	1.82	30.18	0.19	0.00*	0.00*	32.19
Eliminated on disposal	-	(9.53)	-	-	-	(9.53)
Balance at March 31, 2023	4.75	56.34	0.65	0.00*	0.00*	61.74
(C) Carrying amount						
Balance at March 31, 2022	115.83	150.96	18.03	0.01	0.35	285.18
Balance at March 31, 2023	217.22	135.60	17.84	0.01	0.35	371.02

*Amount below ₹1 lakh

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 4: Other intangible assets

	As at March 31, 2023	As at March 31, 2022
Carrying amounts of:		
Technical Know-how	45.17	58.79
Software	20.74	20.74
	65.91	79.53
Intangible assets under development [Refer Note below]	0.76	0.33
	0.76	0.33
	Technical Know-how	Software
(A) Cost or deemed cost		Total
Balance at March 31, 2021	72.70	36.84
Additions	1.00	3.14
Disposals	-	-
Balance at March 31, 2022	73.70	39.98
Additions	-	6.82
Disposals	-	-
Balance at March 31, 2023	73.70	46.80
(B) Accumulated amortisation and impairment		
Balance at March 31, 2021	1.27	13.19
Amortisation expense	13.64	6.05
Eliminated on disposal	-	-
Balance at March 31, 2022	14.91	19.24
Amortisation expense	13.62	6.82
Eliminated on disposal	-	-
Balance at March 31, 2023	28.53	26.06
(C) Carrying amount		
Balance at March 31, 2022	58.79	20.74
Balance at March 31, 2023	45.17	20.74
	65.91	79.53

Note:

(i) Intangible assets under development ageing schedule*

Particulars	Amount in intangible assets under development for a period of				As at March 31, 2023
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	0.76	-	-	-	0.76
	0.76	-	-	-	0.76

Particulars	Amount in intangible assets under development for a period of				As at March 31, 2022
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	0.08	0.25	-	-	0.33
	0.08	0.25	-	-	0.33

*There are no intangible assets under development where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2023 and March 31, 2022. Project execution plans are calibrated annually on the basis of Management's judgement and estimates w.r.t future business, technology developments/economy/industry/regulatory environment and all the projects are assessed as per rolling annual plan.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 5: Investments

	As at March 31, 2023	As at March 31, 2022
Non-current		
(I) Investments in equity instruments		
Quoted investments (fully paid) [at FVTOCI]		
(i) Standard Batteries Limited 125 (March 31, 2022: 125) equity shares of ₹1 each*	0.00	0.00
(ii) Nicco Corporation Limited 25 (March 31, 2022: 25) equity shares of ₹2 each*	0.00	0.00
(iii) Exide Industries Limited 10,000 (March 31, 2022: 10,000) equity shares of ₹1 each	0.18	0.15
(iv) HBL Power Systems Limited 5,500 (March 31, 2022: 5,500) equity shares of ₹1 each	0.05	0.03
Total aggregate quoted investments [A]	0.23	0.18
Unquoted investments (fully paid)		
(a) Investments in others (at FVTOCI)		
(i) Indian Lead Limited 1,128 (March 31, 2022: 1,128) equity shares of ₹10 each*	0.00	0.00
(ii) Atria Wind Private Limited Nil (March 31, 2022: 2,500) equity shares of ₹100 each	-	0.03
(iii) Andhra Pradesh Gas Power Corporation Limited 1,206,000 (March 31, 2022: 1,206,000) equity shares of ₹10 each [also refer footnote to Note 31(i) and footnote (i) to Note 41D in respect of the investment]	-	5.27
(iv) Log 9 Materials Scientific Private Limited 22,524 (March 31, 2022: 22,524) equity shares of ₹1 each [also refer footnote (ii) to Note 41D]	51.15	5.47
(v) Inobat AS [Formerly known as Inobat Auto AS] 1,600 (March 31, 2022: Nil) equity shares of 0.25 NOK each	0.82	-
Total aggregate unquoted investments [B]	51.97	10.77
Total investments in equity instruments [C = A+B]	52.20	10.95
(II) Investment in Preference Shares		
Unquoted investments (fully paid) [at FVTOCI]		
(i) Log 9 Materials Scientific Private Limited 92,263 (March 31, 2022: 58,347) Compulsorily Convertible Preference Shares of ₹100 each [D] [also refer footnote (ii) to Note 41D]	209.46	31.52
(III) Investments carried at amortised cost		
(i) 6 years National Savings Certificates (Refer Note below) [E]	0.01	0.01
Total Non-current investments [F=C+D+E]	261.67	42.48

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	0.23	0.18
--	------	------

Aggregate amount of unquoted investments	261.43	42.29
--	--------	-------

Aggregate amount of impairment in value of investments	15.71	-
--	-------	---

*Amounts below ₹1 lakh

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 5: Investments (contd.)

	As at March 31, 2023	As at March 31, 2022
Current		
Investments mandatorily measured at fair value through profit or loss (FVTPL)		
Quoted investments in mutual funds		
SBI Savings Fund - Regular Plan - Growth 1,53,94,792.16 units of ₹35.41 (March 31, 2022: 28,82,670.63 units of ₹33.69)	54.51	9.71
SBI Liquid Fund - Direct Growth 1,11,492.48 units of ₹3496.08 (March 31, 2022: Nil)	38.98	-
SBI Savings Fund - Direct Plan - Growth 41,84,247.49 units of ₹37.57 (March 31, 2022: Nil)	15.72	-
ICICI Prudential Liquid - Direct Plan - Growth Nil (March 31, 2022: 3,019.42 units of ₹315.26)	-	0.10
ICICI Prudential Liquid - Ultra Short Term Fund DP Growth Nil (March 31, 2022: 1,306.81 units of ₹23.81)	-	0.00*
UTI - Liquid Cash Plan - Direct Growth Plan 2,299.35 units of ₹ 3,689.41 (March 31, 2022: 21,891.27 units of ₹3,488.04)	0.85	7.64
UTI - Ultra Short Term Fund - Direct Growth Plan 1,43,555.84 units of ₹3,848.19 (March 31, 2022: 509.65 units of ₹3,646.21)	55.24	0.19
Kotak Overnight Fund - Direct Plan Growth Nil (March 31, 2022: 26.37 units of ₹1,133.80)	-	0.00*
Aditya Birla Sun Life Saving Fund - Growth- Direct Nil (March 31, 2022: 2,51,707.23 units of ₹445.31)	-	11.21
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan Nil (March 31, 2022: 1,71,544.37 units of ₹343.13)	-	5.88
Total Quoted investments measured at FVTPL	165.30	34.73
Total Current investments	165.30	34.73
Aggregate book value of quoted investments - at cost	164.19	34.52
Aggregate market value of quoted investments	165.30	34.73

*Amounts below ₹1 lakh

Note 6: Loans

(Measured at amortised cost)

	As at March 31, 2023	As at March 31, 2022
Current		
Loans to other entities [Refer Note below]		
- Considered good - Unsecured	88.71	-
Total	88.71	-

Note:

The Parent Company as part of its strategic initiative to venture into new energy business and EV batteries had entered into a transaction agreement with Inobat AS [Formerly known as Inobat Auto AS], Oslo Norway ('InoBat Auto') for investment by way of conditionally convertible instruments in Inobat Auto for a value of Euro 9.90 Million. Due to the conditions not being met, the instrument has been considered as a loan as per terms of the agreement and is recoverable within a period of 1 year from the date of initial investment along with simple interest @ 8% p.a.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 7: Other financial assets

	As at March 31, 2023	As at March 31, 2022
Non-current		
(a) Security deposits*	18.76	8.33
(b) Insurance claim and receivable (Refer Note 30)	106.43	-
Total	125.19	8.33

*Includes to related parties ₹4.48 crores (As at March 31, 2022: ₹4.48 crores)

	As at March 31, 2023	As at March 31, 2022
Current		
(a) Advances to related parties:		
(i) Reimbursable expenses	18.16	13.92
(b) Security deposits	2.18	1.06
(c) Interest accruals:		
(i) Interest accrued on loans and deposits	8.91	1.69
(ii) Interest accrued on overdue trade receivables	0.02	0.01
(d) Insurance claim and receivable (Refer Note 30)	284.48	-
Total	313.75	16.68

Note 8: Inventories

(at lower of cost and net realisable value)

	As at March 31, 2023	As at March 31, 2022
(a) Raw materials and bought-out components	612.87	621.37
(b) Work-in-progress	333.45	436.39
(c) Finished goods	510.20	505.33
(d) Stock-in-trade (goods purchased for resale)	140.69	103.36
(e) Stores and spares (including secondary packing material)	104.53	137.42
(f) Loose tools	0.45	0.69
Total	1,702.19	1,804.56
Raw materials includes material-in-transit	101.73	104.45

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. An amount of ₹199.43 crores has been recognised as loss of inventories on account of fire accident (Refer Note 30).
- (ii) The cost of inventories recognised as an expense includes ₹3.38 crores (during 2021-22: ₹5 crores) in respect of write-downs of inventory to net realisable value, and has been reduced by ₹ Nil (during 2021-22: ₹ 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 9: Trade receivables

	As at March 31, 2023	As at March 31, 2022
(a) Unsecured, considered good	886.56	792.00
(b) Considered doubtful	3.69	6.75
	890.25	798.75
Less: Allowance for doubtful receivables	(3.69)	(6.75)
Total	886.56	792.00

Trade Receivables ageing schedule

	Outstanding for following periods from due date of payment						As at March 31, 2023
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Trade receivables - Unsecured							
(i) Undisputed, considered good	796.57	87.80	2.19	-	-	-	886.56
(ii) Undisputed, considered doubtful	-	-	-	1.54	0.12	0.29	1.95
(iii) Disputed, considered good	-	-	-	-	-	-	-
(iv) Disputed, considered doubtful	-	-	-	-	0.28	1.46	1.74
	796.57	87.80	2.19	1.54	0.40	1.75	890.25
Less: Allowance for doubtful receivables							(3.69)
Total							886.56

	Outstanding for following periods from due date of payment						As at March 31, 2022
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Trade receivables - Unsecured							
(i) Undisputed, considered good	620.79	168.07	3.14	-	-	-	792.00
(ii) Undisputed, considered doubtful	-	-	-	1.44	0.80	2.78	5.02
(iii) Disputed, considered good	-	-	-	-	-	-	-
(iv) Disputed, considered doubtful	-	-	-	0.28	0.28	1.17	1.73
	620.79	168.07	3.14	1.72	1.08	3.95	798.75
Less: Allowance for doubtful receivables							(6.75)
Total							792.00

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) Of the trade receivables balance, ₹150.03 crores (as at March 31, 2022: ₹ Nil crores) is due from one of the Company's large customer. There are no other customers who represent more than 10% of the total balance of trade receivables.
- (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, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	6.75	9.20
Add: Provision created during the year	1.18	2.07
Less: Provision reversed / released during the year	(4.24)	(4.52)
Balance at the end of the year	3.69	6.75

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 10(a): Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
(a) Balances with banks		
(i) in current accounts	48.66	29.35
(ii) in EEFC accounts	44.11	0.63
(b) Cash on hand	0.00*	0.01
(c) Cheques on hand	2.10	4.87
Cash and cash equivalents as per the cash flow statement	94.87	34.86

*Amount below ₹1 Lakh

Note 10(b): Other bank balances

	As at March 31, 2023	As at March 31, 2022
(a) In deposit accounts		
(i) original maturity more than 3 months but less than 12 months	6.43	5.21
(b) In earmarked accounts		
(i) Dividend accounts	3.06	3.44
(ii) Balances held as margin money against guarantees given	0.90	10.61
Total	10.39	19.26

Note 11: Other assets

	As at March 31, 2023	As at March 31, 2022
Non-current		
(a) Capital advances	43.30	110.78
(b) Capital advances to related parties	15.90	3.73
(c) Prepaid expenses	2.32	1.17
(d) Balances with government authorities	16.45	13.80
(e) Other deposits (Electricity deposits, for other utilities, etc.)	45.60	41.79
Total	123.57	171.27
Current		
(a) Contractually reimbursable expenses	4.04	2.89
(b) Commercial advances	80.11	52.66
(c) Advances to employees	0.49	0.32
(d) Balances with government authorities (Advances, GST credit and VAT credit)	20.98	23.74
(e) Prepaid expenses	13.46	13.09
(f) Other receivables (export incentives, etc.)	22.70	30.04
(g) Balance in Gratuity Fund (net of obligations)	4.51	-
Total	146.29	122.74

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 12: Equity share capital

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised				
Equity shares of ₹1/- each	200,000,000	20.00	200,000,000	20.00
(b) Issued				
Equity shares of ₹1/- each	175,028,500	17.50	175,028,500	17.50
(c) Subscribed and fully paid-up				
Equity shares of ₹1/- each	170,812,500	17.08	170,812,500	17.08
	170,812,500	17.08	170,812,500	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, 2021	170,812,500	17.08
Changes during year	-	-
Balance at March 31, 2022	170,812,500	17.08
Changes during year	-	-
Balance at March 31, 2023	170,812,500	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, 2023		As at March 31, 2022	
	Number of shares	%	Number of shares	%
RNGalla Family Private Limited	47,932,452	28.06	47,932,452	28.06
Clarios ARBL Holdings LP (formerly known as Panther ARBL Holdings LP)	23,913,750	14.00	23,913,750	14.00
Nalanda India Equity Fund Limited	16,880,938	9.88	16,880,938	9.88
Life Insurance Corporation of India	12,354,916	7.23	12,354,916	7.23

(iv) Details of equity shares held by promoters at the end of the year

Promoter Name	As at March 31, 2023		As at March 31, 2022		% change during the year
	Number of shares	%	Number of shares	%	
RNGalla Family Private Limited	47,932,452	28.06	47,932,452	28.06	0.00%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 13: Other equity

	As at March 31, 2023	As at March 31, 2022
(a) General reserve	703.16	633.72
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 Group 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 Group'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	101.13	(3.78)
Change in fair value of equity instruments through other comprehensive income.		
(e) Retained earnings	4,446.46	3,874.24
Retained earnings represents the cumulative undistributed profits of the Group and can be utilised in accordance with the provisions of the Companies Act, 2013.		
(f) Foreign Currency Translation Reserve	0.22	0.03
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	5,282.16	4,535.40

*Amount below ₹1 Lakh

Note 14: Borrowings

	As at March 31, 2023	As at March 31, 2022
Non-current		
Unsecured - at amortised cost		
Deferred Payment Liabilities		
Sales tax deferment loans [Refer Note below]	9.64	16.52
Total	9.64	16.52
Current		
Unsecured - at amortised cost		
Sales tax deferment loans [Refer Note below]	6.88	6.87
Total	6.88	6.87

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 Parent 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 15: Lease Liabilities*

	As at March 31, 2023	As at March 31, 2022
Non-current		
Lease liabilities	63.50	77.28
Total	63.50	77.28
Current		
Lease Liabilities	26.79	25.22
Total	26.79	25.22

*Also Refer Note 37

Note 16 : Provisions

	As at March 31, 2023	As at March 31, 2022
Non-current		
Employee benefits		
- Compensated absences	22.08	20.30
Other provisions		
- Product warranty [Refer Note 40]	121.36	87.99
Total	143.44	108.29
Current		
Employee Benefits		
- Compensated absences	5.63	4.54
- Gratuity [Refer Note 33]	0.06	0.87
Other provisions		
- Product warranty [Refer Note 40]	135.93	131.88
Total	141.62	137.29

Note 17 : Deferred tax assets/liabilities (net)

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet :

	As at March 31, 2023	As at March 31, 2022
(a) Deferred tax assets	0.89	13.67
(b) Deferred tax liabilities	(73.15)	(45.04)

2022-2023 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	(45.04)	0.17	-	(44.87)
Financial assets measured at FVTOCI	5.32	(5.56)	(36.49)	(36.73)
Provision for doubtful receivables	1.70	(0.64)	-	1.06
Provision for employee benefits	6.65	0.50	-	7.15
Others	-	1.13	-	1.13
	(31.37)	(4.40)	(36.49)	(72.26)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

2021-2022 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	(55.91)	10.87	-	(45.04)
Financial assets measured at FVTOCI	5.32	-	-	5.32
Provision for doubtful receivables	2.32	(0.62)	-	1.70
Provision for employee benefits	8.22	(1.57)	-	6.65
Others	(0.69)	0.69	-	-
	(40.74)	9.37	-	(31.37)

Note 18 : Trade payable

	As at March 31, 2023	As at March 31, 2022
(a) Total outstanding dues of Micro enterprises and small enterprises [Refer Note 32]	19.04	23.05
(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises	738.03	782.45
	757.07	805.50

Trade Payables ageing schedule

	Outstanding for following periods from due date of payment					As at March 31, 2023
	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	19.04	-	-	-	-	19.04
(ii) Other than MSME	469.89	112.62	0.67	0.14	3.93	587.25
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	150.78	-	-	-	-	150.78
Total	639.71	112.62	0.67	0.14	3.93	757.07

	Outstanding for following periods from due date of payment					As at March 31, 2022
	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	23.05	-	-	-	-	23.05
(ii) Other than MSME	512.28	122.59	1.09	0.92	2.68	639.56
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	142.89	-	-	-	-	142.89
Total	678.22	122.59	1.09	0.92	2.68	805.50

Note 19: Other financial liabilities

		As at March 31, 2023	As at March 31, 2022
Current			
(a) Unpaid dividends		3.06	3.44
(b) Other payables:			
(i) Payables on purchase of property, plant and equipment		67.84	149.47
(ii) Others (employee related, others) [Refer Note below]		180.72	145.88
Total		251.62	298.79

Note:

Other liabilities includes employees related payables (including payable to Chairman & Managing Director and Executive Directors), commission payable to Other Directors, outstanding liabilities for incentives and trade schemes, etc.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 20: Income tax assets/liabilities (net)

	As at March 31, 2023	As at March 31, 2022
Non-Current		
Advance tax/TDS receivable (net of provisions)	-	7.24
Total	-	7.24
Current		
Income tax payable (net of advance tax)	0.86	-
Total	0.86	-

Note 21: Other liabilities

	As at March 31, 2023	As at March 31, 2022
Non-current		
(a) Revenue received in advance		
(i) Deferred revenue arising from government grant [Refer Note below]	83.01	63.69
Total	83.01	63.69
Current		
(a) Revenue received in advance		
(i) Deferred revenue arising from government grant [Refer Note below]	11.15	12.81
(b) Statutory remittances (GST, PF, VAT, TDS, etc.)	77.88	51.70
(c) Advances from customers	66.76	51.35
(d) Others (includes accruals relating to trade promotion schemes)	111.24	136.94
Total	267.03	252.80

Note:

The deferred revenue of ₹94.16 crores (March 31, 2022: ₹76.50 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. It also includes subsidy received on lease of immovable property from State Industries Promotion Corporation of Tamil Nadu. 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, 2023	For the year ended March 31, 2022
a. Sale of products (Refer Note (i) below)	10,294.09	8,612.86
b. Sale of services (Refer Note (ii) below)	45.25	41.84
c. Other operating revenues (Refer Note (iii) below)	48.86	42.45
Total	10,388.20	8,697.15
Notes:		
(i) Sale of products comprises:		
Manufactured goods		
- Storage batteries	9,701.63	8,080.76
Sub-total - Sale of manufactured goods	9,701.63	8,080.76
Traded goods		
- Storage batteries and Components	453.82	433.61
- Home UPS	138.64	98.49
Sub-total - Sale of traded goods	592.46	532.10
Total - Sale of products	10,294.09	8,612.86

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2023	For the year ended March 31, 2022
(ii) Sale of services comprise:		
- Installation and Commissioning	7.50	5.04
- Operational and Maintenance Services including annual maintenance	21.51	0.40
- Others (subject and other matters experts, service charges, etc.)	16.24	36.40
Total - Sale of services	45.25	41.84
(iii) Other operating revenues comprise:		
- Sale of process scrap	2.96	4.35
- Export benefits (including RoDTEP, Duty Drawback & EPCG benefits) [Refer Note (iv) below]	45.90	38.10
Total - Other operating revenues	48.86	42.45

(iv) Includes ₹15.70 crores (for the year ended March 31, 2022: ₹12.85 crores) recognised as income in proportion to the depreciation charged to the Statement of Profit and Loss. [Refer Note 21]

(v) Reconciliation of gross revenue with the revenue from contracts with customers:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Gross Revenue	10,739.78	8,939.79
Less: Incentives and Discounts	(400.44)	(285.09)
Net revenue recognised from contracts with customers	10,339.34	8,654.70

Note 23: Other income

	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Interest income		
(i) Interest income earned on financial assets that are not designated as at FVTPL		
- Bank deposits (at amortised cost)	1.45	2.13
- Other financial assets carried at amortised cost	0.44	0.78
- Unwinding of discounts on rental deposits	0.23	0.27
	2.12	3.18
b) Dividend income		
(i) Dividend from equity investments designated as at FVTOCI*	0.00	0.00
*Amount below ₹1 Lakh	0.00	0.00
c) Other non-operating income		
(i) Interest income on loans and other deposits	9.05	1.42
(ii) Sale of non process scrap	9.94	6.13
(iii) Liabilities no longer required written back	0.80	9.39
(iv) Provision for doubtful trade receivables written back	2.85	2.96
(v) Others	11.50	9.51
	34.14	29.41
d) Other gains and losses		
(i) Gain on disposal of mutual fund units	13.60	11.62
(ii) Net foreign exchange gains	40.69	33.56
(iii) Net gain arising on financial assets mandatorily measured at FVTPL [Refer Note below]	1.11	0.21
(iv) Gain on de-recognition of Right-of-use asset	0.38	-
	55.78	45.39
Total (a+b+c+d)	92.04	77.98

Note:

The amount represents the increase in fair value on non-derivative current investments which are mandatorily measured at fair value. [Refer Note 5]

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 24: Changes in inventories of finished goods, work-in-progress and stock-in-trade

	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year		
Finished goods - storage batteries	505.33	333.96
Work-in-progress	436.39	291.16
Stock-in-trade		
- Storage batteries	59.47	82.40
- Home UPS	43.89	15.61
[A]	1,045.08	723.13
Inventories at the end of the year		
Finished goods - storage batteries	510.20	505.33
Work-in-progress	333.45	436.39
Stock-in-trade		
- Storage batteries	98.84	59.47
- Home UPS	41.85	43.89
[B]	984.34	1,045.08
Decrease/(Increase) in finished goods, work-in-progress and stock-in-trade [A-B]	60.74	(321.95)

Note 25: Employee benefits expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Salaries and wages	476.43	389.61
(b) Contribution to provident and other funds [Refer Note 33]	41.55	37.66
(c) Staff welfare expenses	73.82	72.04
Total	591.80	499.31

Note 26: Finance costs

	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Other borrowing costs:		
(i) Unwinding of discounts on warranty provision [Refer Note 40]	13.28	8.36
(ii) Interest on leases liabilities [Refer Note 37]	7.52	5.98
(iii) Others	1.28	0.76
Total	22.08	15.10

Note 27: Depreciation and amortisation expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment (including on right-of-use assets) [Refer Note 3.1 and 3.2]	407.19	376.88
Amortisation of intangible assets [Refer Note 4]	20.44	19.69
Less: Depreciation capitalised to property, plant and equipment/capital work-in-progress	(0.40)	(0.85)
Total	427.23	395.72

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 28: Other expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores and spares (including packing material)	147.14	126.76
Tools consumed	1.28	0.90
Power and fuel	318.55	249.58
Rent	2.16	2.29
Repairs and maintenance		
- Plant and machinery	11.50	9.16
- Buildings	5.56	6.97
- Others	9.75	6.40
Insurance	14.67	12.55
Rates and taxes	11.29	4.45
Communication	2.43	2.01
Travelling and conveyance	23.26	12.24
Outward freight and handling charges	286.87	260.05
Advertisement and sales promotion	39.43	38.34
Expenditure on Corporate Social Responsibility (Refer Note 45)	16.08	16.43
Legal and professional	26.15	26.59
Payment to auditors [Refer Note below]	1.47	1.24
Bad trade receivables written off	2.38	3.48
Less : Provision released	(1.39)	(1.56)
	0.99	1.92
Provision for doubtful trade receivables	1.18	2.07
Provision for doubtful advances and other receivables	3.36	1.30
Loss on sale of property, plant and equipment (net) / written off	15.39	6.96
Warranty expenses (net)	181.62	148.98
Service expenses	32.95	29.91
Printing and stationery	1.64	1.88
Miscellaneous expenses	102.71	83.55
Total	1,257.43	1,052.53

Note:

Payment to auditors comprise (net of GST)

(a) To statutory auditors		
- Statutory audit fee	1.05	0.92
- Limited review fee	0.20	0.20
- Tax audit fee	0.05	0.05
- Certification fee	0.08	-
- Reimbursement of expenses	0.04	0.02
(b) To cost auditor for cost audit	0.05	0.05
	1.47	1.24

Note 29: Income tax recognised in profit or loss

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Tax		
In respect of the current year	248.19	187.97
In respect of the prior years	0.06	(0.05)
Total	248.25	187.92

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred Tax		
In respect of the current year	4.40	(9.37)
Total	4.40	(9.37)
Total income tax expense recognised	252.65	178.55
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	947.18	691.12
Income tax expense calculated at 25.168% (2021-22 : 25.168%)	238.39	173.94
Tax effects of amounts which are not deductible in determining taxable profit	14.78	7.30
Effect of concessions (research and development and other allowances)	(0.52)	(2.69)
Income tax expense recognised in profit or loss	252.65	178.55

Note:

The tax rate used for the year 2022-2023 and 2021-2022 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: Exceptional items

On January 30, 2023, a fire broke out at one of the manufacturing facilities of the Parent Company at Chittoor, Andhra Pradesh which caused damage to the Parent Company's property, plant and equipment and inventories. There were no loss of lives. The Parent Company has recognised a loss of ₹438.56 crores arising from such incident for the year ended March 31, 2023. The loss is estimated based on an evaluation of physical condition of property, plant and equipment and inventories, which is subject to a technical inspection by equipment manufacturers or chartered engineers and an assessment of recovery/salvage value by the designated vendors.

The Parent Company has a valid mega all risk insurance policy covering the fire accident and has lodged a claim with the Insurance Company for losses suffered on account of the property, plant and equipment, inventories and loss of profits. The Insurance Company has admitted the claim based on an interim survey carried out by the surveyor appointed by it and the extent of final loss admissible under the policy is being evaluated by the surveyor. The Parent Company has estimated and recognised an insurance claim receivable in respect of the claim in accordance with its accounting policy. As on the date of approval of these financial statements by the Board of Directors, the Parent Company has received an adhoc payment of ₹100 crores from the Insurance Company and is confident of realizing the balance amount on final determination of the loss and completion of the related activities.

The aforementioned losses and the corresponding credit arising from the insurance claim receivable has been presented on a net basis under Exceptional items in these consolidated financial statements.

Note 31: Contingent liabilities and commitments

	As at March 31, 2023	As at March 31, 2022
(i) Contingent Liabilities (to the extent not provided for) :		
Claims against the Company not acknowledged as debt		
Matters under dispute:		
- Excise duty / Service tax	63.58	61.00
- Sales tax/VAT and GST	9.70	9.89
- Income tax	23.39	0.86
- Electricity related (Refer Note below)	36.10	33.43
- Other (Building and other construction workers welfare cess, wealth tax, etc.)	9.07	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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note:

Includes an amount of ₹10.54 crores (March 31, 2022: ₹ 8.04 crores) which has been claimed by Andhra Pradesh Gas Power Corporation Limited ('APGCL') with respect to the power supplied by it to the Parent Company through Andhra Pradesh Southern Power Distribution Corporation Limited ('APSPDCL'). The Management of the Parent Company has contended that the said dues charged by APSPDCL as part of the regular electricity bills has been duly discharged by the Company to APSPDCL.

APGPCL has also consequently placed a lien on the investment held by the Parent Company in it for non-payment of dues. The Management of the Parent has initiated arbitration proceedings against the claim and the said action of APGPCL and is confident of a favourable outcome in this matter.

(ii) Commitments:

	As at March 31, 2023	As at March 31, 2022
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	483.16	373.41
(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.		
(c) The Group has entered into a Memorandum of Understanding with the Government of Telangana for setting up of new energy related projects in the State of Telangana.		
(d) The Group has committed a capital investment of ₹1,001.44 crores to the State Industries Promotion Corporation of Tamil Nadu Limited upon entering into a lease agreement for land in Cheyyar for 99 years.		

Note 32: 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:

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	19.04	23.05
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(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)	-	-
(vi) Interest due and payable to suppliers under MSMED Act for payments already made	-	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 33: 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 ₹16.51 crores (Year ended March 31, 2022: ₹14.51 crores) for provident fund contributions, ₹15.36 crores (Year ended March 31, 2022: ₹15.35 crores) for Superannuation Fund contributions and ₹4.27 crores (Year ended March 31, 2022: ₹3.93 crores) towards Employees' State Insurance Scheme contributions in the 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, 2023	As at March 31, 2022
Present value of obligation	59.83	59.07
Fair value of plan assets	(64.28)	(58.20)
Net liability/(asset) recognized in the Balance Sheet	(4.45)	0.87

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

	Plan Assets	Plan Obligation	Total Net
As at March 31, 2021	50.06	56.00	5.94
Current service cost	-	4.50	4.50
Past service cost	-	(2.07)	(2.07)
Interest cost	-	3.68	3.68
Interest income	3.29	-	(3.29)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(1.19)	(1.19)
Contributions	6.13	-	(6.13)
Benefit payments	(2.39)	(2.39)	-
Return on plan assets, excluding interest income	0.57	-	(0.57)
Transfer to Group Companies	0.54	0.54	-
As at March 31, 2022	58.20	59.07	0.87
Current service cost	-	4.31	4.31
Interest cost	-	4.07	4.07
Interest income	4.03	-	(4.03)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(1.78)	(1.78)
Actuarial (gain)/loss arising due to experience	-	(3.26)	(3.26)
Contributions	4.46	-	(4.46)
Benefit payments	(3.19)	(3.19)	-
Return on plan assets, excluding interest income	0.17	-	(0.17)
Transfer to Group Companies	0.61	0.61	-
As at March 31, 2023	64.28	59.83	(4.45)

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

	Year ended March 31, 2023	Year ended March 31, 2022
Employee Benefit Expenses		
Current service cost	4.31	4.50
Interest cost	4.07	3.68
Past service cost	-	(2.07)
Interest income	(4.03)	(3.29)
Net impact on profit before tax	4.35	2.82
Remeasurement of the net defined benefit plan		
Actuarial (gain)/loss arising from changes in financial assumptions	(1.78)	(1.19)
Actuarial (gain)/loss arising due to experience	(3.26)	-
Return on plan assets, excluding interest income	(0.17)	(0.57)
Net impact on other comprehensive income before tax	(5.21)	(1.76)

(iv) Assets

The major categories of plan assets as a % of the total plan assets

	As at March 31, 2023	As at March 31, 2022
Funded with Life Insurance Corporation of India	100%	100%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

(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, 2023	As at March 31, 2022
Discount rate	7.41%	6.90%
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 2012-14 (Urban).

(vi) Sensitivity analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	3.20	3.59	(3.34)	3.76
Salary escalation rate (1% movement)	3.31	(3.07)	3.41	(3.16)

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, 2023	As at March 31, 2022
Within 1 year	7.42	6.75
1-2 year	6.90	6.29
2-3 year	6.37	6.86
3-4 year	6.71	5.74
4-5 year	6.24	5.90
5-10 year	27.06	26.66
> 10 Year	41.17	41.02

The Company expects to contribute ₹ Nil to its defined benefit plans during the next fiscal year.

Note 34: Segment reporting

The Chairman & 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 and other storage batteries. Accordingly, manufacturing and trading of lead acid and other storage batteries is considered as the operating segment of the Group.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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, 2023	For the year ended March 31, 2022
India	9,154.97	7,558.17
Outside India	1,233.23	1,138.98
Total	10,388.20	8,697.15

Refer to Note 41 on Financial Instruments and related disclosures for information on revenue from major customers.

Note 35: Related party transactions

(a) Details of related parties

Entity exercising significant influence

RNGalla Family Private Limited

Key Management Personnel (KMP)

Jayadev Galla Chairman & Managing Director

Harshavardhana Gourineni Executive Director

Vikramadithya Gourineni Executive Director

Relative of Key Management Personnel

Dr. Ramachandra N. Galla Relative of Jayadev Galla

Dr. Ramadevi Gourineni Relative of Jayadev Galla

G. Amara Kumari Relative of Jayadev Galla

Ashok Galla Relative of Jayadev Galla

Siddharth Galla Relative of Jayadev Galla

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 Foundation (Formerly known as "Rajanna Trust")

Amara Raja Blaze Technologies Private Limited

HG Global Private Limited

HG Chemicle Private Limited(w.e.f. May 13, 2022)

Tropical Island Spas and Resorts Private Limited (w.e.f. October 17, 2022)

Subsidiaries of the entity exercising significant influence

Mangal Industries Limited

Amara Raja Infra Private Limited

Amara Raja Power Systems Limited

Amara Raja Media and Entertainment Private Limited

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

(b) Transactions with the above related parties during the year were:

Particulars	For the year ended March 31, 2023*	For the year ended March 31, 2022*
Sale of goods (Net of sale returns)		
Amara Raja Power Systems Limited	24.06	15.46
Amara Raja Electronics Limited	0.08	0.02
Mangal Industries Limited	0.72	1.02
RNGalla Family Private Limited	-	0.05
Amara Raja Infra Private Limited	0.32	-
Rental Income		
Mangal Industries Limited	0.38	0.18
Purchase of goods		
Amara Raja Power Systems Limited	72.35	67.28
Amara Raja Electronics Limited	143.47	92.25
Mangal Industries Limited	905.13	864.02
RNGalla Family Private Limited	0.08	0.05
Availing of services		
Amara Raja Infra Private Limited	94.92	86.79
Rajanna Foundation (Formerly known as "Rajanna Trust")	-	0.13
G2 Healthcare Private Limited	-	1.41
Purchase of Fixed Assets		
Amara Raja Power Systems Limited	17.96	242.84
Amara Raja Electronics Limited	0.05	0.42
Mangal Industries Limited	45.23	56.80
Amara Raja Infra Private Limited	61.23	108.71
Rent Expense		
Jayadev Galla	3.87	3.64
Dr. Ramachandra N. Galla	0.60	0.57
Dr. Ramadevi Gourineni	3.53	3.30
Harshavardhana Gourineni	0.03	0.02
Vikramadithya Gourineni	0.03	0.02
G. Amara Kumari	0.05	0.03
Ashok Galla	0.03	0.02
Siddharth Galla	0.03	0.02
Amara Raja Infra Private Limited	2.43	2.43
Donation Expense		
Rajanna Foundation (Formerly known as "Rajanna Trust")	23.34	16.43
Expenses reimbursed to		
Amara Raja Power Systems Limited	-	0.14
Amara Raja Electronics Limited	-	0.00 [#]
Mangal Industries Limited	0.09	0.08
Amara Raja Infra Private Limited	-	0.03
RNGalla Family Private Limited	0.01	-
Dividends Paid (including interim dividend)		
RNGalla Family Private Limited	16.30	47.93

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Particulars	For the year ended March 31, 2023*	For the year ended March 31, 2022*
Expenses recovered from		
Amara Raja Power Systems Limited	7.87	7.76
Amara Raja Electronics Limited	1.12	0.87
Mangal Industries Limited	16.80	11.49
Amara Raja Infra Private Limited	6.39	4.55
RNGalla Family Private Limited	0.78	0.55
Interest Income		
Amara Raja Power Systems Limited	-	0.12
Amara Raja Electronics Limited	0.01	0.16
Mangal Industries Limited	0.35	0.73
Amara Raja Infra Private Limited	0.07	0.01
RNGalla Family Private Limited	0.01	0.00 [#]
Other recoveries		
Mangal Industries Limited	42.50	38.61
Remuneration		
Jayadev Galla	53.23	38.01
Harshavardhana Gourineni	26.62	15.25
Vikramadithya Gourineni	26.62	15.25

^{*}Transactions have been disclosed net of applicable taxes.

(c) Balances receivable from / payable to related parties are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
Amara Raja Power Systems Limited	12.28	8.35
Mangal Industries Limited	12.31	10.46
Amara Raja Infra Private Limited	2.51	-
Security Deposits		
Jayadev Galla	2.12	2.12
Dr. Ramachandra N. Galla	0.32	0.32
Dr. Ramadevi Gourineni	2.04	2.04
Interest Receivable		
Amara Raja Electronics Limited	-	0.14
Mangal Industries Limited	0.00 [#]	0.01
Amara Raja Infra Private Limited	0.02	0.00
RNGalla Family Private Limited	0.00 [#]	0.00
Rent Receivable		
Mangal Industries Limited	-	0.20
Advances (including contractually reimbursable expenses)		
Amara Raja Power Systems Limited	0.53	7.51
Amara Raja Electronics Limited	8.24	9.47
Mangal Industries Limited	4.72	3.05
Amara Raja Infra Private Limited	16.30	2.16
RNGalla Family Private Limited	0.06	0.12

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
Amara Raja Power Systems Limited	0.11	0.45
Amara Raja Electronics Limited	5.57	9.52
Mangal Industries Limited	27.43	4.86
Amara Raja Infra Private Limited	14.50	8.26
Payables on purchase of fixed assets		
Amara Raja Power Systems Limited	0.02	64.85
Mangal Industries Limited	9.59	9.53
Amara Raja Infra Private Limited	20.74	19.10
Other Payables		
Rajanna Foundation (Formerly known as "Rajanna Trust")	4.79	-
Other Payables (Employee Related)		
Jayadev Galla	50.83	35.60
Harshavardhana Gourineni	25.22	14.10
Vikramadithya Gourineni	25.22	14.10
Rent Payable		
Jayadev Galla	0.35	0.34
Dr. Ramachandra N. Galla	0.03	0.04
Dr. Ramadevi Gourineni	0.29	0.28
Harshavardhana Gourineni	0.02	0.02
Vikramadithya Gourineni	0.02	0.02
G. Amara Kumari	0.04	0.03
Ashok Galla	0.02	0.02
Siddharth Galla	0.02	0.02
Amara Raja Infra Private Limited	0.21	0.44
Capital commitments		
Amara Raja Power Systems Limited	2.64	24.87
Amara Raja Electronics Limited	-	0.36
Mangal Industries Limited	25.51	42.40
Amara Raja Infra Private Limited	96.72	82.62

*Amount below ₹1 lakh

Note: Also refer Note 46.

Note 36: Earnings per share (EPS)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit for the year (in ₹ crores) [A]	694.53	512.57
Weighted average number of equity shares outstanding during the year (No's) [B]	170,812,500	170,812,500
Earnings per share (Face Value of ₹1 per share)		
- Basic and diluted (in ₹) [A/B]	40.66	30.01

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 37: Leases

Particulars	As at March 31, 2023	As at March 31, 2022
(i) The following is the breakup of current and non-current lease liabilities		
Current liabilities	26.79	25.22
Non-current liabilities	63.50	77.28
	90.29	102.50
(ii) The following is the movement of lease liabilities during the year ended March 31:		
Balance at the beginning	102.50	57.98
Additions during the year	16.89	63.51
Deletions during the year	(2.45)	-
Finance cost accrued during the year	7.52	5.98
Payment of lease liabilities	(34.17)	(24.97)
Balance at the end	90.29	102.50
(iii) Maturity analysis of lease liabilities		
Less than one year	26.79	25.22
One to five years	57.39	64.26
More than five years	6.11	13.02
	90.29	102.50

Note 38: Revenue expenditure capitalized to fixed assets/capital work-in-progress

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Cost of material consumed (net) (Refer Note below)	14.63	6.28
(b) Power and Fuel	0.02	-
(c) Depreciation and amortization expense [net of deferred revenue arising from government grant of ₹0.07 crores (Year ended March 31, 2022: ₹ Nil)]	0.33	0.85
(d) Others	0.75	-
Total	15.73	7.13

Note: Net of income from sale of batteries, scrap, etc., ₹14.16 crores (Year ended March 31, 2022: ₹13.03 crores)

Note 39: Details of expenditure incurred on research and development

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue expenditure:		
(a) Cost of materials consumed	0.79	0.88
(b) Consumption of stores and spares (including secondary packing material)	0.47	0.36
(c) Employee benefits expense	8.96	8.10
(d) Power and fuel	0.96	0.78
(e) Others	0.94	0.72
Total Revenue expenditure [A]	12.12	10.84
Capital expenditure [B]	5.05	4.95
Total [A+B]	17.17	15.79

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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 Group 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, 2023	For the year ended March 31, 2022
Balance as at April 1	219.87	186.05
Additional provisions recognised	192.04	156.91
Amount utilised / reversed during the year	(167.90)	(131.45)
Unwinding of discount and effect of changes in the discount rate	13.28	8.36
Balance as at March 31	257.29	219.87
Out of the above,		
Classified under Non-current provisions (Refer Note 16)	121.36	87.99
Classified under Current provisions (Refer Note 16)	135.93	131.88

Note 41: Financial instruments and related disclosures

A. Capital Management

The Group 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 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 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 Capital Management.

B. Categories of Financial Instruments

Particulars	Carrying value		Fair value	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets				
Measured at amortised cost				
(i) Cash and cash equivalents	94.87	34.86	94.87	34.86
(ii) Other bank balances	10.39	19.26	10.39	19.26
(iii) Trade receivables	886.56	792.00	886.56	792.00
(iv) Other financial assets	438.94	25.01	438.94	25.01
(v) Investments	0.01	0.01	0.01	0.01
(vi) Loans	88.71	-	88.71	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	Carrying value		Fair value	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial Assets				
Measured at FVTOCI				
(i) Investment in equity instruments	52.20	10.95	52.20	10.95
(ii) Investment in preference shares	209.46	31.52	209.46	31.52
Measured at FVTPL				
Mandatorily measured:				
Current investment- Mutual funds	165.30	34.73	165.30	34.73
Total Financial assets	1,946.44	948.34	1,946.44	948.34
Financial liabilities				
Measured at amortised cost				
(i) Borrowings	16.52	23.39	16.52	23.39
(ii) Trade payables	757.07	805.50	757.07	805.50
(iii) Other financial liabilities	251.62	298.79	251.62	298.79
(iv) Lease Liabilities	90.29	102.50	90.29	102.50
Total Financial liabilities	1,115.50	1,230.18	1,115.50	1,230.18

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 Company has unutilised credit limits with banks. The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2023 and March 31, 2022. 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 current assets aggregate ₹3,408.06 crores (March 31, 2022 ₹2,824.83 crores) including Current investments, Cash and cash equivalents and Other bank balances of ₹270.56 crores (March 31, 2022 ₹88.85 crores) against an aggregate current liability of ₹1,451.87 crores (March 31, 2022 ₹1,526.47 crores). The table below provides details regarding the contractual maturities of significant non-current financial liabilities as of March 31, 2023 and March 31, 2022. Contractual maturities in respect of lease liabilities has been disclosed in Note 37.

	As at March 31, 2023			
	1-3 years	3-5 years	Above 5 years	Total
Borrowings (Non-current)	9.64	-	-	9.64

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	As at March 31, 2022			
	1-3 years	3-5 years	Above 5 years	Total
Borrowings (Non-current)	16.52	-	-	16.52

Further, while the Group total equity stands at ₹5,299.24 crores (March 31, 2022: ₹4,552.48 crores), it has borrowings of ₹16.52 crores (March 31, 2022: ₹23.39 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 and preference share instruments as at March 31, 2023 is ₹261.66 crores (March 31, 2022 ₹42.47 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 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 Group is subject to the risk that changes in foreign currency values impact the Group 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, EURO and GBP. 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 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, 2023

	USD	EURO	GBP	Other currencies*	Total
Financial Assets					
- Loan	-	88.71	-	-	88.71
- Trade receivables	59.06	-	-	-	59.06
- Cash and cash equivalents	44.11	-	-	-	44.11
- Other financial asset	-	6.54	-	-	6.54
Financial Liabilities					
- Trade Payables	(77.93)	(2.58)	(1.56)	(0.09)	(82.16)
- Other financial liabilities	(17.13)	(10.24)	(1.20)	-	(28.57)
Net financial asset / (liability)	8.11	82.43	(2.76)	(0.09)	87.69

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

As at March 31, 2022

	USD	EURO	GBP	Other currencies*	Total
Financial Assets					
- Trade receivables	83.92	-	-	-	83.92
- Cash and cash equivalents	0.63	0.00	-	0.00	0.63
Financial Liabilities					
- Trade Payables	(127.35)	(3.43)	(1.17)	(0.97)	(132.92)
- Other financial liabilities	(28.54)	(9.82)	(0.48)	-	(38.84)
Net financial asset / (liability)	(71.34)	(13.25)	(1.65)	(0.97)	(87.21)

* Other includes currencies such as Japanese Yen.

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, 2023 would change by ₹ 1.80 crores [March 31, 2022: ₹ (0.93 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 customer base being large and diverse. All trade receivables are reviewed and assessed for default on a monthly basis. The Group 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, 2023	For the year ended March 31, 2022
Revenue from top customer from whom the Group receives 10% or more of its revenues	-	-
Revenue from top 5 customers	1,354.35	1,010.68

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]

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

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.

Notes:

- (i) During the year ended March 31, 2023, the performance of investments in unquoted shares of Andhra Pradesh Gas Power Corporation Limited along with the relevant economic and market indicators, supply chain challenges and closure of power plants resulted in indicators of impairment. Accordingly, the Parent Company determined the fair value of the Investment as ₹ Nil and recorded an impairment loss in other comprehensive income.
- (ii) During the previous year, the Parent Company as part of its strategic initiatives had made an investment of ₹36.99 crores in Series A of Log 9 Materials Scientific Private Limited ('Log 9 Materials') by acquiring 11.86% (on a fully diluted basis) of shareholding in Log 9 Materials. Log 9 Materials is an advanced battery and deep-tech startup providing state of art batteries in terms of EV batteries, energy storage on fuel cells, etc. The investment was recognised at transaction cost and irrevocably designated at fair value through other comprehensive income.

During the current year, the Company made an additional investment of ₹77 crores in the Series B of Log 9 Materials increasing its shareholding to 14.33% (on a fully diluted basis). The Series A investment was fair valued to the transaction cost of Series B funding and based on the market observable inputs the transaction cost of Series B was considered as the best estimate of fair value as at March 31, 2023.

Considering the availability of market observable inputs indirectly, the investment was reclassified under Level 2 from Level 3.

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, 2023	As at March 31, 2022
Financial assets			
a) Measured at amortised cost			
i) Loans	3	88.71	-
ii) Other financial assets (non-current)	3	125.19	8.33
Sub-total		213.90	8.33
b) Measured at fair value through OCI			
i) Equity Shares - Quoted	1	0.23	0.18
ii) Equity Shares - Unquoted [Refer Note (ii) above]	2*	51.97	10.77
iii) Preference Shares - Unquoted [Refer Note (ii) above]	2*	209.46	31.52
Sub-total		261.66	42.47

*As at March 31, 2022: Instrument was classified under Level 3.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

	Fair value hierarchy (Level)	As at March 31, 2023	As at March 31, 2022
c) Measured at fair value through profit or loss			
i) Investment in Mutual Funds	1	165.30	34.73
Sub-total		165.30	34.73
Total		640.86	85.53
Financial liabilities			
a) Measured at amortised cost			
i) Borrowings	3	16.52	23.39
ii) Lease liabilities	3	90.29	102.50
Total		106.81	125.89

Note 42: Dividend

Dividend on equity shares paid during the year	FY 2022-23	FY 2021-22
Final dividend for FY 2021-22 (₹0.50 per equity share of ₹1 each) [for FY 2020-21 ₹6 per equity share of ₹1 each]	8.54	102.49
Interim dividend for the FY 2022-23 (₹2.90 per equity share of ₹1 each) [for FY 2021-22 ₹4 per equity share of ₹1 each]	49.54	68.33
	58.08	170.82

Interim dividend of ₹2.9 per equity share of face value of ₹1 each approved by the Board of Directors of the Parent Company at its meeting held on November 3, 2022 was paid during the current year. The Board of Directors at its meeting held on May 23, 2023 has recommended a dividend of ₹3.20 per equity share of face value of ₹1 each which is subject to approval of the 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 2022-23 amounts to ₹6.10 per equity share (Previous year ₹4.5 per equity share).

Note 43: The wholly-owned subsidiaries (which along with Amara Raja Batteries Limited, the parent company, constitute the Group) considered in the preparation of these Consolidated Financial Statements is :

Name	Country of Incorporation	Percentage of ownership as at March 31, 2023
Amara Raja Batteries Middle East (FZE)	Sharjah, UAE	100%
Amara Raja Circular Solutions Private Limited (Incorporated on June 2, 2022)	India	100%
Amara Raja Advanced Cell Technologies Private Limited (Incorporated on November 29, 2022)	India	100%

These Consolidated Financial Statements are based, in so far as they relate to amounts included in respect of the wholly-owned subsidiaries 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".

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 44: 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	For the year ended March 31, 2023		For the year ended March 31, 2023		For the year ended March 31, 2023		For the year ended March 31, 2023	
	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 Compre- hensive Income/ (Loss)	Amount	As % of consolidated Total Com- prehensive Income	Amount
Amara Raja Batteries Middle East (FZE)	0.07%	3.55	0.24%	1.66	0.17%	0.19	0.23%	1.85
Amara Raja Circular Solutions Private Limited	1.87%	99.21	(0.11)%	(0.79)	0.00%	-	(0.10)%	(0.79)
Amara Raja Advanced Cell Technologies Private Limited	1.87%	99.25	(0.11)%	(0.75)	0.00%	-	(0.09)%	(0.75)

Name of the entity	For the year ended March 31, 2022		For the year ended March 31, 2022		For the year ended March 31, 2022		For the year ended March 31, 2022	
	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 Compre- hensive Income/ (Loss)	Amount	As % of consolidated Total Com- prehensive Income	Amount
Amara Raja Batteries Middle East (FZE)	0.04%	1.69	0.24%	1.21	5.41%	0.04	0.24%	1.25

Note 45: Corporate Social Responsibility

Particulars	FY 2022-23	FY 2021-22
(i) Gross amount required to be spent by the Group during the year		16.25
(ii) Amount spent during the year on :		
(a) Construction/acquisition of any assets	7.26	6.88
(b) On purposes other than (i) above	8.82	9.55
Total spent	16.08	16.43
(iii) Related party transactions in relation to Corporate Social Responsibility	15.98	16.43

(iv) Details of excess amount spent

	Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Details of excess amount spent	0.18	15.99	16.08	0.27

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

(v) Nature of CSR activities undertaken by the Group :

- Affordable quality education in rural areas
- Provide healthcare to rural India
- Soil conservation and vegetative regeneration
- Development of surrounding villages that include construction of roads, rain water storage tanks and supply channel amongst others.

Note 46:

The Board of Directors of the Parent Company at its meeting held on September 26, 2022, have approved a Scheme of Arrangement amongst Mangal Industries Limited ('Demerged Company') and Amara Raja Batteries Limited ('ARBL' or the 'Resulting Company' or the 'Parent Company') and their respective shareholders and creditors, under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") with an appointed date of April 1, 2022 or such other date as may be agreed. The Scheme, inter-alia, provides for demerger of the plastic component for battery business ('Demerged Undertaking') from the Demerged Company to the Resulting Company, and consequent issue of fully paid-up equity shares by the Company to the shareholders of the Demerged Company as per the share entitlement ratio defined in the Scheme. The Scheme is subject to the fulfilment of certain conditions including receipt of approval of shareholders (majority of public shareholders) and creditors of the Parent Company, approval of other regulatory authorities as may be required, including those of the Stock Exchanges, Securities and Exchange Board of India ("SEBI") and the Hon'ble jurisdictional National Company Law Tribunal ("NCLT") and any other authority as may be applicable.

As on the date of approval of these consolidated financial statements by the Board, the Parent Company has received no objection from the stock exchanges and an approval from the equity shareholders and unsecured creditors of the Parent Company at the NCLT convened meetings held on April 12, 2023. Thereafter, an application has been filed with the Hon'ble NCLT, Amaravati Bench for its approval.

The necessary effects of scheme would be given in the consolidated financial statements in the period in which the Scheme is approved.

Note 47:

The Parent Company on April 30, 2021 received closure orders from the Andhra Pradesh Pollution Control Board ('APPCB') for the Parent Company's plants situated at Karakambadi, Tirupati and Nunegundlapalli Village, Chittoor District. Consequently, the Parent Company went in appeal against the said orders to the Hon'ble High Court of Andhra Pradesh at Amaravati, which granted interim suspension of the closure orders. The plants of the Parent Company were closed for a period of 5 days during the quarter ended June 30, 2021, from the date of closure orders till the date of the said interim suspension. The Parent Company did not incur any material loss during the period of closure.

APPCB also issued two show cause notices in February, 2022 against which the Parent Company filed a special leave petition with the Hon'ble Supreme Court which vide its order dated February 20, 2023 disposed off the matter for it to be heard at the lower courts and the same is pending disposal.

The Management has also been working with the APPCB to satisfactorily resolve the matter.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

All amounts are in ₹ crores, except share data and where otherwise stated

Note 48:

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 of the Parent Company will complete its evaluation and will give appropriate impact in its consolidated financial statements in the period in which the Code becomes effective.

Note 49:

The consolidated financial statements are approved for issue by the Audit Committee and Board of Directors at their meetings held on May 23, 2023.

For and on behalf of the Board of Directors

CIN : L31402AP1985PLC005305

Jayadev Galla

Chairman & Managing Director
DIN: 00143610

Harshavardhana Gourineni

Executive Director
DIN: 07311410

Vikramadithya Gourineni

Executive Director
DIN: 03167659

Delli Babu Y

Chief Financial Officer

Place: Hyderabad
Date: May 23, 2023

Vikas Sabharwal

Company Secretary

NOTICE OF THE ANNUAL GENERAL MEETING

To the Members of

Amara Raja Batteries Limited

NOTICE is hereby given that the 38th Annual General Meeting (AGM) of the members of Amara Raja Batteries Limited will be held on **Saturday, August 12, 2023**, from 03:00 P.M IST onwards 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 ordinary resolution(s).

1. **To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2023, the report of the Auditors' thereon and the report of the Board of Directors'.**
2. **To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 together with the Auditors' report thereon.**
3. **To confirm the payment of the Interim Dividend (₹2.90/- per equity share i.e. 290%) on Equity Shares and to declare final dividend (₹3.20/- per equity share i.e. 320%) on the Equity Shares of the Company for the financial year ended March 31, 2023.**
4. **To reappoint Mr. Vikramadithya Gourineni (DIN: 03167659) who retires by rotation as a Director, and being eligible offers himself for reappointment.**

Special Business:

5. **To ratify the remuneration of the Cost Auditors for the financial year 2023-24.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution**:

"**RESOLVED** that pursuant to the provisions of Section 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, 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 2023-24 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."

6. **Change in name of the Company from 'Amara Raja Batteries Limited' to 'Amara Raja Energy & Mobility Limited'.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED** that pursuant to the provisions of sections 4, 5, 13, 14, 15 and other applicable provisions, if any, of the Companies Act, 2013, read with rule 29 of the Companies (Incorporation) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof for the time being in force, any other applicable law(s), regulation(s), rule(s) or guideline(s), the provisions of the Memorandum of Association and the Articles of Association of the Company and regulation 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the approval of the Registrar of Companies-Vijayawada, Andhra Pradesh ("ROC"), Central Registration Centre and other regulatory authorities, as may be applicable, consent of the members of the Company be and is hereby accorded to change the name of the Company from "**Amara Raja Batteries Limited**" to "**Amara Raja Energy & Mobility Limited**".

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to delegate the powers to any Director and/or Company Secretary and/or Chief Financial Officer of

the Company to file all the necessary forms and/or returns and make an application in Form No. INC-24 and/or any other e-form to the ROC and/or to Central Government and/or Statutory Authorities and make an application to the stock exchanges, where the equity shares of the Company are listed and to do all such other acts, things and deeds as may be necessary and incidental thereto, to give effect to this resolution to change the name of the Company.

7. Alteration in the Memorandum of Association and the Articles of Association of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED that pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with Companies (Incorporation) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, any other applicable law(s), regulation(s), rule(s) or guideline(s), upon receipt of a fresh certificate of incorporation from Registrar of Companies- Vijayawada, Andhra Pradesh, the Clause I i.e. Name Clause of the Memorandum of Association of the Company be substituted by the following clause:

- I. "The name of the Company is Amara Raja Energy & Mobility Limited".

RESOLVED FURTHER that in terms of section 14 and other applicable provisions, if any, of the Act, consent of the members of the Company be and is hereby accorded to substitute article 2.8 of the Articles of Association of the Company in the following manner:

- 2.8 "The Company" or "This Company" means Amara Raja Energy & Mobility Limited.

RESOLVED FURTHER that upon approval by Registrar of Companies-Vijayawada, Andhra Pradesh, the Memorandum of Association and the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with **Amara Raja Energy & Mobility Limited.**

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to delegate the powers to any Director and/or Company Secretary and/or Chief Financial Officer of the Company to file all the necessary forms and/or returns and/or any other e-form to the Registrar of Companies and/or to Central Government and/or to Statutory Authorities for the approval as above and to do all such other acts, things, deeds and matters as may be necessary and incidental thereto, to give effect to this resolution."

**By order of the Board of Directors
For Amara Raja Batteries Limited**

Vikas Sabharwal
Company Secretary

Place: Hyderabad

Date: July 7, 2023

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. Pursuant to the General Circular No. 10/2022 dated December 28, 2022, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue for the 38th AGM shall be the Registered office of the Company from where the proceedings of the Meeting are deemed to be made.
2. The VC/OAVM facility for members to join the meeting, shall be kept open 30 minutes before the start of the AGM. Members can attend and participate in the AGM through VC/OAVM only by following the instructions given in Serial No. 25 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 rsaevoting@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 Act and the Rules made thereunder and pursuant to the relevant regulation of Listing Regulations, that sets out details relating to the special business to be transacted at the meeting, is annexed hereto as **Annexure-I** and forms part of the notice.
7. Brief profile of Mr. Vikramadithya Gourineni, Director, proposed to be reappointed, along with the names of the Companies in which he holds 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 **Annexure-II** and forms part of the notice.
8. In compliance with the aforesaid Circulars, the Annual Report 2022-23 including the notice of the AGM, inter-alia, indicating the process and manner of remote e-voting, attending AGM through VC/OAVM 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 or the Depository Participants can get the same registered with the Company as per the procedure provided in Serial No. 24.
9. Members may also note that the notice of the AGM and the Annual Report 2022-23 would be posted on the Company's website www.amararajabatteries.com, and also on the websites of the stock exchanges i.e. BSE and NSE at www.bseindia.com and www.nseindia.com respectively. The AGM notice will be also available on the website of NSDL at www.evoting.nsdl.com. The Company shall send physical copy of the Annual Report 2022-23 to the Members who specifically request for the same by sending an email at investorservices@amararaja.com.
10. The registers i.e. Register of Directors and Key Managerial Personnel and their shareholding, 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 12, 2023. 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 29, 2023 to Friday, August 4, 2023 (both days inclusive), for the purpose of determining the entitlement of member to the final dividend for the financial year 2022-23, if declared at the meeting.

12. The record date for the purpose of final dividend of financial year 2022-2023 is Friday, July 28, 2023. The final dividend, if declared, shall be paid on or before September 10, 2023, to those members whose name appear in the register of members or in case of shares held in dematerialised form to the beneficiaries, as of the close of business hours of the record date, as per details furnished by NSDL and 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/or 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 2022-23, 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 Tuesday, August 8, 2023. 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 Registrar and Share Transfer Agent, 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, 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 in case the shares are held by them in physical form.
19. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN and Bank account details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and Bank details to the RTA. The following documents need to be provided for updation of Bank Account Details - Name and Branch of the Bank in which you wish to receive dividend, Bank Account type, Bank Account number, 9 digits MICR Code number, 11 digits IFSC Code and a Scanned Copy of the cancelled cheque bearing the name of the first shareholder.
20. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of this, in order to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members holding shares in physical form are requested to convert their holdings to dematerialized form. Members can contact

the Company's Registrar and Share Transfer Agent, Cameo Corporate Services Limited, for assistance in this regard.

21. Pursuant to the provisions of Section 124(5) of the Act, the amount of dividend (s) declared/paid up to the financial year 2015-16 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 2016-17 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, 2023 is available on the website of the Company i.e. www.amararajabatteries.com.
22. 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
23. **Voting through Electronic 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 38th AGM by electronic means. 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. 24.
 - ii. The remote e-voting event number (EVEN) is 124288. The remote e-voting will commence on Tuesday,

August 8, 2023 (9:00 a.m. IST) and ends on Friday, August 11, 2023 (5:00 p.m. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form as on Saturday, August 5, 2023 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, 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 sent through e-mail and holding shares as of the cut-off date i.e. Saturday, August 5, 2023, 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. Saturday, August 5, 2023 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. 24 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.

Saturday, August 5, 2023. 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. Saturday, August 5, 2023 shall only be entitled to avail the facility of remote e-voting and during the AGM.

- vii. The Board of Directors has appointed Mr. R Sridharan (Membership No. FCS 4775 and CP No. 3239) from M/s R. Sridharan & Associates, Company Secretaries as Scrutinizer and failing him Ms. Srinidhi Sridharan, (Membership No. FCS 12510 and CP No. 17990) from M/s Srinidhi Sridharan & Associates to scrutinize the remote e-voting process and voting 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 two (2) working days 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 authorized 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.amarajabatteries.com and on NSDL's website <https://evoting.nsdl.com> and communicated to the Stock Exchanges i.e. BSE and NSE, where the shares of the Company are listed for placing the same on their website(s).

24. E-Voting instructions:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2. If you 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</p>

Type of shareholders	Login Method
	<p>3. 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 held 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 i.e. 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.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p>
Individual Shareholders holding securities in demat mode with CDSL	<p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around;"> App Store Google Play </div> <div style="text-align: center;">   </div>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in 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 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) 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*****
b) 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*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 124288 then user ID is 124288001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can user 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 to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your '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 from your mailbox. 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) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) 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 etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.
9. 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.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. 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.
2. 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".
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send 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 e-mail to rсаevoting@gmail.com with a copy marked to evoting@nsdl.co.in.
2. 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 www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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) by email to investorservices@amararaja.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investorservices@amararaja.com
3. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

4. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
5. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

The instructions for Members for e-voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

25. Instructions for Members for 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 serve basis.
- iii. Members are encouraged to join the Meeting through Laptops for better experience.
- iv. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- v. 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.
- vi. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investorservices@amararaja.com. The same will be replied by the company suitably.
- vii. **Registration of Speaker:** 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 Saturday, August 5, 2023 (9:00 a.m IST) to Tuesday, August 8, 2023 (5:00 p.m IST). Those members who have registered themselves as a speaker in advance will only be allowed to express their views/ask questions during the AGM.
- viii. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- ix. In case any assistance is needed, members may contact NSDL on evoting@nsdl.co.in or at toll free no. 1800 1020 990 and 1800 22 44 30.

**By order of the Board of Directors
For Amara Raja Batteries Limited**

Place: Hyderabad
Date: July 7, 2023

Vikas Sabharwal
Company Secretary

Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

The following statement sets out all material facts relating to special business mentioned in the accompanying notice dated July 7, 2023 and shall be taken as forming part of the notice.

Item No. 5

The Board of Directors at their meeting held on May 23, 2023, 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 2023-24 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. 5 of the notice ratifying the remuneration payable to the Cost Auditors for the financial year 2023-24.

The Board, based on the recommendation of the Audit Committee, unanimously, recommends the ordinary resolution as set out in item no. 5 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. 5 of this notice

Item Nos. 6 and 7

Clean energy and sustainable mobility have become the driving forces, as climate change and depleting natural resources are nudging us towards a cleaner and greener future. With this in mind, around two years ago, Amara Raja made a strategic decision of shifting from being a "battery manufacturer" to a comprehensive solutions provider in the Energy & Mobility sector.

To better reflect our new direction and align our corporate identity with our expanded portfolio of services and long-term plans, it is proposed to change the name of the Company to **Amara Raja Energy & Mobility Limited**. This new name encompasses our diverse range of solutions and products, which includes Batteries, Energy Storage Solutions, Lithium-ion Cell Manufacturing, EV chargers, Hybrid Solutions, Lithium-ion Battery Pack Manufacturing, and exploration of new cell chemistries, among others. We have successfully diversified into new areas and offer

innovative solutions to meet the evolving needs of our customers and the industry.

The proposed name, **Amara Raja Energy & Mobility Limited**, conveys our commitment to becoming a leader in the energy and mobility sector. It accurately represents our current business activities and future aspirations to strengthen our market position, enhance our brand value, and capitalize on new opportunities in this ever-evolving segment.

The Board of Directors ("Board") of the Company has, subject to the approval of the members of the Company by way of special resolution, approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved the change in name of the Company from Amara Raja Batteries Limited to "Amara Raja Energy & Mobility Limited" and the consequent amendments to the Memorandum of Association and the Articles of Association of the Company.

Pursuant to the form RUN (Reserve Unique Name) filed by the Company for reservation of name, the Central Registration Centre, of Ministry of Corporate Affairs, has approved the said form and reserved the proposed name i.e. "Amara Raja Energy & Mobility Limited".

The proposed change in name would be subject to the necessary approvals in terms of Sections 4 and 13 of the Act. As the aforesaid Sections require approval of the members of the Company by way of passing Special Resolution, your Directors recommend the resolutions set out in item Nos. 6 and 7 for your approval.

The Company has complied with the requirements of regulation 45 of the Listing Regulations and has obtained a certificate for the same from a practicing Chartered Accountant, which is annexed to this Notice of 38th AGM as **Annexure-III**.

The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes. Members may please note that there is change only in the name of the Company and the objects and the line of business activities remains unaltered.

The Board recommends the Special Resolutions at item Nos. 6 and 7 for approval of the members.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the above resolution, except to the extent of their shareholding, if any, in the Company.

All the documents and resolutions passed in this regard are available for inspection by the members of the Company, at the

Registered Office of the Company on any working day (i.e. any day other than Saturday, Sunday and public holiday).

**By order of the Board of Directors
For Amara Raja Batteries Limited**

Place: Hyderabad

Date: July 7, 2023

Vikas Sabharwal

Company Secretary

Brief particulars of the Director proposed for re-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. Brief resume of the director

Mr. Vikramadithya Gourineni (DIN:03167659, Age 33 years) is an exceptional leader at the Amara Raja Group, playing a pivotal role in driving transformation and growth. With a Bachelor's degree in Biochemistry from the prestigious University of Wisconsin - Madison, he brings a strong academic foundation to his current position. As the head of the New Energy Business at Amara Raja Batteries Limited, Mr. Gourineni is leading the charge in navigating the rapidly changing landscape of the industry. His visionary and transformational approach has positioned the company to spearhead the next phase of growth. By championing sustainable, efficient, and resilient solutions and technologies, he has revolutionized the energy and mobility sector, contributing to a greener and more sustainable future.

He has played an instrumental role in planning of the proposed Giga Factory. His strategic vision and relentless drive have paved the way for the company's expansion and future success. Additionally, he has forged a strong partnership with the Government of Telangana, solidifying Amara Raja Group's position vision.

Before assuming his current role, Mr. Gourineni served played a crucial role in shaping operational policies, devising growth strategies, and setting a clear future vision for the organization. Since joining the group in 2013 as a Management Executive, he has consistently demonstrated his capabilities across various functional responsibilities, playing a vital role in transforming multiple businesses within the group into significant pillars of success. Mr. Gourineni's exceptional leadership, strategic thinking, and ability to drive change have been pivotal in Amara Raja Group's continued growth and success.

He is currently the Executive Director of Amara Raja Batteries Limited.

2. Terms and conditions of appointment or re-appointment	As approved by the Members at the 36 th Annual General Meeting held on August 14, 2021.
3. Details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable,	As approved by the Members at the 36 th Annual General Meeting held on August 14, 2021.
4. Date of first appointment on the Board	June 12, 2021
5. Shareholding in the Company	Nil
6. Number of Meetings of the Board attended during the year	Eight (8)
7. Disclosure of relationships between directors inter-se	He is nephew of Mr. Jayadev Galla, Chairman, Managing Director and Chief Executive Officer and brother of Mr. Harshavardhana Gourineni, Executive Director
8. Names of other listed entities in which the person also holds the Directorship and the Membership of Committees of the board along with listed entities from which the person has resigned in the past three years	NIL

9. Other Directorships, Membership/ Chairmanship of Committees (Audit Committee and Stakeholders Relationship Committee) of other Boards

Name of the Company	Chairmanship/ Directorship	Committee	Chairman/Member
I. Amara Raja Power Systems Limited	Director	-	-
II. Amara Raja Electronics Limited	Director	Audit Committee	Member
III. RNGalla Family Private Limited	Director	-	-
IV. Amara Raja Blaze Technologies Private Limited	Director	-	-
V. Amara Raja Advanced Cell Technologies Private Limited	Director	-	-
VI. Amara Raja Circular Solutions Private Limited	Director	-	-
VII. Amara Raja Infra Private Limited	Director	-	-
VIII. Amara Raja Media and Entertainment Private Limited	Director	-	-

CERTIFICATE UNDER REGULATION 45 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

June 29, 2023

To,
Board of Directors

Amara Raja Batteries Limited

1-18/1/AMR/NR, Nanakramguda, Gachibowli,
Hyderabad, Telangana 500032

1. This certificate is issued at the request of **Amara Raja Batteries Limited** ("the Company").
2. The Company is required to submit Chartered Accountant's certificate certifying the compliance with the conditions prescribed in sub-regulation (1) of Regulation 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for change of name of the Company from "Amara Raja Batteries Limited" to "Amara Raja Energy & Mobility Limited".

Management's Responsibility:

3. The management of the Company is responsible for ensuring the compliance with the applicable notifications, circulars and other rules and regulations of the applicable statutory and regulatory laws and rules framed there under and other relevant regulatory compliances.

Our Responsibility:

4. Pursuant to this requirement, our responsibility is to provide reasonable assurance in the form of an opinion based on our review of the relevant records produced by the company for certifying the change of name of the company.
5. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India ("the Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Based on our examination and according to the information and explanations provided to us, pursuant to Regulation 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we hereby certify that:

Sr. No.	Particulars	Our opinion
1	The time period of one year has elapsed from the last name change that occurred in the year	The last name change of the company was on November 08, 1990 i.e Amara Raja Batteries Private Limited to Amara Raja Batteries Limited, due to conversion from private to public.
2	At least fifty per cent of the total revenue in the preceding one year period has been accounted for by the new activity suggested by the new name	Not Applicable (As there is no change of activities of the Company)
3	The amount invested in the new activity/project is atleast fifty percent of the assets of the listed entity	Not applicable (As there is no change in the objects and business activities of the Company)

This certificate is issued at the request of the Company pursuant to the requirement of Regulation 45 (3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

For Brahmayya & Co,
Chartered Accountants,
Firm Regn No: 000513S

Karumanchi Rajaj
Partner

Place: Vijayawada
Date: 29th June, 2023

Communication on tax deducted at source

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 Agent – Cameo Corporate Services Limited at https://investors.cameoindia.com (in case of shares held in physical mode).
Without PAN/ Invalid PAN/ Specified person u/s 206AB	20%	N. A.
Failed to Link PAN and Aadhaar	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. Please note that all fields are mandatory to be filled up and Company may at its sole discretion reject the form, if it does not fulfil the prescribed requirement under the Act. Form 15G/ 15H can be downloaded from https://investors.cameoindia.com . There is also provision to upload the 15G/15H in the website https://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 ₹5,000 where resident individual shareholder have registered their Valid Permanent Account Number.

For Non-Resident Shareholder(s)

Particulars	Applicable TDS Rate	Documents required (if any)
Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs and other Non-resident shareholders)	20% (plus applicable surcharge and cess) or Tax Treaty Rate** (whichever is lower)	Taxes are required to be withheld in accordance with the provisions of Section 195 of the Act as per the rates as applicable. As per the relevant provisions of the Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. As per Section 90, the 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') (financial year April 1, 2023 to March 31, 2024) obtained from the tax authorities of the country of which the shareholder is a resident. Self-declaration in electronically filed Form-10F (online link at https://eportal.incometax.gov.in/) with effect from April 1, 2023 to avail the benefit of DTAA. Self Declaration (as per Annexure A to this communication) In case of Foreign Institutional Investors and Foreign Portfolio Investors, copy of SEBI registration certificate.

**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. TDS to be deducted at higher rate in case of non-filers of Return of Income. The provisions of Section 206AB require the deductor to deduct tax at higher of the following rates from amount paid/ credited to specified person:
 - At twice the rate specified in the relevant provision of the Act; or
 - At twice the rates or rates in force; or
 - At the rate of 5%

The non-resident who does not have the permanent establishment and resident who is not required to file a return under section 139 of the Act are excluded from the scope of a specified person.

However, as directed by the Central Board of Direct Taxes vide Circular No. 11 of 2021 dated June 21, 2021, the Company will be using functionality of the Income-tax department for determination of specified person for the purpose of Section 206AB of the Act.

2. TDS to be deducted at higher rate in case of non-linkage of PAN with Aadhaar. As per Section 139AA of the Income Tax Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply to this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of section 206AA of the Act.

The Company will be using functionality of the Income-tax department for the above purpose. Provisions will be effective from July 1, 2023. Shareholders may visit <https://www.incometax.gov.in/iec/foportal/> for FAQ issued by Government on PAN Aadhar linking.

3. 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.
4. 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.
5. 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.
6. 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.
7. 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/>
8. 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.
9. 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.
10. 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.

11. 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 2023-24 (ending on March 31, 2024).

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 2023-24.
- I/We is/are eligible to claim the benefits under the provisions of India-[COUNTRY RESIDENCE] DTAA];

I/We confirm that I/We are entitled to claim the benefits under the Treaty as modified by the multilateral convention to implement tax treaty related measures to prevent base erosion and profit shifting (MLI) including but not limited to the Principal Purpose Test (PPT), limitation of benefit clause (LOB), Simplified Limitation of Benefits (SLOB), period of holding of shares etc. as applicable.

We specifically confirm that my affair / affairs were not arranged such that the main purpose or the principal purpose thereof was to obtain tax benefits available under the applicable tax treaty.

I/We confirm that I/We have not entered into an impermissible avoidance arrangement i.e. an arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and it (a) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length (b) results, directly or indirectly, in the misuse, or abuse, of the provisions of this Act (c) lacks commercial substance or is deemed to lack commercial substance under section 97, in whole or in part; or (d) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.

- The claim of benefits by me/us is not impaired in any way;

I/We hereby furnish a copy of valid Tax Residency Certificate dated _____ having Tax Identification number _____ issued by _____ along with a acknowledged copy of e- Form 10F duly filled and signed for the period April 2023-March 2024.

- 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 2023-24; 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]

GLOSSARY OF VARIOUS TERMS USED IN THE REPORT AND ITS ANNEXURES:

In this report and the annexures thereon, unless otherwise stated, the words and expressions shall have the following meaning and/or expansions:

S. No.	Term	Meaning
1	38 TH AGM	38 th Annual General Meeting
2	ABD-1	Automotive Battery Division-Plant 1
3	ABD-2	Automotive Battery Division-Plant 2
4	ABD-3	Automotive Battery Division-Plant 3
5	AC	Audit Committee
6	ACMA	Auto Component Manufacturers Association
7	ACT	Companies Act, 2013
8	AED	Arab Emirates dirham
9	AGM TECHONOLGY	Absorbent Glass Mat (AGM) Technology
10	AH	Ampere hours
11	AOA	Article of Association
12	APAC REGION	Asia Pacific region
13	APPCB	Andhra Pradesh Pollution Control Board
14	AR	Amara Raja
15	ARACT	Amara Raja Advanced Technologies Private Limited
16	ARBL	Amara Raja Batteries Limited
17	ARBME	Amara Raja Batteries Middle East
18	ARCSPL	Amara Raja Circular Solutions Private Limited
19	ARES	Amara Raja Educational Society
20	ARSDC	Amara Raja Skill Development Centre
21	ASI	Additional Shareholders Information
22	BBS	Behavior-Based Safety

S. No.	Term	Meaning
23	BCI	Brain Computer Interface
24	BCP	Business Continuity Plan
25	BoD	Board of Directors
26	BRSR	Business Responsibility and Sustainability Reporting
27	BSE	Bombay Stock Exchange (BSE)
28	BS-OHSAS	Occupational Health and Safety Assessment Series
29	BWMR	Battery Waste Management Rules, 2022
30	CDSL	Central Depository Services Limited
31	CEO	Chief Executive Officer
32	CFO	Chief Financial Officer
33	CH4	methane
34	CII	Confederation of Indian Industry
35	CO2	Carbon dioxide
36	COMPANY	Amara Raja Batteries Limited
37	CPCB	Central Pollution Control Board
38	Cr	Crores
39	CRISL	Credit Rating Information Services of India Limited.
40	CS	Company Secretary
41	CSR	Corporate Social Responsibility
42	DIN	Director Identification Number
43	DP	Depository Participant
44	DPID	Depository Participant Identification
45	EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
46	EEPC	Engineering Export Promotion Council
47	EFB TECHNOLOGY	Enhanced Flooded Battery
48	EFSI	Employers' Federation of Southern India
49	ELVs	End of Life Vehicles
50	EPR	Extended Producer Responsibility
51	EPS	Earnings Per Share
52	ESG	Environmental, Social and Governance
53	ETP	Effluent Treatment Plant
54	EU	European Union
55	Evs	Electric Vehicles
56	E-Waste	Electronic Waste
57	FAME	Faster Adoption and Manufacturing of Hybrid & Electric Vehicles
58	FAME-India	Faster Adoption and Manufacturing of Hybrid & Electric Vehicles in India
59	FAPCCI	Federation of Andhra Pradesh Chambers of Commerce and Industry
60	FIEO	Federation of Indian Export Organisation
61	FRN	Firm Registration Number (FRN)
62	FY	Financial Year
63	GHGP	Greenhouse Gas Protocol
64	GPA	Group Personal Accident Policy
65	GPTW	Great Place To Work
66	GTLI	Group Life Cover Policy
67	GW	Gigawatts/Gigawatt
68	GWP	Global Warming Potential
69	HAP	Hazardous Air Pollutants

S. No.	Term	Meaning
70	HFCs	Hydrofluorocarbons
71	HIRA	Hazard Identification and Risk Assessment
72	HSE	Health, Safety and Environment.
73	IBMA	Indian Battery Manufacturers Association
74	ICC	Internal Complaints Committee
75	ICE/IC	Internal Combustion Engine
76	ICQCC	International Convention on Quality Control Circles
77	IEPF	Investor Education and Protection Fund
78	IEPFA	Investor Education and Protection Fund Authority
79	IGBT	Insulated-Gate Bipolar Transistor
80	IICA	Indian Institute of Corporate Affairs
81	IOR	Indian Organ Rim
82	ISIN	International Securities Identification Number
83	ISO	International Organization for Standardization
84	JIS	Japanese Industrial Standards
85	KECA	Krishnadevaraya Educational & Cultural Association
86	KMP	Key Managerial Personnel
87	LAB	Lead Acid Battery
88	Lac	Lakhs
89	LCA	Life Cycle Assessment
90	LIC	Life Insurance Corporation of India
91	LI-ON(LITHIUM-ION)	lithium-ion (Li-ion) battery
92	LISTING REGULATION	Disclosure
93	LLP	Limited Liability Partnership
94	LOTO	Lock Out and Tag Out
95	LTIFR	Lost Time Injury Frequency Rate
96	LTPA	Lakh Tones Per Annum
97	LVRLA	Large Valve Regulated Lead Acid battery
98	MD	Managing Director
99	MEA REGION	Middle East and Africa.
100	MIL	Mangal Industries Limited
101	MLP	Multilayered Plastic
102	MOA	Memorandum of Association
103	MoU	Memorandum of Understanding
104	MSME	Micro Small and Medium sized enterprises
105	MV	Megavolt
106	MVRLA	Multi-Valve Regulated Lead Acid battery
107	N2O	Nitrous oxide
108	NCLT	National Company Law Tribunal
109	NCQC	National Convention on Quality Concepts
110	NECS	National Electronic Clearing Service
111	NED	Non-Executive Director
112	NF3	Nitrogen trifluoride
113	NGRBC	National Guidelines on Responsible Business Conduct
114	Nox	nitrogen dioxide
115	NRC	Nomination and Remuneration Committee
116	NRC POLICY	Nomination and Remuneration Committee Policy

S. No.	Term	Meaning
117	NSDL	National Securities Depository Limited.
118	NSE	National Stock Exchange
119	OAVM	Other Audio Video Means
120	OEM	Original Equipment Manufacturer
121	OHSMS	Occupational Health and Safety Management Systems
122	PAT	Profit After Tax
123	PFCs	Perfluorocarbons
124	PHC	Primary Health Center
125	POP	Persistent Organic Pollutants
126	PPP	Public Private Partnership
127	R&D	Research and development (R&D)
128	RE/RS/INR/₹	Indian Rupee
129	RMC	Risk Management Committee
130	RNGFPL	RN Galla Family Private Limited
131	RTA	Registrar and Transfer Agents
132	SAS	Superannuation Scheme
133	SBD-1	Small Battery Division - Plant 1
134	SBD-2	Small Battery Division - Plant 2
135	SBTi	Science Based Target Initiative
136	SCoC	Supplier Code of Conduct
137	SCRA	Securities Contracts (Regulation) Act, 1956
138	SEBI	Securities and Exchange Board of India
139	SEBI	Securities and Exchange Board of India
140	SE's	Stock Exchanges
141	SF6	Sulfur Hexafluoride
142	SGDs	Sustainable Development Goals
143	SIA	Social Impact Assessments
144	SMEs	Small and Medium sized enterprises
145	SOPs	Standard Operating Procedures
146	Sox	Sulphur oxides
147	SRC	Stakeholders Relationship Committee
148	SS-1	Secretarial Standards-1
149	SS-2	Secretarial Standards-2
150	TBD	Tubular Battery Division
151	TCFD	Task Force on Climate-related Financial Disclosures
152	TFDF	Treatment Storage Disposal Facilities
153	UAE	United Arab Emirates
154	ULABS	Used Lead Acid Batteries
155	UNGC	United Nations Global Compact
156	UPS	Uninterruptible Power Supply
157	US	United States
158	VC	Video Conference
159	VOC	Volatile Organic Compounds
160	WEF	World Economic Forum
161	ZLD	Zero Liquid Discharge



AMARA RAJA BATTERIES LIMITED

Renigunta - Cuddapah Road
Karakambadi, Tirupati
Andhra Pradesh - 517 520

T: 91 877 226 5000
F: 91 877 228 5600

CIN: L31402AP1985PLC005305

