AMARA RAJA
Gotta be a better way

July 13, 2016

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NSE Symbol: AMARAJABAT

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Mumbai – 400 001
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E-mail: corp.relations@bseindia.com

BSE SCRIP CODE: 500008

Dear Sirs,

Subject: Disclosure under Regulation 30 (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to inform you that the 31st Annual General Meeting of the Company will be held on Saturday, August 6, 2016 at 2:30 PM at the registered office of the Company situated at Renigunta-Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh – 517520

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the soft copy of the Annual Report 2015-16 of the Company including the notice of the aforesaid AGM circulated to the shareholders of the Company.

We request you to take on record and acknowledge the same.

Thanking you,

Yours faithfully,
For Amara Raja Batteries Limited

M R Rajaram
Company Secretary

Encl : a/a

Amara Raja Batteries Limited | An Amara Raja Group Company
Corporate Operations Office:
TERMINAL A
1-18/1/AMR/NR, Nanakramguda, Gachibowli, Hyderabad-500032, India.
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Tel No.+91 877 2265000, Fax No. +91 877 2285600, E-mail: amararaja@amararaja.co.in.
Website : www.amararaja.co.in, Corporate Identification Number : L31402AP1985PLC005305.

AMARA RAJA
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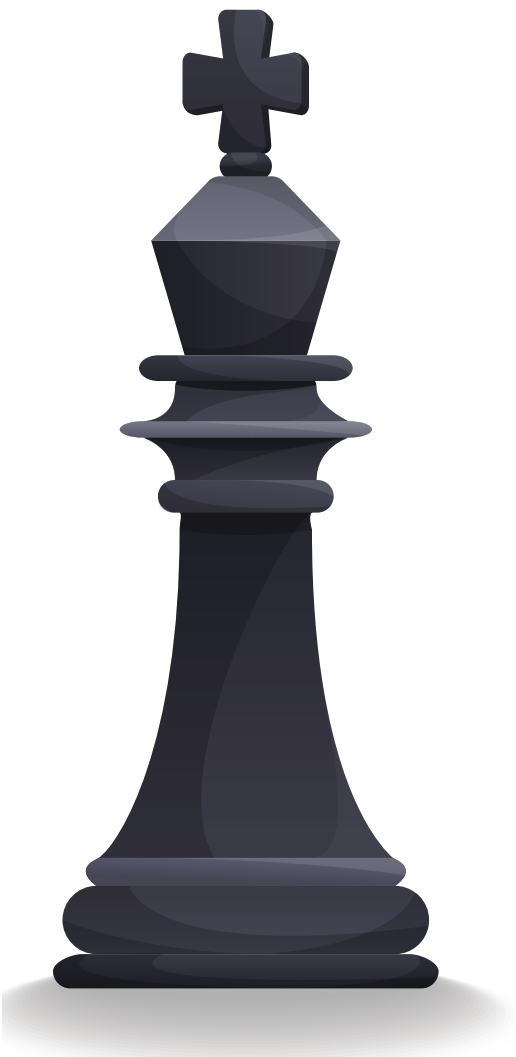
AMARA RAJA BATTERIES LIMITED
ANNUAL REPORT 2015-16

CHALLENGING FOR
LEADERSHIP



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CHALLENGING FOR
LEADERSHIP

It has taken years of hard work, to reach where we are today. The most dominant player in the Automotive and Industrial Battery space in India, with a growing global footprint.

Led by our vision, driven by a pioneering zeal, we have redefined the battery industry in the country. Introducing new age technologies, we have transformed it to be more energy efficient and environment friendly.

Building world class manufacturing facilities, enhancing people and process efficiency and effectiveness, earning the trust of customers and increasing stakeholder worth- we have consolidated our strengths for the pole position. And are ready and waiting.

Each of our businesses have demonstrated market leadership, leveraging on the opportunities of a dynamic environment, with innovation-led, custom designed products and services. Yet, we are not content.

Foraying into white spaces with new age products, emerging technologies we are building a blue-print, that is growth-centred, future- bound.

At Amara Raja, we are confident that the time has come. To don the mantle of a leader. To demonstrate the readiness to lead…

MOMENT OF PRIDE

Dr. Ramachandra N Galla, Chairman, was awarded 'EY Entrepreneur of the Year 2015,' in the Manufacturing Sector.

MOMENT OF ACHIEVEMENT

Mr. Jayadev Galla, Vice Chairman and Managing Director, receiving the Business Today 'Best CEO Award' for the Auto Ancillary Category for the year 2015, from Mr. Jayant Sinha, Hon'ble Minister of State for Finance.

2015-16 - a defining year at Amara Raja. A year, of consolidation of capabilities and an overarching drive for market leadership. capability building, capacity augmentation, new product innovation - each of the businesses steered ahead, driven with the passion to push limits, redefine boundaries.

Demonstrating the vision of a pioneer, the Company expanded its footprints into new geographies.

At Amara Raja, the direction was focused, forward bound. With a roadmap global in scale and scope, the Company powered ahead.

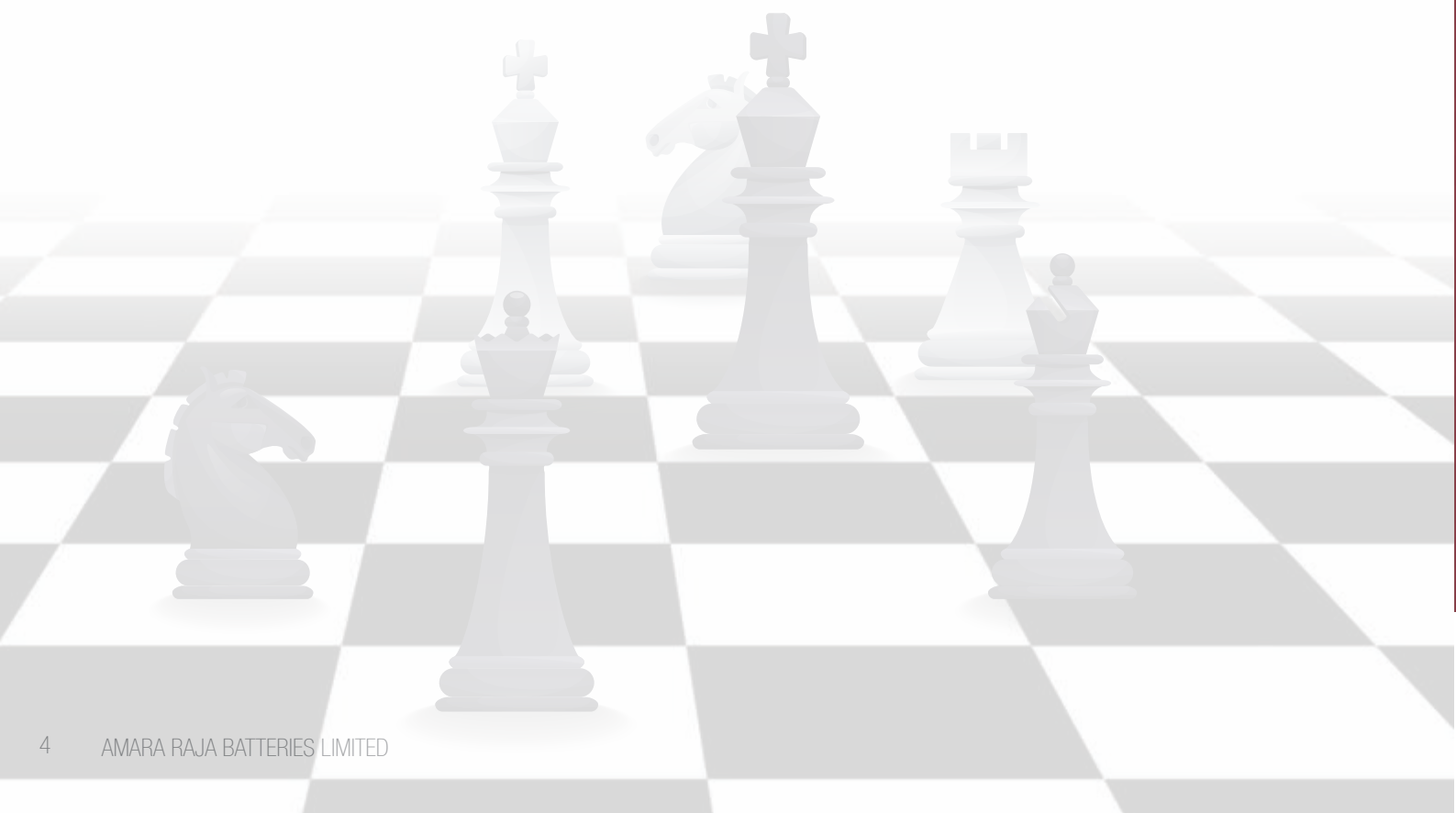
READY TO LEAD…

VISION

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

CORE PURPOSE

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



Innovation

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

Excellence

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

Entrepreneurship

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

Experience

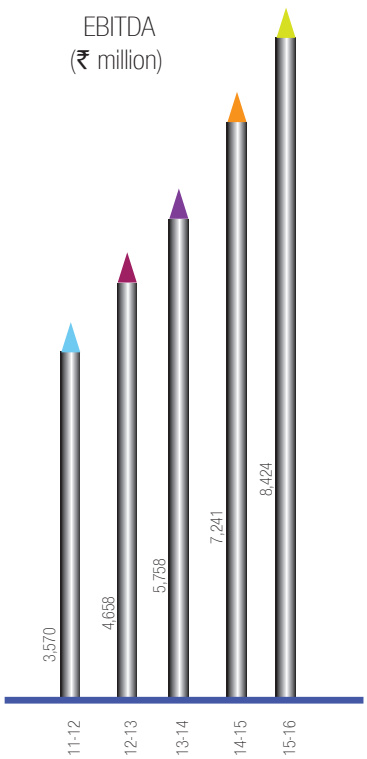
Experience to us is what we create for our stakeholders, which makes them feel part of something special, leading to endearing relationships.

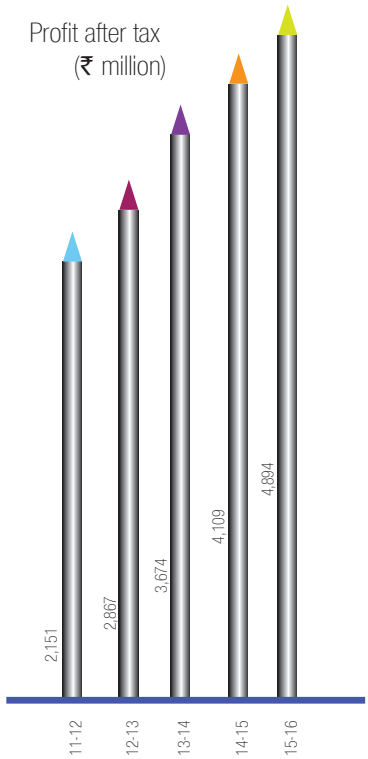
Responsibility

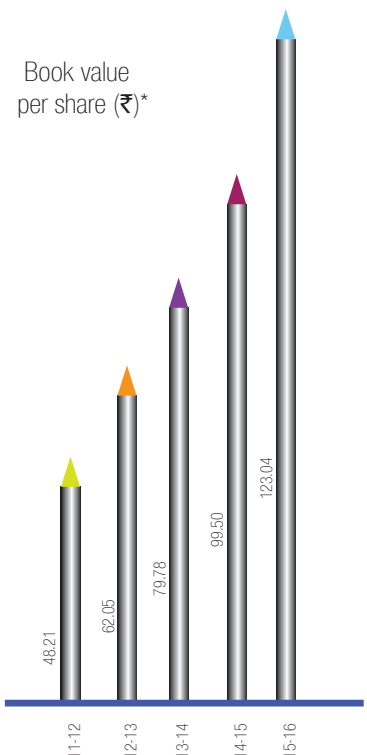
Responsibility to us is the total ownership of our thoughts and actions in every situation to achieve maximum common good in the best interest of Environment, Society, Customer, Supplier, Employee and Shareholders.

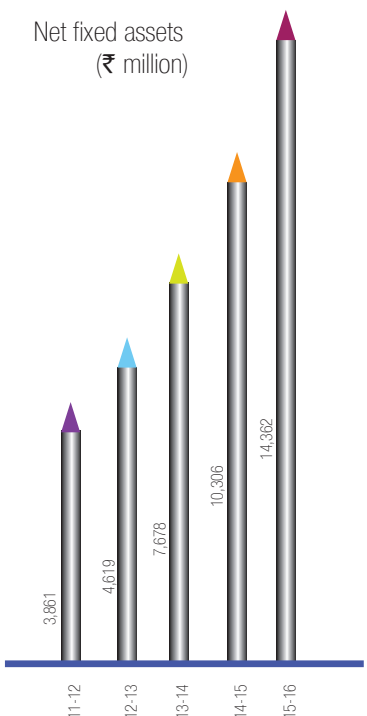
CHALLENGING STRENGTH

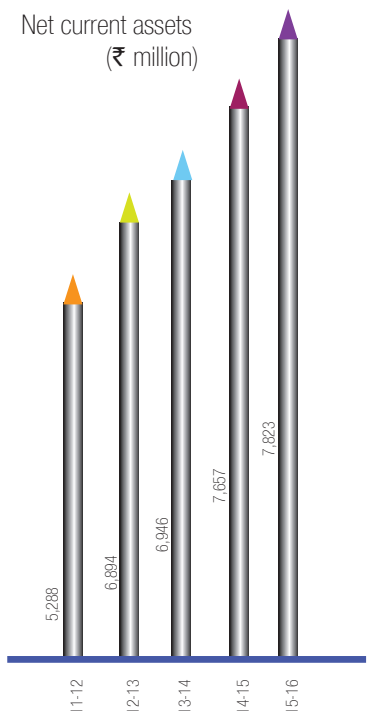
PERFORMANCE



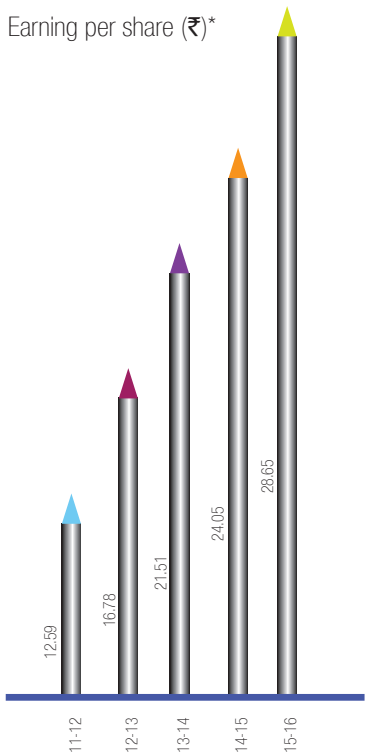








* For face value of ₹ 1 each



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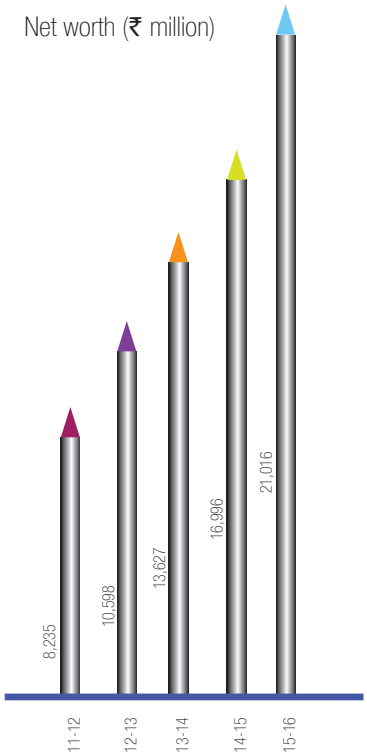
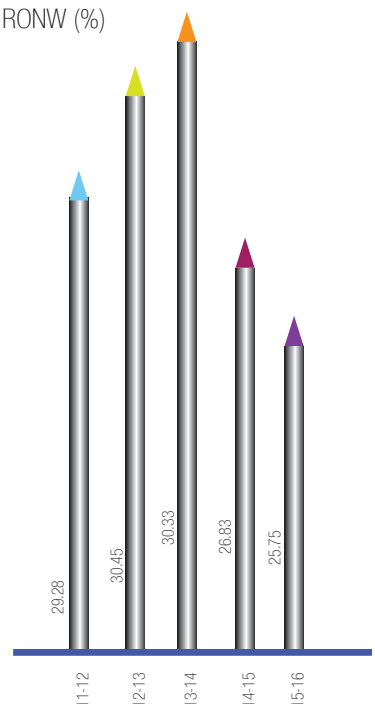
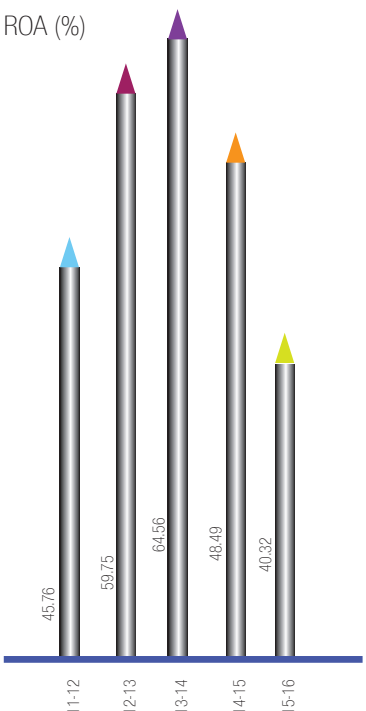
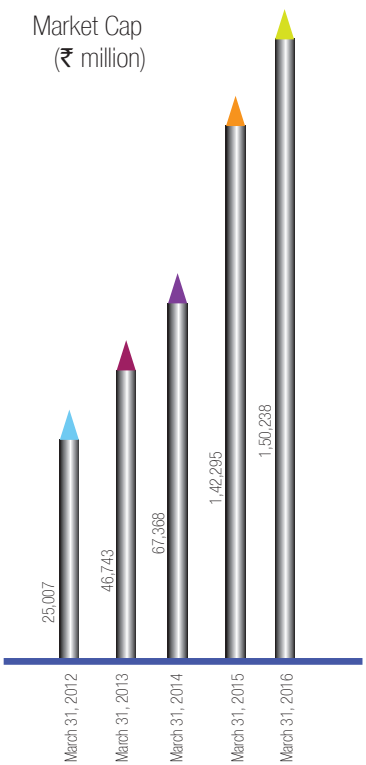








MESSAGE FROM THE MANAGEMENT

Dear Friends,

At Amara Raja, fiscal 2015-2016 was marked with a drive for consolidation of competencies, of internal efficiencies and an aggressive gearing up for market leadership. The Company continued on its growth path, recording an upward graph of 11% in revenue and 19% in net profits.

Global economic growth for the year stood at a very moderate 3.1%,while the Indian economy recorded a growth of 7.6% riding on the back of strong domestic demand, progressive Government policies and expected reforms in the core sectors of banking and industry.

The Central Government's Make-in-India initiative, a focus on Rural Development, drawing the blueprint for 'Smart Cities', the 'Digital India' drive and programs for Urban upgradation, offers immense opportunities for businesses to explore. Opportunities, that Amara Raja is also eager to pursue in its vision to be a global leader.

Dr. Ramachandra N Galla
Chairman

With the phased capacity augmentation of the new two wheeler and four wheeler battery plants to 11 million and 8.25 million units per annum and plans to further expand, Amara Raja is well positioned to mine the growing demand, both in the domestic and overseas markets.

The market for automotive batteries, a core business stream of the Company, is poised for exponential growth. The Government's Automotive Mission Plan for the period of 2006-2016 to turn India into a global automotive hub has really redefined the industry with the country becoming a destination of choice for leading global OEM's and auto majors.

With the phased capacity augmentation of the new two wheeler and four wheeler battery plants to 11 million and 8.25 million units per annum and plans to further expand, Amara Raja is well positioned to mine the growing demand, both in the domestic and overseas markets.

During the year, the Automotive batteries business consolidated its market leadership with differentiated strategies. New product innovations, focused branding initiatives, channel partnering and deeper market penetration helped the business to consolidate its industry ranking and establish Amaron and Powerzone as preferred brands both in the OEM and replacement market.

The industrial batteries business, another important arm of the Company, is also witnessing good demand for critical applications in core user industries. Cutting edge products and customer-centricity has established Amara Raja as a 'Preferred Supplier' to major telecom equipment manufacturers and service providers, IT & ITeS, Infra, UPS manufacturers, Indian Railways, Power and contributed to steady growth in market share.

The Central Government's policies to transform the Indian Railways, making it energy efficient and expanding connectivity with increased metro rail networks, offers new avenues to explore. Amara Raja's sectoral leadership by virtue of its pioneering work in innovative power back-up products and bespoke solutions for the Railways, lends it a competitive edge. An edge, the Company is determined to leverage as part of its growth strategies.

The telecom industry with its large data explosion and the drive for energy optimisation by Tower Companies offers immense potential for the industrial batteries business. Client focus and best-in-class products and service has established Amara Raja as a dominant player in energy solutions for the telecom industry.

During the past year, Amara Raja's 'customer service beyond the call of duty, with teams working under very difficult conditions to restore communication lines and replace batteries inundated by the unprecedented floods in Chennai, Tamilnadu has enhanced its industry ranking not only as a battery manufacturer of repute but also as a trusted business partner and a socially responsible corporate. Reiterating, Amara Raja's commitment to customers and underpinning its value based business philosophy.

The Power Sector in India is on the cusp of a transformation. Amara Raja, as always, is eager to stay ahead of the curve with innovation-led products that span the spectrum from large Grid Level Energy Storage solutions to small mobile energy devices.

Looking ahead, the future offers great promise. At Amara Raja, as we gear up for market leadership, we have our blueprint clearly mapped out- to foray into emerging technologies, expand into new geographies, build world class capabilities and accelerate the momentum of growth.

The Government's focus on renewable energy, particularly solar energy, offers new opportunities. In line with this, during the year, a new tubular plant was commissioned, to cater to the burgeoning demand in renewable energy.

Looking ahead, the future offers great promise. At Amara Raja, as we gear up for market leadership, we have our blueprint clearly mapped out to foray into emerging technologies, expand into new geographies, build world class capabilities and accelerate the growth momentum. Future bound strategies while large in scale and scope, are yet firmly centred on the Company's focus on stability and shareholder value creation. We strongly believe that the journey ahead is full of opportunities and Amara Raja will surely power ahead through an exciting growth corridor, ready to lead.

On behalf of the Company, we take this opportunity to convey our sincere appreciation to all our shareholders and express our gratitude to the government and its agencies, our joint-venture partner Johnson Controls Inc, customers, employees, channel partners, bankers and suppliers.

With warm regards,
Management Team

Jayadev Galla
Vice Chairman & Managing Director

GLOBAL OUTLOOK

The global economy in 2015 reflected a subdued growth at 3.1% as against the projected estimate of 3.5% (World Economic Outlook- IMF 2016). While advanced economies continued their modest recovery, particularly the US which gained traction, the deceleration of the Chinese economy resulted in a subdued trade market and weak global demand. Lower commodity prices put a fiscal strain on emerging, commodity-dependent economies in Latin America, Africa and parts of Asia, while plunging oil prices and supply exceeding demand led to balance sheet pressures for oil exporting countries.

According to the International Monetary Fund (IMF), global growth is projected at 3.6 percent in 2017. Future trends however indicate that developing and emerging economies, particularly India, would be major growth drivers outpacing the mature economies, in the coming decade.

India with a 7.6% GDP growth overtook China. Despite a slackening in capital spending and a double-digit decline in exports, economic growth accelerated in 2015 driven by strong domestic demand and low commodity prices. India and the rest of emerging Asia are projected to continue growing at a robust pace, although some countries could be impacted from strong headwinds from China's economic rebalancing and global manufacturing weakness.

According to the Asian Development Bank, economic growth in India is projected to dip marginally to 7.4% in 2016 due to a slowdown in public investment, stressed corporate balance sheets and declining exports, then accelerate to 7.8% in 2017 as newly strengthened bank and corporate finances allow a revival in investment. The government's budget for year 2016 reflects a fiscal consolidation strategy, with balancing measures to spur the rural economy and improve the business environment.

Going forward, strong private consumption is expected to fuel robust growth rates, if unhindered by slow reform implementation.

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL BATTERY MARKET

According to estimates, the global battery market is projected to grow at a CAGR of 4.15% to reach a market size of 17.26 Billion by 2021. For the same period, market in Asia-Oceania is estimated to reach USD 9.51 Billion, in value terms, due to increasing vehicle production. (marketsandmarkets.com).

The global battery market is driven by growing integration of electronics, demand for transportation, fuel saving, government incentives for cleaner transportation, new hybrid and electric automotive models from OEMs.

The Indian Battery market is projected to grow at a CAGR of 16.5% by 2020 (marketsearchstore.com). The Lead-acid battery industry caters to two broad market categories: automotive and industrial and finds wide application in transportation, communications, power and railway industries. The automotive and communications sector account for 90% of total lead-acid battery consumption.

Automotive Battery Industry - An Overview

The automotive space comprises the OE market and the replacement market. Driven by the increasing vehicle density in the country, the Automotive Battery industry is witnessing an exponential growth. According to estimates, in a few years, the demand for the automotive start-stop battery and energy storage battery is expected to present a CAGR of 30%-40%, and the battery for low-speed electric vehicle reach a CAGR of around 25%-30%.

The Indian auto industry, the feeder industry for automotive batteries, is one of the top ten in the world and according to the Automotive Mission Plan 2016-2026 is estimated to generate up to US$ 300 billion in annual revenue and contribute over 12 per cent to India's Gross Domestic Product. Greater affordability, an upwardly mobile rural population, shifting demographics, have all combined to the burgeoning growth of the sector.

In addition, the Central Government's 'Make in India' drive with a 100% FDI opportunity, has attracted large investments from global auto majors. The auto industry produced a total 19.84 million vehicles in April 2015-January 2016, including passenger vehicles, commercial vehicles, three wheelers and two wheelers, while domestic sales of Passenger Vehicles grew by 8.13 per cent in April 2015 -January 2016 over the same period last year. Exports of Commercial Vehicles registered a growth of 18.36% for the same period.

Other applications like electric and hybrid vehicle are likely to be driven by initiatives like FAME India Scheme (Faster Adoption and Manufacturing of Hybrid and Electric vehicles in India). Under this scheme incentives are being rolled out for electric and hybrid vehicles with a target of 6-7 million electric vehicles on road by 2020.

Major international companies are evincing interest in emerging markets like India and for strategic partnering with Indian companies to participate in this promising market.

Industrial Battery Industry - An Overview

Industrial battery products find extensive application in Telecommunications, Infra, IT & ITeS and UPS sector, (OEM & Replacement), Indian Railways, Power, Solar, Oil & Gas, among other industry segments. With India riding the wave of business growth and industrial development, the industrial battery industry is poised for a quantum leap.

Telecommunications

India stands as the second-largest telecommunications market in the world. One of the fastest-growing industries in the country with year on year increase in FDI inflows, the sector is expected to generate about 4.1 million additional jobs by 2020, as per Groupe Speciale Mobile Association (GSMA).

The country has the world's second-largest Internet user base with over 300 million as of June 2015 and the largest rural mobile user density. Data traffic powered by third generation (3G) services has grown higher than the global average. The Central Government's 'Digital India' drive is further expected to spur the growth of the industry.

There has been a demand disruption in the telecommunications space with the increase in the landscape of multiple connected devices or IoT (Internet of Things) with wearables, 'smart homes', 'bring-your-own-device' (BYOD) and 'connected offices', massive data consumption, mobile advertising and video streaming of content, sponsored data services., etc. There has been a fourfold increase in just one year of cashless mPayment transactions, using mobile devices, transforming the traditional banking system.

The advent of the fifth generation mobile networks (5G), though still in a nascent stage, is expected to catapult the industry to its next level, with greater speed, efficiency and less latency. Telecommunication Equipment Manufacturers and service providers are gearing themselves for the next generation of wireless network technologies.

MVRLA plant at Nunegundlapalle Village, Chittoor District with Solar Roof Tops.

Inverters and UPS Market

India's Inverters and UPS Market is expected to reach ₹ 43,200.7 million by 2019 driven by low availability of high quality power, expansion of industries and increasing affordability of consumers. (Source: India Inverters &UPS Market Outlook). The increasing shift of consumers in rural and semi-urban areas to an uninterrupted power supply and a growing awareness among people for protecting electronic equipments from voltage fluctuations has played an important role in further expansion of the UPS market in the country.

The market for inverters and UPS in India is largely fragmented with a plethora of small unorganized players manufacturing sub-standard and local inverters. However, the market offers great opportunities for leading manufacturers with a gradual rise in awareness among customers on the benefits of good quality inverters. The demand for Inverters in India is expected to surge in the future and the market is projected to grow at an appreciable CAGR of 9.4% by FY'2019. With the growing interest in solar and renewable energy among customers, power back-up systems is opening up huge opportunities.

Power

The Government of India's ambitious targets of adding 175 GW of renewable energy and heavy investment promise in expansion and upgradation of transmission and distribution network are leading to a robust electricity market.

According to projected estimates from the Ministry of Power, the transmission and distribution (T&D) sector is expected to attract private and government sector investments of nearly USD 50 billion over the next four years. The launch of the National Smart Grid Mission (NSGM) with allocation of ₹ 980 crore in 12th Plan by the Government of India is further expected to act as a growth stimulus.

The Power sector in India is in a period of great transformation with the launch of the grid scale advanced storage projects, PGCIL pilot projects and MW scale projects in the pipeline for applications such as diesel replacement, renewable integration and microgrids. The 'Make in India' Campaign will also provide a boost to global companies which are looking to establish their base and extend business in India.

Railways

The Indian Railways, ranked among the world's largest railway network, is slated for a major transformation with the Government of India initaiting several large projects for upgradation, modernisation and expansion of the sector.

To increase last-mile connectivity, enhance safety and passenger comfort, the Railway Ministry has planned a huge outlay to develop the railway infrastructure.

Enabling foreign direct investment through the 'Make in India' programme, is supposed to accelerate the growth of the sector. High speed passenger and freight corridors, large scale gauge conversions, network connectivity, electronic transactions, advanced signalling systems, renewable energy power back-up systems, are just a few of the areas that the Railway industry has drawn up plans to develop. For Indian businesses, there is a huge potential to explore in this critical sector.

Automotive Battery facility at Nunegundlapalle Village, Chittoor District

AUTOMOTIVE BATTERY DIVISION

Amara Raja is one of the leading manufacturers of automotive batteries under the brands Amaron® and Powerzone.™ The business caters to the replacement market with a wide range of products distributed through a large pan-India retail network and to Original Equipment Manufacturers (OEM) directly. Amara Raja also exports its products to various countries in the Indian Ocean RIM through its overseas distributors. During the year, the Company expanded its global footprints with a robust growth in export sales .

Keeping pace with the changing market dynamics, Amara Raja has continued to consolidate its market leadership with its customer-centric focus and a wide portfolio of superior quality products.

Amara Raja has emerged as a dominant player in the OEM space. Competitive pricing and just-in-time deliveries, coupled with custom designed products, and solutions has contributed to a double digit growth of the business and earned it a 'preferred vendor' ranking from multinational manufacturers and auto majors operating in India.

At Amara Raja, the Automotive Battery division rolled out its strategic roadmap for market leadership with sectoral specific, differentiated strategies.

New product development, intensive brand building initiatives, enlarging the retailer base in semi urban areas and penetrating the domain of the unorganised sector, helped the business to grow volumes in the secondary market. The business re-defined the distribution network, by

Mr. Rajesh Jindal, Chief Marketing Officer – Automotive Battery Division and Mr. Manish Tuli, Head Sales - SAARC receiving 'Superbrand' award from the Super Brand Council in the Automotive Battery Category from Mr.Prakash Javedkar, Hon'ble Minister of State for Environment, Forest and Climate Change.

The finishing line at the new Tubular Battery facility at Nunegundlapalle Village, Chittoor District

leveraging on its pan India presence, forging long term channel partnerships and strengthening the supply chain.

To increase brand visibility and enhance the buying experience in the retail space, aesthetically designed customer touch points and versatile, technical-efficient pit shops were opened across cities and semi urban areas..

In the OEM segment, the division leveraged on the large capacity of its world class, two-wheeler and four wheeler battery plants,. to mine the potential of a burgeoning market demand.

The Company adopted de-risking strategies by expanding capacities across sectors and focusing on value added products to drive growth. With the phased capacity augmentation of the new two wheeler and four wheeler battery plants to 11 million and 8.25 million units per annum and plans to further expand, Amara Raja is well positioned to cater to the demand, both in the domestic and overseas markets.

At Amara Raja's Automotive Battery Division, the plans for the future is clearly outlined- to continue the relentless pursuit for undisputed market leadership.

Mr. Rajesh Jindal, Chief Marketing Officer - Automotive Battery Division receiving the Award for 'Overall Excellence' from Maruti Suzuki Limited..

Mr. Manish Tuli, Head Sales - SAARC & Ms. SatyaSunita - Head-Marketing Services receiving 'India's Most trusted Brand Award 2015' in the battery segment from India's Most Trusted Brand Awards Council.

MVRLA Plant at Nunegundlapalle Village, Chittoor District

INDUSTRIAL BATTERY DIVISION

Amara Raja is the dominant player in the industrial battery space in India, The Company holds premier position for industrial batteries in India. The business has continued to expand its presence in a challenging and competitive market environment, registering a double digit growth over the previous financial year. The business enhanced its performance by virtue of its "preferred supplier status" with all major customers, efficient after sales service, customer relationship management and consistent product performance of its flagship brands PowerStack®, Quanta® and QRS Series batteries.

Keeping pace with the changing market dynamics, Amara Raja has continued to consolidate its market leadership with its customer-centric focus and a wide portfolio of superior quality products. A dominant player in the OEM space. business has earned a 'preferred vendor' ranking from a wide spectrum of industries such as Telecommunications, Infra, Power, Railways, IT & ITeS, etc

In its drive for market leadership, the Industrial Batteries division, continued to increase its presence in the Telecommunications, Infra, Railways, and Power sector with custom designed, innovation-led products and solutions.

The power industry is on the cusp of a major transformation. With grid scale advanced storage projects started in India, renewable integration and microgrids is a promising segment that Amara Raja's industrial battery division is exploring for future growth.

As tier 1 supplier of critical power back-up products. to the Railways, the business leveraged its sectoral dominance to enhance its

Robotic machine at our facilities at Nunegundlapalle Village, Chittoor District.

presence in the expansion, modernisation and metro-rail development projects initiated by the Government.

Foraying into white spaces with new breakthrough products for new applications, automation and consolidating manufacturing capabilities to be on par with global standards are part of the long term strategies to sustain market leadership and growth both in the domestic and global market.

Straddling the entire spectrum from Large Grid Level Energy Storage Systems to small hand held power devices, the Industrial Battery Division at Amara Raja is ready to mark its presence as the industry leader.

Mr. Jayadev Galla, Vice Chairman and Managing Director and Mr. Srinivasa Rao Ganga, Chief Marketing Officer-Industrial Battery Division and his team receiving the GOLD Award for 'Best Infra Equipment Supplier' for the year 2015-16 from Indus Towers Limited. This recognition is based on the Quality, Finance, Safety and Timely Delivery. The QRS series we supplied in bulk has resulted in substantial energy savings for INDUS, with industry's highest network uptime and enormous reduction of carbon footprint by reducing DG run time.

Mr. G. Jagan Mohan, Head Operations and his team receiving the 5S Platinum award for the MVRLA plant, in the Annual competitions conducted by ABK AOTS DOSOKAi, Chennai.

CHALLENGING STRENGTH

HUMAN RESOURCES

Amara Raja believes that the People and its Culture are its strategic differentiators and continually invests in the growth of talent across organisational levels. It believes in its culture 'The Amara Raja Way' that it has inculcated over the years will be pivotal for the Company emerging as a 'Preferred Place of Work'.

As the Company continue to increase its presence across various segments and geographies, it never lost sight of sustaining 'Excellence in HR' and making Amara Raja a world-class organisation. The Company's endeavour was to infuse and hone skills among its personnel in line with the changes transpiring in a dynamic marketplace. The organisation invested in dedicated programmes so that its youthful workforce is better prepared to address current and future needs.

With an average age of 30 years for the 5617 strong workforce as on March 31, 2016, the Amara Raja team is an invigorating combination of knowhow and liveliness.

Team segregation

DESCRIPTION	2015-16 (as on 31.03.2016)	
	Number	% to total
Permanent employees with disabilities	4	0.05
Employees from weaker sections (SCs, STs and OBCs)	1996	22.76
Permanent women employees	419	4.78
Other employees not included in any of the above	3198	36.47
Engineering and management graduate trainees hired under the Amara Raja Nava Prathibha scheme	57	0.65
Graduate and diploma trainees hired under the Amara Raja Nava Prathibha Scheme	80	0.91
Shop floor trainees in manufacturing under the Amara Raja Trainee Scheme - ARTS	3014	34.38
Personnel hired on temporary/retainer basis	359	4.09
TOTAL	8768	100

Large Scale Interactive Process (LSIP) demonstrating The Amara Raja Way™

The Amara Raja Way™

Amara Raja continued its journey of institutionalising 'The Amara Raja Way™'. For Operative grade employees and Trainees two days culture building workshop was organized with the methodology of **'Large Scale Interactive Process - LSIP'**. The program enabled them demonstrate The Amara Raja Way™ through Attitudes and Leader Behaviours in their professional and personal life. A total of 5064 people of ARBL were covered in the training in batches of 650 employees and trainees, across the group companies. Top and Middle level leadership team with the support of the Line Managers and human resources team, anchored all the 13 batches of this flagship program.

Workforce strategy

A comprehensive study of the socioe-conomic environment, sectorial peers and other integral aspects have helped in analysing and initiating various programmes that raised the bar in terms of the day-to-day performance of the frontline workforce. Though these were actuated in the early years, the initiatives that were taken up comprehensively in the last year to augment the frontline workforce had started to bring in the desired results. The initiatives enabled the organization to take proactive measures in engaging its workforce in the face of competition. The Company benchmarking studies also reiterated that the organisation's practices are comparable with the best in the region.

Talent Acquisition

Online Recruiting Management (RCM) system has been introduced across the company for the Staff & management grades. Recruiting Management is a comprehensive, collaborative tool that extends the process of recruiting so as to help the organisation hire the right talent and drive real business value. RCM provides process consistency & automation, Improve quality of hire and Reduces cycle time for recruitment.

Following are the key features of the Recruiting Management:

1. Requisition Management - to create and approve requisitions that track job openings and the candidates that apply for them
2. Career Portal - help candidates to apply to open/posted jobs or for employees to refer it to their friends
3. Candidate Management - tracks the progress of each applicant through a series of defined steps of the selection process, supporting compliance and communication with the candidate and the hiring team
4. Candidate/Resume Search - to search for candidates that have either previously applied or submitted a profile into the Success Factors recruiting system

HR Excellence

Amara Raja has adopted CII's HR excellence model and has subsequently ushered in palpable improvement across all its processes and practices. The company took specific initiatives to enhance the level of excellence in the year 15-16. The company will be undergoing a comprehensive external assessment on HR-Excellence in FY 16-17.

HR Awards

The organisation participates in the Best HR Practices competition in order to emulate industry-best practices and continued to win accolades. Amara Raja received the prestigious "**5th Annual Greentech HR Award 2015**" in Gold Category, for Best Strategy in HR and Technology Excellence in HR at a glittering event held at Le Meridian, Bangalore, on 29th May 2015.

Large Scale Interactive Process (LSIP) demonstrating The Amara Raja Way™

Learning and development

Through its internal trainers and external experts, the Company provided 17,825 man-days (1, 24,766 man-hours) of training to employees.

"First-Time Managers" is a comprehensive training program designed and rolled out with an objective to develop talent who have become first time managers in their career. This was conducted in partnership with a premier B-School which had residential classes at the B-School campus, project work and other sessions. This program aimed at improving knowledge on Business Strategy, Personal Effectiveness, Marketing Management, Finance Management and Operations Management.

All the behavioural training programs were re-engineered, during the year 2015-16, so that a cluster of related competencies can be addressed in a training program rather than one competency. The competencies and the program content were linked to the Amara Raja Leader Behaviours and focus on demonstrating The Amara Raja Way and achieve business results.

Amara Raja in-house diploma course

A Unique in-house diploma course that was developed in 14-15, was effectively implemented in 15-16 to hone the skills of the shop floor workforce. This provided an opportunity to the operators who did not have formal technical qualification, however with a technical bent of mind, good interpersonal skills and an inclination to become a supervisor to progress in the career. This program motivated and inspired existing talent to work towards acquiring qualification and enhance the possibilities of growth. On successful completion of the course these employees will be promoted to technician roles.

Leadership development

Amara Raja, in partnership with a leading strategic consulting organisation, developed a comprehensive process for identifying high-performing talent and potential leaders - The "Leader Grooming Program" (LGP).

The program, identifies high performance talent from all levels on an annual basis. A rigorous potential assessment comprising of psychometric tools, Simulation Tools and Panel interviews is conducted for talents in the 'talent pool'. A mentor from the senior management is identified who will enable the talent to be successful in the assignments and projects that are taken part of their Individual Development Plans based on the potential assessment. The progress is monitored every six months, by the Leadership Team. These leaders are thus groomed to take up pivotal roles in the future.

Total 14 participants from the General Manager Grade participated in the program in 15-16. This process will be deployed to all levels of Management from 16-17 onwards.

Technology in HR

To stay abreast of the changes taking place in the market and to take advantage of technology to provide efficient services, the latest cloud-based human capital management suite has been implemented. This will allow the processes related to employee life cycle management, recruitment, onboarding and succession management to be automated. This technological upgradation brings in new levels of efficiency and effectiveness without losing the human touch.

- Employee central module - maintains an employee database and automates workflows for faster approval
- Succession module - ensures structured succession management, career progression and employee development
- Recruiting module - provides procedural consistency and automates the entire recruitment process
- Onboarding module - enables new recruits to complete formalities online

Health, safety and environment

The Company lays the utmost emphasis on health, safety and environmental aspects across all its activities.

With an overarching vision of 'no harm to people and to the planet earth' and in a bid to achieve excellence in the field of health, safety and environment, the Company continues to give special focus to HSE programs to make Health & Safety a way of life…

Intensified programs on –

Safety culture….In addition to the mandatory trainings to all employees like classroom, on-the-job, refresher and continuous coaching platforms, this year we initiated job safety analysis program where front line employees will be actively involved to further improve safety controls in every task.

In line with our HSE vision….No harm to the planet earth….invested in non-conventional energy project of 1.2MW roof top solar power at ARBL, Nunegundla Palle and planning to double that capacity in this year.

All new plants are designed for maximum day light system….and during a normal day…..the electrical lights are not switched ON at all.

The energy conservation and waste reduction and reusing / recycling are ongoing programs aiming at year on year improvements for a sustainable growth…. Recycled about 10% of plastics (PPCP); reused about 30% of the wood for packaging.

While all new plants are designed to international standards on HSE requirements, the company had initiated revamping ventilation systems and hygiene systems at their old plants to these stringent standards aiming at highest quality workplace environment.

Greenbelt development is an on-going program and added about 12000 trees in the last year.

CHALLENGING STRENGTH

SUPPLY CHAIN

EXIM

Company got approval to operate in all the major deep water ports across the country. In order to reduce the cost in EXIM clearance operations Company got certified by customs for Self Clearance process to handle Imports & Exports by our own internal team, resulting in elimination of external agencies (CHA). Higher efficiencies brought in to reduce the CFS charges by implementing internal processes.

Apart from avoiding duplication in process reasonable savings on landed cost also achieved. EXIM striving towards identifying better opportunities to source materials from countries signed FTA to reduce cost of imported materials. Strategies being made to balance the domestic & import procurements ratio resulting in optimal landed cost.

Logistics

The strategy to introduce fleet owner contract resulted in on time delivery with minimum truck turnaround time as well as safe transportation mode. Introduction of RFID helped to improve internal efficiencies and GPS supports to monitor the lead time to deliver to customers as committed. Through "Continuous Improvements Programs" Loading factor improved and resulted in logistics cost control across primary and secondary deliveries.

Team explored **"Rail Mode"** an alternative mode of transport to North region – helped to reduce the transit time and safe transportation with minimum transit loss. Company strived for common pricing mechanism to being pan India uniformity in basic cost calculation

Distribution

Focused more towards **Reach to Customer** approach resulted in gaining more confidence across the Sales, Marketing & Finance teams. Adopting more technology towards DC operations like Barcode, Auto Shipment note, e POD etc… helped to reach customer with efficacy

Focus on Secondary freight cost reduction resulted to explore the possibilities and entered into '*Fleet Owner*' contracts and appointing the PAN India Presence Service Providers with 'three years' validity to ensure the safety and on time movement of material across Distribution centers.

Exploring possibilities by keeping GST in view for Hub n Spoke and revisiting the Space requirements and establishment of Distribution centers to meet the business growth plans are in cards.

As part of strengthening the systems & process, participated & Challenged CII WAREX awards and won GOLD award.

Procurement

On the total procurement value, majority contributed to Raw Materials like Lead, Lead Alloys, Separators and other commodities. Supply chain maintains the optimal business share of both Imports and Domestic Sources. Our major strength is keeping the cost under control as well as monitor inventory to balance DOH and market demand constantly. Key focus in procurement function is vendor management and through annual contracts we are able to secure the raw material supplies to the uninterrupted production. Company's new procurement strategy by having 2 year annual contracts with few of vendors resulted in seamless supplies.

Continuous monitoring mechanism on commodity market behavior, resulted in competitive premium fixation with Lead & Alloys vendors, which is one of major achievement and supported to bottom-line.

Effective strategies applied towards procurement of commodities and achieved savings through SPOT booking & Hedging's with calculative risk.

Mr. L Venkata Madhav, Head - Supply Chain Management and his team receiving the Warehouse Excellence Gold Award from CII-Institute of Logistics

QUALITY SYSTEMS

Quality Systems & Continuous Improvements…

Building a quality culture across all levels and at all functions is the key for our success. Amara Raja believes that quality is a journey towards excellence and continues to effectively practice concepts like FMEA, SPC/SQC, Visual Management, 5S, QC, Industrial Engineering (IE), TPM and Lean Six Sigma through Quality & Continuous Improvement programs.

There are about 467 quality circles, 609 projects were implemented bringing value to the operational performance. Front line employees take pride in doing such improvement tasks, and actively participate in regional, national & international competitions bringing accolades to the company.

The Company continued to improve resource utilization and minimize in-process rejections by leveraging quality techniques (QC, Six Sigma and Kaizen) across all facilities. Projects of non-manufacturing nature were also implemented bringing efficiencies and effectiveness to the business processes across the supply chain.

Customer Recognitions

- Awarded as "Valued Partner – Service Excellence" for the year 2015 from Bharti Infratel Limited (BIL) – 2015.
- Received 'SHIELD' award on OVERALL EXCELLENCE from Maruti Suzuki Limited - Recognition for our excellence in Quality/ Engineering/ Delivery, relationship and handling all the divisions in the MSIL-2015.
- Received Best infra equipment supplier with Gold award - 2015-16 from Indus Towers Ltd.

QC & SIX SIGMA Awards

- Received 02 `GOLD` awards at International convention on Quality Circles – ICQCC 2015, Seoul, South Korea.
- Received 29 `PAR EXCELLENCE' awards and 33 'EXCELLENCE' awards one 'DISTINGUISHED' award at National Convention on Quality Circle- NCQC 2015, Chennai.
- Received 64 `GOLD' awards and 7 'SILVER' awards at Chapter Convention Quality Circles – CCQC 2015 at Hyderabad, Vishakhapatnam and Tirupati.
- Received "1st Prize in Six Sigma" in CII National Level Competition at Bengaluru.
- Mr. G. Jagan Mohan, Head-Operations and his team, received QCFI-Quality Leadership Award (Private sector) - 2015 held during the National Convention at Chennai, for his contributions in building Quality culture in Amara Raja.

Other Recognitions / Rewards:

- Received outstanding performance in Manufacturing Segment presented by the Honorable Chief Minister of Andhra Pradesh – 2015.
- Achieved Self certification from VYOM.
- Caterpillar nominated ARBL under Gold category supplier with consistent Quality and delivery-2015.
- Received TS 16949:2009 LOC for ABD plant-2 operations at Chittoor enabling supplies to OEMS from this location as well.
- Received 5`S` Sustenance Award by ABK-AOTS for Small Battery Division -2015.
- Received 5`S` Platinum Level Award by ABK – AOTS under Large Scale Category for Modular Valve Regulated Lead Acid Batteries Plant-2015.

Amara Raja team receiving GOLD awards at International Convention on Quality Circles – ICQCC 2015, Seoul, South Korea.

Mr. G. Jagan Mohan, Head-Operations and his team receiving the First Prize at the Six Sigma National Conference and Competitions conducted by the Institute of Quality, CII.

INFORMATION TECHNOLOGY

2015-16 in retrospect

- Rolled out ERP to support Tubular Batteries project
- IT Team has provided required support and completed Phase II Implementation of Human Capital Management Solutions
- IT Security is the key for IT Assets, at Amara Raja, we realized the need for Information Security and Management Systems (ISMS) and Implementation of systems are under way with defined road maps.
- IT Team has made required study to implement Manufacturing Execution Systems (MES) to further enhancing operations efficiency and effectiveness
- IT Support is underway for effective Implementation of Ind AS Implementation
- 362 management users are trained on ISMS and ISMS procedures - policy portal has been developed and made available to all the users for ready reckoner.
- 220 users are trained on MS office skills to enhance the office executive's productivity.
- End point protection solution is deployed to protect the end points from growing cyber threats.

Roadmap for 2016-17

- IND AS Standards Implementation
  To comply to the statutory norms necessary configurations are being carried out in SAP

  Required reports are developed for usage by Business

- MES Implementation
  Implementation of Partner Selection and Broad Road map for Implementation will be carried out

- Cloud solutions
  Cloud enabled application help in harnessing the technology improvements of security and availability, which improves the business continuity plan.

  Roll out time is reduced.

- New DC
  Building new Tier 3 Green Data center at HO Tirupati to accommodate all the future data needs for business.

- Internal IT Network
  To support growing needs of Business, IT facilitates in establishing internal IT Network for seamless access to IT Systems at Corporate Office, Green & Brown field plants

- Securing End points
  End point protection enables the security of the clients from current trends of threats which are evolving continuously as technology evolving.

- ISMS awareness
  To enhance the user awareness on Information Security Management systems training schedules are planned.

Surveillance solution is deployed

- Collaboration solution
  To improve the team collaboration with tools to improve productivity of the teams spread across the country

ANALYSIS OF

FINANCIAL STATEMENTS

The Company's overall financial performance for the year 2015-16 showcases its ability to grow business and profitability amid a sluggish business environment prevailing in key user sectors namely the automotive and the telecom sectors.

Statement of Profit and Loss

Net income from operations:

Grew by 11.38% from ₹ 42,113 million in 2014-15 to ₹ 46,907 million in 2015-16, owing to an increase in business volumes in both business divisions – industrial batteries and automotive batteries.

Operating expenses:

Increased by 10% from ₹` 35,095 million in 2014-15 to 38,738 million in 2015-16. Operating expenses as a percentage of total income declined from 83% in 2014-1 to 82% in 2015-16 as a result of cost optimisation initiatives at its operating facilities and improved realisations..

Cost of material consumed:

Increased 8% from ₹ 25,495 million in 2014-15 to ₹ 27,421 million in 2015-16, primarily due to a significant increase in production volumes; the soft raw material prices during the year has helped in lowering the material consumption costs, despite volumes being higher.

Employee expenses:

Increased 25% from ₹ 1,951 million in 2014-15 to ₹ 2,430 million in 2015-16, largely due to amendment in Payment of Bonus Act, 1965 and also on account of increase in the team size for managing expanded operations – the Company's team size stood at 5,617 as on March 31, 2016 against 4,430 as on March 31, 2015.

Other expenses: increased 24% from ₹.5,383 million to ₹ 6,663 million in 2015-16, mainly due to 18% increase in power and fuel, 20% increase in consumption of spares and stores, & increase in other expenses.

Margins: The commissioning of the sizeable new capacity is yet to operate at optimum capacity; hence, costs are yet to be completely absorbed. This impacted operating margins marginally. EBITDA margin stood at 17.96% in 2015-16 against 17.16% in 2014-15 while net margin stood at 10.43% in 2015-16 against 9.76% in 2014-15.

Balance Sheet

Capital employed: Increased by 22% from ₹18,124 million as on March 31, 2015 to ₹ 22,346 million as on March 31, 2016. This was due to the commissioning of new facilities at its greenfield site, which was completely funded from internal accruals.

Shareholders' fund: Increased by 24% from ₹ 16,996 million as on March 31, 2015 to ₹ 21,106 million as on March 31, 2016, due to the ploughback of business profits at the year end. The share capital remained unchanged over the previous year; promoters held 52.06% in the Company as on March 31, 2016.

Mr. N Rama Mohan, Sr. General Manager – F & A and his team receiving the 'Good Performance Award- Private Manufacturing Large Category' for the year 2015 from the The Institute of Cost Accountants of India.

Non-current liabilities: ₹ 1,773 million as on March 31, 2016 against ₹ 1,553 million as on March 31, 2015. The largest component under this sub-head was long-term debt comprising interest free sales tax deferment, an Andhra Pradesh Government incentive where the sales tax component is retained by the Company and is repayable at the end of 14 years from the year in which these loans were availed. The last installment is repayable by 2025-26.

Current liabilities: Increased marginally from ₹ 5,314 million as on March 31, 2015 to ₹ 6,294 million as on March 31, 2016, due to an increase in trade payables (consequent to business growth) and other current liabilities.

Non-current assets: Increased 34% from ₹ 11,168 million as on March 31, 2015 to ₹ 15,002 million as on March 31, 2016. This increase was primarily owing to a 40% increase in tangible assets (consequent to the commissioning of new manufacturing lines at its greenfield facilities). The capital work-in-progress at ₹ 1,197 million comprised the second phase of tubular gel facility, which is expected to commence operations in the current year.

Current assets: Increased by 11% from ₹ 12,695 million as on March 31, 2015 to ₹ 14,081 million on March 31,2016, marginal when compared to the increase in business at 11%; showcasing the Company's ability in maintaining a disciplined working capital cycle, leading to enhanced liquidity.

Internal Control

The Company believes that business efficiency, management effectiveness and asset safeguarding can be sustained through adequate internal control and process standardisation. At the Company, internal control is exercised through the following initiatives:

Accurate and timely recording of transactions with multi-layered checks

Consistent accounting policies and practices; compliance with prescribed accounting Standards

Control reviews of long-term plans, annual budgets with mid-course correction

Critical operational and security controls in the ERP platform

Documented policies and guidelines

Initiatives in line with statutory requirements

Audits and reviews by independent professionals

Interactions between independent auditors, management and audit committee on scope, observations and outcomes of audits and reviews.

RISK MANAGEMENT

Amara Raja's Risk management framework is an integrated risk management approach comprises a compliance with prudential norms, structured reporting and effective controls. A combination of centrally issued policies and divisionally-evolved procedures has helped enhance process robustness, ensuring that business risks are effectively addressed.

This approach conforms to the Company's strategic direction and is consistent with stakeholders' desired total returns, credit rating and risk appetite. The senior management periodically reviews the risk management framework to maintain contemporariness and address emerging challenges.

Risk categories

The risks associated with the Company's business are broadly classified into four major categories.

Economic risk Due to a downturn or adverse political situations, which may impact organisational objectives negatively

Operational risk: Inherent to business operations, including manufacturing and distribution operations, any other business activity disruptions

Financial risk Due to major fluctuations in currency markets, rise in interest rates and possible debt non- recovery

Human resource risk Due to attrition of key managerial persons or disruption of operations due to other human resource issues

Risk	Mitigation plan
Economic risk: A downturn in the economy could impact the offtake of batteries.	**The Company** caters to a number of user sectors which has created multiple revenue streams. **The Company** has established strong relations with customers in various user sectors, which de-risks the Company from an overexposure in any one user segment.
Operational risk: Increasing lead costs could impact business profitability.	**With growing** operational scale, the Company has emerged as a large lead purchaser providing it negotiating power. **The Company** leverages relationships with its joint venture partner for optimising lead procurement costs.
Inflation could raise operational costs, affecting business profitability.	The Company's continuous improvement projects for streamlining processes, improving productivity and reducing wastages has facilitated in optimising operational costs.
Financial risk: Rising interest costs could impact business profits.	**The Company** does not have any debt on its books. The Company recently commissioned a large capacity that was entirely funded through accruals.
Growing scale would require an increase in working capital requirement.	**The Company** commissioned its incremental capacities in a phased manner, which enabled it to build cash flows, strengthening organisational liquidity.
Human resource risk: The Company may not get the necessary skilled team to manage growing business operations.	**The Company** established a corporate brand that enables it to attract rich talent. The structured recruitment policy and disciplined induction process enables the Company to select the right talent. Its people-centric policies and practices help the Company nurture and retain talent.

Aerial view of the Amara Raja Skill Development Center

THE SOCIALLY

RESPONSIBLE CORPORATE

Amara Raja group has been doing its corporate social responsibility activities through Rajanna Trust ("Trust"). The USSR / Charitable activities of the Trust are in the areas of Education, Health, Water Conservation, Environment Protection and Rural Development.

The highlights of the various programs:

Skill Development

The Trust is managing the Amara Raja Skill Development Center (ARSDC). The main aim of ARSDC is "Skilling Rural India to Make in India". ARSDC is presently conducting a 18 Months residential programme providing multi-skill Industrial Training to the rural youth. This course comprises 60% on-job training in the plants of Amara Raja Group of Companies and 40% class room training. This gives the rural youth a firsthand experience of implementing what is basically taught.

Further, the Trust is planning to establish a similar Skill Development Centre at Diguvamagham village, Chittoor District. This centre would focus on skilling rural youth, particularly women, and help in empowering them and fostering inclusive growth.

Education

The Trust runs Mangal Vidyalayam and a Mangal Junior College in Pettamitta Village. It is a matter of pride that Mangal Vidyalayam has been granted CBSE affiliation for the academic year 2016-17. The school has a total strength of around 2000 students while the Mangal Junior College has nearly 500 students. The students of 10th and 12th standards secured the top 4 ranks in Chittoor District in the last two years.

The total capital expenditure spent for the school/ junior college buildings is ₹ 11.00 Crores. Every year a recurring annual expenditure of ₹ 2.50 crores is being spent for maintaining and running the school /college.

Further, the trust is planning to establish an Educational Institution by name "Amara Raja Vidyalayam II" at Diguvamagham village, Chittoor District, similar to Mangal Vidyalayam at Pettamitta.

Health

The Trust also runs a 30 bed primary health

Students in yoga class at ARSDC

Students in mechanical fitting shop

center with qualified staff, established under the Public Private Partnership in Chittoor District. The primary health centre provides preventive and primary health care, catering to 76 villages covering a population of 44,000.

The health centre was constructed at a cost of ₹ 3 crores with an operating expenditure of about ₹ 50 lakhs every year.

Water Conservation

In order to augment the water resources in the water starved Chittoor District, the Trust constructed 23 check dams and de-silted 3 tanks under Rajanna Jalasayamu Program. Around 60 villages, covered under 12 panchayats, benefited from this project. The total expenditure incurred for the project was ₹4 Crores.

Rural Development

The trust developed rural infrastructure by building / constructing good quality connecting roads, water tanks for providing safe drinking water to villages through RO plants, village street lighting, leisure parks with internet access and a library in Chittoor District. The Trust was instrumental in bringing banking and communication infrastructure. Facilities for processing food grains at Petamitta Village was also created by the Trust.. The total expenditure on various rural development projects till date is ₹ 1.50 Crores.

Further, the Trust adopted panchayats of Karakambadi, Pettamita and Diguvamagham in Chittoor District under "Smart Panchayat Scheme." The Trust proposes to

10 Years Financials

₹ million

Parameters / Year	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
OPERATING RESULTS										
Net sales	46,907	42,113	34,367	29,589	23,645	17,611	14,645	13,132	10,833	5,958
Profit before depreciation, interest & tax (PBDIT)*	8,424	7,241	5,758	4,658	3,570	2,588	2,965	2,056	1,795	905
Profit before interest & tax (PBIT)*	6,991	5,883	5,087	3,952	3,096	2,171	2,536	1,711	1,551	735
Profit before tax (PBT)	7,222	6,099	5,367	4,218	3,186	2,204	2,546	1,227	1,459	712
Profit after tax (PAT)	4,894	4,109	3,674	2,867	2,151	1,481	1,670	805	944	470
Dividends	726	617	552	430	323	393	248	68	40	40
Dividend Tax	148	123	94	73	52	65	42	12	7	7
Retained profits	4,021	3,369	3,029	2,363	1,776	1,023	1,380	725	897	423
SOURCES AND APPLICATION OF FUNDS										
SOURCES OF FUNDS										
Share capital	171	171	171	171	171	171	171	171	114	114
Reserves and surplus	20,846	16,825	13,456	10,427	8,064	6,288	5,266	3,885	3,217	2,323
Net worth	21,016	16,996	13,627	10,598	8,235	6,459	5,437	4,056	3,331	2,437
Debt	741	759	857	881	855	1,000	912	2,859	3,163	1,407
Deferred tax liability	588	368	301	195	220	205	216	182	169	136
Funds employed	22,346	18,124	14,785	11,674	9,310	7,664	6,565	7,097	6,663	3,980
APPLICATION OF FUNDS										
Gross fixed assets	18,991	14258^	9,880	6727^	6,213	5,388	4,911	4,271	3,106	2,577
Accumulated depreciation	5,828	4,815	3,648	3,138	2,667	2,237	1,854	1,458	1,217	1,009
Net fixed assets	13,163	9,443	6,232	3,589	3,546	3,151	3,057	2,813	1,889	1,568
Capital work-in-progress(CWIP)	1,199	863	1,446	1,030	315	375	227	396	657	62
Investments	161	161	161	161	161	161	161	471	162	162
Gross current assets	14,560	13,414	13,555	12,924	9,494	7,472	6,311	5,260	5,749	3,500
Current liabilities and provisions	6,737	5,757	6,609	6,030	4,206	3,495	3,191	1,843	1,794	1,312
Net current assets	7,823	7,657	6,946	6,894	5,288	3,977	3,120	3,417	3,955	2,188
Net assets	22,346	18,124	14,785	11,674	9,310	7,664	6,565	7,097	6,663	3,980
RATIOS										
PBT to sales (%)	15.40	14.48	15.62	14.26	13.48	12.51	17.38	9.34	13.47	11.95
PAT to sales (%)	10.43	9.76	10.69	9.69	9.10	8.41	11.40	6.13	8.71	7.89
Return on Assets (ROA) - (%)+	40.32	48.49	64.56	59.75	45.76	34.61	44.51	30.62	33.91	25.44
Return on net worth (%)@	25.75	26.83	30.33	30.45	29.28	24.90	35.18	21.80	32.73	21.12
Debt : Equity (times)	0.04	0.04	0.06	0.08	0.10	0.15	0.17	0.70	0.95	0.58
Fixed assets turnover (times)&	3.28	4.14	5.06	7.52	6.42	5.57	4.79	4.67	5.73	3.80
Earnings per share (Rs.)#	28.65	24.05	21.51	16.78	25.18	17.34	19.56	9.42	16.57	41.31
Dividend (%)	425.00	361	323	252	189	230	145	40	35	35
Dividend per share (Rs.)#	4.25	3.61	3.23	2.52	3.78	4.60	2.90	0.80	0.70	3.50
Book value per share (Rs.)#	123.04	99.50	79.78	62.05	96.42	75.63	63.65	47.49	58.50	213.98
Share Price (as of 31st March) - (Rs.)#	879.55	833.05	394.40	273.65	292.80	189.75	164.20	36.65	195.65	340.40

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

^ Gross fixed assets are net of impairment in value

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

@ Return on networth is computed based on average networth

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

Earnings, dividend, book value and share price are on face value of ₹ 10/- each for FY 2006-07 and ₹ 2/- each upto FY 2011-12 and thereafter on face value of ₹ 1/- each

Corporate information

Board of Directors

Dr. Ramachandra N Galla	Chairman
Jayadev Galla	Vice Chairman and Managing Director
Shuqing Yang	Non-Executive Director
Bruce Arden Ronning Jr.	Non-Executive Director (upto February 1, 2016)
Raphael John Shemanski	Non-Executive Director (w.e.f March 19, 2016)
Nagarjun Valluripalli	Non-Executive Independent Director
N Sri Vishnu Raju	Non-Executive Independent Director
T R Narayanaswamy	Non-Executive Independent Director
Raymond J Brown	Non-Executive Independent Director
Bhairavi Tushar Jani	Non-Executive Independent Director

Management Team

B Jaikrishna	President - HR and Administration
S V Raghavendra	Chief Financial Officer
G Jagan Mohan	Head - Operations
L Venkat Madhav	Head - Supply Chain Management
Srinivasa Rao Ganga	Chief Marketing Officer Industrial Battery Division
Rajesh Jindal	Chief Marketing Officer Automotive Battery Division
M Jagadish	Head - Technology
Santh Sathya	Head - Corporate Strategic Planning and Development (w.e.f September 1, 2015)
Kishore I Hirani	Chief Information Officer (w.e.f. May 9, 2016)

Company Secretary

M R Rajaram

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
D. No. 1-8-384&385
3rd floor, Gowra Grand
S.P Road, Begumpet
Secunderabad - 500 003

Cost Auditors

M/s. Sagar & Associates
Cost Accountants
205,2nd Floor
Raghava Ratna Towers
Chirag Ali Lane
Abids, Hyderabad - 500 001

Bankers

State Bank of India, SME Branch, Tirupati
Andhra Bank, Main Branch, Tirupati

Registered Office

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

Corporate Operations Office

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

Registrars and Share Transfer Agents

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

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their report together with the audited financial statements for the financial year ended March 31, 2016.

Financial Highlights

₹ million

Parameters	2015-16	2014-15
Net revenue	46,907	42,113
Other income	457	423
Total income	47,364	42,536
Operating profit (EBIDTA)	8,424	7,241
Profit before tax (PBT)	7,222	6,099
Profit after tax (PAT)	4,894	4,109
Surplus brought forward	13,917	10,960
Amount available for appropriation	18,812	15,068
Appropriations:		
Transfer to General Reserve	489	411
Dividend on equity capital		
Interim Dividend paid/Proposed dividend	726	617
Corporate dividend tax	148	123
Surplus carried forward to balance sheet	17,449	13,917

Performance overview

- The Company continued its record of clocking highest ever turnover and profit for the financial year 2015-16.
- Total revenue (net of excise duty) for the year was ₹ 46.91 billion as against ₹ 42.11 billion in the previous year registering a growth of 11%.
- The operating profit (Earnings Before Depreciation, Interest, Tax and Amortisation-EBIDTA) for the year stood at ₹ 8,424 million (previous year ₹ 7,241 million) representing 17.96% of net revenue.
- The Profit Before Tax (PBT) and Profit After Tax (PAT) for the year was at ₹ 7,222 million and ₹ 4,894 million as against ₹ 6,099 million and ₹ 4,109 million of the previous financial year respectively.
- The profit after tax has registered an impressive 19% growth.

Industrial battery business

The Company's industrial battery business registered double digit growth over the previous financial year, in a challenging and competitive market conditions. The industrial battery business improved the overall performance by virtue of its "preferred supplier status" with all major customers, efficient after sales service, customer relationship management and consistent product performance of its flagship brands PowerStack®, Quanta® and QRS Series batteries.

The Company has progressively started providing total solutions to customers enabling it to forge strategic alliances.

Automotive battery business

The Company's automotive battery business reported double digit revenue growth supported by volume increase of 24% in both four-wheeler and two-wheeler batteries, over the previous financial year.

During the year, the Company commenced supplies from the new four-wheeler battery plant, consolidating its position in this space. In four-wheeler OEM space, the company grew the business by 15% inspite of just 4% increase in automobile production. In the aftermarket segment, the company's brands grew at a healthy pace of 30% in four-wheelers and 23% in two-wheeler batteries. The volume growth in both four-wheeler and two-wheeler aftermarket business continued during the year due to strong preference for Company's products, supported by complete product offering, strengthening of brands Amaron® and PowerZone™, expansion of channel and leveraging customer relationships.

The volume of inverter batteries, which includes both flat and tubular plate, witnessed a good growth of 14% over previous year.

The volume from export business grew significantly at 33% over previous year. The brand and products of the company have started gaining recognition in overseas markets, resulting in increased business. The focused market strategy of the Company paid off leading to higher penetration and business increase. The Company also expanded the distributor's network to newer countries.

The new four-wheeler battery plant at Nunegundlapalle Village, Chittoor District with capacity of 2.25 million units per annum started supplying during the year, taking the total capacity of the four-wheeler automotive battery plant to 8.25 million units per annum. During the year, we also commenced supplies from the new Tubular plant.

In view of the anticipated growth in demand for two-wheeler battery, the Board reviewed a proposal for expansion of two-wheeler battery capacity to be implemented in four phases, staggered over a period of four years, which would on completion take the capacity from existing 11 million units p.a to 25 million units p.a. The Board approved the setting up of necessary infrastructure for the entire expansion and first phase comprising of 3 lines which would take the capacity to 15 million units p.a.

The Board had already approved the expansion of four-wheeler battery capacity from 8.25 million units p.a to 11 million units p.a.

Financial position

The networth as at March 31, 2016 improved to ₹ 21,016.42 million with the addition of ₹ 4,020.71 million to the reserves and surplus during the year. There is no interest bearing debt as of March 31, 2016. CRISIL rated the Company's long-term bank loan facilities at 'CRISIL AA+/Stable' and on the short-term bank facilities at 'CRISIL A1+.'

During the year under review, the gross fixed assets including capital work in progress increased by ₹ 5,068.96 million (net of deletions of ₹ 677.84 million) and are at ₹ 20,345.96 million (previous year ₹ 15,277 million). The entire additions were funded through internal accruals. The earnings per share of ₹ 1/- each for the financial year 2015-16 grew by 19% at ₹ 28.65/- as against ₹ 24.05/- for the previous financial year, while the book value per share as at March 31, 2016 was at ₹ 123.04/- as against ₹ 99.50/- as at March 31, 2015.

Dividend

The Company paid an interim dividend of ₹ 4.25 per equity share of ₹ 1/- each (425%) for the financial year 2015-16. The interim dividend (excluding corporate dividend tax) aggregated to ₹ 725.95 million, a pay-out of 14.83% of the profit after tax of the Company for the financial year 2015-16.

As the pay-out is in line with the dividend policy of the Company i.e. Dividend Payout (excluding corporate dividend tax) upto 15% of the profit after tax of the Company. The Board has not recommended final dividend for the financial year 2015-16.

Transfer to reserves

Your directors have proposed to transfer a sum of ₹ 489.44 million to the general reserve out of the profits earned by the Company. An amount of ₹ 17,448.73 million is proposed to be retained as surplus in the statement of Profit and Loss.

Directors and Key Managerial Personnel

Pursuant to the provisions of Section 149 of the Companies Act, 2013 Mr. Nagarjun Valluripalli, Mr. N Sri Vishnu Raju, Mr. T R Narayanaswamy, Mr. Raymond J Brown and Ms. Bhairavi Tushar Jani were appointed as an Independent Directors of the Company. They have submitted a declaration that each of them meet the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as an Independent Director during the year.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Dr. Ramachandra N Galla, Chairman (DIN : 00133761) is liable to retire by rotation at the ensuing annual general meeting and being eligible offer himself for re-appointment.

Mr. Bruce Ronning Jr. (DIN: 06938974) resigned from the Board with effect from February 1, 2016 and Mr. Raphael John Shemanski (DIN: 07462586) was appointed as an Additional Director on the Board with effect from March 19, 2016, who hold office upto the date of the ensuing annual general meeting.

The Board wishes to place on record their sincere appreciation for the valuable services rendered by Mr. Bruce A Ronning Jr. during his tenure as a director of the Company.

The Company has received a notice in writing under Section 160 of the Act proposing the appointment of Mr. Raphael John Shemanski as a Director. The resolutions seeking your approval for the re-appointment of Dr. Ramachandra N Galla, Chairman and appointment of Mr. Raphael John Shemanski as a Director are included in the notice of the ensuing annual general meeting along with brief details about them.

Pursuant to the provisions of Section 203 of the Act, Mr. Jayadev Galla, Vice Chairman and Managing Director, Mr. S V Raghavendra, Chief Financial Officer and Mr. M R Rajaram, Company Secretary are the key managerial personnel of the Company.

Auditors

M/s. Brahmayya & Co., Chartered Accountants and M/s. Deloitte Haskins & Sells LLP, Chartered Accountants were appointed as the joint statutory auditors at the Annual General Meeting held on August 14, 2015 for a term of five (5) years from the conclusion of the 30th annual general meeting till the conclusion of 35th annual general meeting. As required under the provisions of Section 139 of the Act, a resolution for the annual ratification of their appointment is being placed before the shareholders for their approval. In this regard, the Company has received a certificate from the auditors to the effect that if their appointment is ratified, it would be in accordance with the provisions of Section 141 of the Act. The Auditor's report does not contain any qualification, reservation or adverse remark.

As per Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules as amended from time to time, the cost records are required to be audited. Based on the recommendation of Audit Committee, your Board has appointed M/s. Sagar & Associates, Cost Accountants, Hyderabad as cost auditors for the financial year 2016-17. Necessary resolution for ratification of their remuneration is being placed before the shareholders for their approval.

Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed R.Sridharan & Associates, Company Secretaries to undertake the secretarial audit of the Company for the financial year 2015-16. The Secretarial Audit Report in Form MR-3 received from them is annexed herewith as **Annexure I.** The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Corporate Governance

The report on corporate governance for the year ended March 31, 2016 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto as **Annexure II**. The certificate from practicing company secretary regarding the compliance of conditions of corporate governance is attached to the report on corporate governance.

Management discussion and analysis

Management discussion and analysis report, highlighting the performance and prospects of the Company's business, forms part of this annual report.

Directors' responsibility statement

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors of the Company confirm to the best of their knowledge and belief that in the preparation of the statement of profit and loss for the financial year ended March 31, 2016 and the balance sheet as at that date ("financial statements"):

1. applicable accounting standards have been followed;
2. appropriate accounting policies have been selected and applied consistently and such judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for that period;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities. 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 recognised in weighing the assurance provided by any such system of internal controls. These systems are reviewed and updated on an on-going basis. Periodic internal audits are conducted to provide reasonable assurance of compliance with these systems. The audit committee meets at regular intervals to review the internal audit function;
4. financial statements have been prepared on a going concern basis;
5. proper internal financial controls are in place and that such internal financial controls were adequate and were operating effectively;
6. systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.

Information and Disclosures under the Companies Act, 2013

Extract of Annual Return

The extract of Annual Return pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 ('Act') in the prescribed form MGT-9 is annexed herewith as **Annexure III**

Number of Meetings of the Board

During the year five meetings of the Board of the Directors of the Company were convened and held in accordance with the provisions of the Companies Act, 2013. The date(s) of the Board Meeting, attendance by the directors are given in the Corporate Governance Report forming part of this annual report.

Committees of the Board

In compliance with the provisions of Sections 135, 177, 178 of the Companies Act, 2013, the Board constituted Corporate Social Responsibility Committee, Audit Committee, Nomination and Remuneration Committee and Share Transfer and Stakeholders Relationship Committee (Committees). The details of composition of the Committees, their meeting and attendance of the members are given in the Corporate Governance Report forming part of this annual report.

Corporate Social Responsibility (CSR)

The brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are given in **Annexure IV** to this report in the format prescribed in Companies (Corporate Social Responsibility Policy) Rules, 2014. The said policy is available on the Company's website at http://www.amararaja.co.in/policies/ARBL-Corporate-Social-Responsibility-Policy.pdf

Nomination and Remuneration Policy

The Board has on the recommendation of Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. The Nomination and Remuneration Policy adopted by the Board is available on the Company's website at

https://amararaja.co.in/policies/ARBL%20%20Nomination%20and%20Remuneration%20Policy.pdf

Evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had carried out an annual evaluation of its own performance, the Directors individually and of the committees of the Board.

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

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

The performance of every Director was evaluated by the Nomination and Remuneration Committee. The performance evaluation of the Independent Directors was carried out by the entire Board. Further, the performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors

Mr. Raphael John Shemanski, additional director did not participate in the evaluation process or being evaluated, as he was appointed at the end of financial year 2015-16.

Familiarisation Programme for Directors

In addition to giving a formal appointment letter to newly appointed Directors on the Board, a handbook covering the role, function, duties and responsibilities and the details of the compliance requirements expected from the Directors under the Companies Act, 2013 and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were given and explained to the new Directors.

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

The above initiatives help the Directors to understand the Company, its business and the regulatory framework in which the Company operates and enables the Directors to fulfill their role/responsibility. The details of the familiarisation programme is available on the Company's website www.amararaja.co.in.

Particulars of loans, guarantees and investments

The Company has not given any loans, guarantees or security in connection with loans or made any investments falling within the ambit of Section 186 of the Companies Act, 2013.

Transactions with the Related Parties

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business.

During the financial year 2015-16, 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 Companies Act, 2013 read with the Companies (Meetings of the Board and its Powers) Rules, 2014, omnibus approval for the estimated value of transactions with the related parties for the financial year ahead is obtained from the Audit Committee. The transactions with the related parties are routine and repetitive in nature.

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

The members at the annual general meeting held on August 14, 2015 approved and authorised the Board to enter into transactions with Mangal Industries Limited (MIL) upto a cumulative value of transactions of ₹ 600 crores in each financial year. During the financial year 2015-16, the transactions with MIL amounted to ₹ 520.13 crores (including dividend paid), a material transaction under the Regulation 23 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") and the policy adopted by the Company under the said Regulations.

The Form AOC- 2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as **Annexure V** to this Report.

Internal Controls

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

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

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.

Risk Management

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

Whistle Blower Policy /Vigil Mechanism

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

Deposits from Public

The Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposit) Rules, 2014 during the year under review. There are no outstanding deposits as on March 31, 2016.

Particulars of 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 VI**.

A statement showing names and other particulars of the employees drawing remuneration in excess of the limits prescribed under Rule 5(2) of the said rules is also annexed to the Directors' Report. However, as per the provisions of Section 136(1) of Companies Act, 2013, 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.

Conservation of energy, Technology Absorption and Foreign Exchange Earnings and Outgo

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

Regulatory Orders

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

Awards and Recognitions

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

- Gold award for **"Best Infra equipment supplier of the Year 2015-16"** from Indus Towers Limited.
- **"Valued Partner – Service Excellence"** award for the year 2015 from Bharti Infratel Limited.
- Received **SHIELD** award on **OVERALL EXCELLENCE** from Maruti Suzuki Limited in the field of QCDM(Quality, Cost, Delivery and Management) parameters.
- Amaron® received the prestigious **"Superbrand"** award from the Super Brand Council in the Automotive Battery category.
- Amaron® adjudged as India's **Most trusted Brand 2015** in the battery segment by the India's Most Trusted Brand Awards Council.
- Received **Warehouse Excellence Gold Award** from CII-Institute of Logistics.
- **Good Performance Award**- Private Manufacturing Large category for the year 2015 from the The Institute of Cost Accountants of India.

Investor Education and Protection Fund (IEPF)

In terms of Section 205A read with Section 205C of the Companies Act, 1956 and the corresponding provision under the Companies Act 2013, an amount of ₹ 4,17,520/- being unclaimed dividend pertaining to the financial year 2007-08 was transferred to IEPF on October 7, 2015.

Health, Safety and Environmental protection (HSE)

The Company has complied with all applicable environmental and labour laws. The Company continues to be certified under ISO-14001 and OHSAS 18001-2007 for its environment management systems and occupational health and safety management systems respectively.

Prevention of Sexual Harassment at workplace policy

The company has in place prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at the workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

All women employees are covered under this policy. During the year 2015-16, no complaints were received by the ICC.

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.

Acknowledgement

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

Your Directors also take this opportunity to thank the joint venture partner Johnson Controls Inc. for their valuable assistance and support. The Directors are thankful to the shareholders for their continued patronage.

On behalf of the Board

Dr. Ramachandra N Galla
Chairman

Place: Hanover, Germany
Date: May 24, 2016

Annexures to the Directors' Report

Annexure I

Form - MR 3
Secretarial Audit Report
for the financial year ended 31st March, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

Amara Raja Batteries Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Messrs. Amara Raja Batteries Limited** [Corporate Identification Number : L31402AP1985PLC005305] having its Registered Office at Renigunta-Cuddapah Road, Karakambadi, Tirupati-517520 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956 (to the extent applicable);

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

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

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

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

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) During the year under review the Company has not issued any new securities and hence the question of compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 does not arise;

(d) The Company has not formulated any Scheme of ESOP/ESPS and hence the requirement of compliance of the provisions of The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 does not arise;

(e) During the period under review, the Company has neither issued any debentures nor has any outstanding debentures to be redeemed and hence the compliance of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 is not applicable;

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

(g) During the year under review, the Company has not delisted its Securities from any of the Stock Exchanges in which it is listed and hence the compliance of the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 is not applicable; and

(h) The Company has not bought back any shares during the period under review and hence the provisions of compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 does not arise;

(vi) Based on the information relating to applicability of other laws as confirmed by the management and explanation provided to us, we have examined the adequacy of systems and processes in place to monitor and ensure compliance of laws as given below:

1. The Factories Act, 1948;
2. The Batteries (Management and Handling) Rules, 2001;
3. Industries Development & Regulation Act, 1951;
4. Labour and incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution, welfare, provident fund, insurance, compensation etc;
5. Acts relating to consumer protection including the Competition Act, 2002,
6. Acts and Rules prescribed under prevention and control of pollution;
7. Acts and Rules relating to Environmental protection and energy conservation;
8. Acts and Rules relating to hazardous substances and chemicals;
9. Acts and Rules relating to Electricity, motor vehicles, explosives, boilers etc
10. Acts relating to protection of IPR;
11. The Information Technology Act, 2000;
12. The Legal Metrology Act, 2011;
13. Land Revenue Laws;
14. The Trade Marks Act, 1999 and
15. Other local laws as applicable to various plants and offices.

With respect to Fiscal laws such as Income Tax, Central Excise Act, VAT Act, Central Sales Tax, Service Tax etc., based on the information and explanation provided to us by the management and officers of the Company and certificates placed before the Board of Directors, we report that adequate systems are in place to monitor and ensure compliance of fiscal 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) issued by the Institute of Company Secretaries of India applicable with effect from 1st July, 2015.

(ii) The Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited and the Uniform Listing Agreement entered with the said stock exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (applicable with effect from 1st December, 2015).

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

We further report that

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

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

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

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

For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775

Place: Chennai
Date: 24th May, 2016

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

'Annexure A'

To
The Members
Amara Raja Batteries Limited
Renigunta, Cuddapah Road
Karakambadi
Tirupati – 517 520

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

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

For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775

Place: Chennai
Date: 24th May, 2016

Annexure II

Corporate Governance Report

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

1. Company's Philosophy on Corporate Governance

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

2. Board of Directors

i) Presently the Board comprises of nine Directors of which Vice Chairman and Managing Director is an Executive Director. Out of eight (8) Non-Executive Directors, five (5) including one woman director are Independent Directors and three (3) are Non Independent Directors. The Board has an optimum combination of Executive, Non-Executive and Independent Directors. The composition of the Board is in conformity with Regulation 17(1) of the Regulations.

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

Name of the Director	Designation	Category
Dr. Ramachandra N Galla DIN : 00133761	Chairman	Promoter; Non-Executive
Mr. Jayadev Galla DIN : 00143610	Vice Chairman and Managing Director	Promoter; Executive
Mr. Bruce Arden Ronning Jr. DIN : 06938974 (upto February 1, 2016)	Director	Non-Executive
Mr. Raphael John Shemanski DIN : 07462586 (w. e. f. March 19, 2016)	Director	Non-Executive
Mr. Shu Qing Yang DIN : 01916660	Director	Non-Executive
Mr. Nagarjun Valluripalli DIN : 00034389	Director	Independent; Non Executive
Mr. N Sri Vishnu Raju DIN : 00025063	Director	Independent; Non Executive
Mr. T R Narayanaswamy DIN : 01143563	Director	Independent; Non Executive
Mr. Raymond J Brown DIN : 01916646	Director	Independent; Non Executive
Ms. Bhairavi Tushar Jani DIN : 00185929	Director	Independent; Non Executive

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

Date of Meeting	Board Strength	No. of Directors Present
May 28, 2015	9	8
August 14, 2015	9	8
October 28, 2015	9	6
February 2, 2016	8	8
March 19, 2016	9	8

iv) The details of the attendance of the Directors at the Board meetings held during the year ended March 31, 2016 and at the last Annual General Meeting (AGM) are given below:

Name of the Director	No. of Board Meetings		AGM held on August 14, 2015
	Held	Attended	
Dr. Ramachandra N Galla	5	5	Yes
Mr. Jayadev Galla	5	5	Yes
Mr. Bruce Arden Ronning Jr. ^+	5	2	Yes
Mr. Raphael John Shemanski^	5	1	NA
Mr. Shu Qing Yang	5	4	Yes
Mr. Nagarjun Valluripalli	5	5	Yes
Mr. N Sri Vishnu Raju	5	5	Yes
Mr. T R Narayanaswamy	5	3	Yes
Mr. Raymond J Brown+	5	4	Yes
Ms. Bhairavi Tushar Jani@	5	4	No

^ Mr. Bruce Arden Ronning Jr. resigned as a Director with effect from February 1, 2016 and Mr. Raphael John Shemanski was appointed as an additional director with effect from March 19, 2016.
+ Participated in the board meeting held on October 28, 2015 through audio conference call.
@ Participated in the board meeting held on August 14, 2015 through audio conference call.

v) The number of directorships, memberships/chairmanships in committees held by the directors including Amara Raja Batteries Limited as on March 31, 2016 are given below:

Name of the Director	Number of directorships in companies	Number of committee memberships in companies*	
		Chairperson	Member
Dr. Ramachandra N Galla	10	2	1
Mr. Jayadev Galla	11	Nil	1
Mr. Raphael John Shemanski	6	Nil	Nil
Mr. Shu Qing Yang	1	Nil	Nil
Mr. Nagarjun Valluripalli	20	1	Nil
Mr. N Sri Vishnu Raju	20	Nil	3
Mr. T R Narayanaswamy	14	Nil	2
Mr. Raymond J Brown	1	Nil	Nil
Ms. Bhairavi Tushar Jani	11	Nil	1

*Audit Committee and Stakeholders Relationship Committee (s) only are considered.

vi) Dr. Ramachandra N Galla is the father of Mr. Jayadev Galla. Other than Dr. Ramachandra N Galla and Mr. Jayadev Galla, none of the directors are related to any other Director on the Board. Mr. Raphael John Shemanski and Mr. Shu Qing Yang are the representatives of Johnson Controls Inc., USA.

vii) The details of the shares held by the Directors as on March 31, 2016:

Name of the Director	No. of equity shares held (face value of ₹ 1/-each)
Dr. Ramachandra N Galla	12,795,074
Mr. Jayadev Galla	12,821,984

None of the other directors hold any shares in the Company. The Company has not issued any convertible instruments.

viii) Familiarisation Programme

In addition to giving a formal appointment letter to newly appointed Directors on the Board, a handbook covering the role, function, duties and responsibilities and the details of the compliance requirements expected from the Directors under the Companies Act, 2013 and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were given and explained to the new Directors.

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

The above initiatives help the Directors to understand the Company, its business and the regulatory framework in which the Company operates and enables the Directors to fulfill their role/responsibility. The details of the familiarisation programme is available on the Company's website www.amararaja.co.in.

ix) The Company has proper systems to enable the Board to periodically review compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances on a yearly basis.

x) The Board had approved code of conduct in compliance with the Regulations. The said code is applicable for all the Directors and the Senior Management Personnel of the Company and the same is posted on www.amararaja.co.in. 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, 2016. In terms of Schedule V to the Regulations, a declaration signed by the Vice Chairman and Managing Director is enclosed to this report.

xi) During the financial year 2015-16, 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 on quarterly basis and such other information as and when applicable were placed before the Board for its consideration.

xii) Mr. Jayadev Galla, Vice Chairman and Managing Director and Mr. S V Raghavendra, Chief Financial Officer of the Company have submitted a certificate to the Board on the fairness of the financial statements and other matters as specified in Part B of Schedule II of the Regulations.

xiii) All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board. The Independent Directors have confirmed that they satisfy the criteria of independence as stipulated in Regulation 16(1)(b) of the Regulations. The tenure of the Independent Directors is in accordance with the Companies Act, 2013 and rules made thereunder. The Independent Directors at their meeting, reviewed the Performance of the Board as a whole, Non independent Directors and the Chairman of the Board.

xiv) During the year, all the Independent Directors had met separately on March 19, 2016 without the attendance of non-independent directors and members of the management.

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

xvi) None of the Directors on the Board are Members in more than ten Committees or Chairman of more than five Committees across all the public limited companies in which they are Directors. For this purpose Audit Committee and the Stakeholders Relationship Committee only are considered. The Directors disclosed their positions held in committees and directorships held in other public limited companies as on March 31, 2016.

xvii) 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.

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

3. Audit Committee

i) The constitution and terms of reference of the Audit Committee are in accordance with and covers all the matters specified under Section 177 of the Companies Act, 2013 and Regulation 18 of the Regulations read with Part C of Schedule II of the Regulations.

ii) The Company Secretary acts as the Secretary to the Audit Committee. Mr. Nagarjun Valluripalli, Independent Director and Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on August 14, 2015.

iii) During the financial year 2014-15, five (5) meetings of the Audit Committee were held on May 28, 2015, August 14, 2015, October 28, 2015, February 2, 2016 and March 19, 2016. 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.

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

Name	Category	Attendance
Mr. Nagarjun Valluripalli, Chairman	Non-Executive, Independent	5
Mr. N Sri Vishnu Raju	Non-Executive, Independent	5
Mr. T R Narayanaswamy	Non-Executive, Independent	3
Ms. Bhairavi Tushar Jani *	Non-Executive, Independent	2

* Appointed as member of the Audit Committee at the Board Meeting held on May 28, 2015. She participated in the audit Committee meeting held on August 14, 2015 through audio conference call.

4. Nomination and Remuneration Committee

i) The constitution and terms of reference of the Nomination and Remuneration Committee are in accordance with and covers all the matters specified under Section 178 of the Companies Act, 2013 and Regulation 19 of the Regulations read with Part D of Schedule II of the Regulations.

ii) Two meetings of the Nomination and Remuneration Committee were held on May 28, 2015 and March 19, 2016.The composition of the Nomination and Remuneration Committee and attendance of members are given below:

Name	Category	Attendance
Mr. Nagarjun Valluripalli, Chairman	Independent, Non-Executive	2
Mr. T R Narayanaswamy	Independent, Non-Executive	1
Mr. N Sri Vishnu Raju	Independent, Non-Executive	2

iii) 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 Directors, Key Managerial personnel and senior management personnel of the Company.

Remuneration to Directors

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 Directors from Galla Family and the representative Directors of Johnson Controls Inc., USA are not paid sitting fees for attending any Board/Committee meetings.

The Non-Executive Independent Directors are entitled to sitting fee for attending the Board/Committee meetings and also for reimbursement of out of pocket expenses for attending the meetings. 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 shareholders at the 30th annual general meeting held on August 14, 2015 approved payment of Commission to Dr. Ramachandra N Galla, Non- Executive Chairman @ 3% of the net profits of the Company and other Non-Executive Independent Directors @ 1% of the net profits of the Company in such sum and proportion as the Board may deem fit and proper for a period of five years commencing from September 1, 2015 to August 31, 2020.

iv) Details of Remuneration paid to the Directors for the year ended March 31, 2016 are given below:

a) Non-Executive Directors (other than representatives of Johnson Controls Inc., USA):

₹ million

Name	Commission	Sitting Fees
Dr. Ramachandra N Galla	235.55	Nil
Mr. Nagarjun Valluripalli	0.50	0.18
Mr. N Sri Vishnu Raju	0.50	0.17
Mr. T R Narayanaswamy	0.50	0.11
Mr. Raymond J Brown	0.50	0.08
Ms. Bhairavi Tushar Jani	0.50	0.10
Total	**238.05**	**0.64**

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

₹ million

Particulars	Amount
Salary	24.00
Perquisites and Allowances	0.16
Commission	368.41
Retirement benefits	0.02
Total	**392.59**

The shareholders at the AGM held on August 14, 2015 appointed Mr. Jayadev Galla as Vice Chairman and Managing Director of the Company for a period of five years with effect from September 1, 2015 to August 31, 2020. The agreement entered into with Mr. Jayadev Galla may be terminated by either party by giving three months' notice and there is no severance fee or compensation payable by the Company upon termination of the agreement. There are no stock options issued by the Company.

(v) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had carried out an annual evaluation of its own performance, the directors individually and of the committees of the Board.

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

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

The performance of every Director was evaluated by the Nomination and Remuneration Committee. The performance evaluation of the Independent Directors was carried out by the entire Board. Further, the performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors

Mr. Raphael John Shemanski, additional director did not participate in the evaluation process or being evaluated, as he was appointed at the end of financial year 2015-16.

5. Share Transfer and Stakeholders Relationship Committee

i) The constitution and terms of reference of the Share Transfer and Stakeholders Relationship Committee are in accordance with and covers all the matters specified under Section 178 of the Companies Act, 2013 and Regulation 20 of the Regulations read with Part D of Schedule II of the Regulations. The said Committee attends to the redressal of complaints of shareholder's.

ii) During the financial year 2015-16, one meeting of the Committee was held on February 2, 2016.

iii) The Composition of the Share Transfer and Stakeholders Relationship Committee and the attendance of members are given below:

Name	Category	Attendance
Dr. Ramachandra N Galla	Non-Independent; Non-Executive	1
Mr. Jayadev Galla	Non-Independent; Executive	1

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

v) Mr. M R Rajaram, Company Secretary and Compliance Officer of the Company acts as Secretary to the Committee.

vi) During the year 2015-16 four(4) complaints pertaining to non-receipt of shares/share certificates were received and redressed to the satisfaction of the shareholders. There are no pending complaints as on March 31, 2016.

6. Corporate Social Responsibility Committee

i) In Compliance with Section 135 of the Companies Act, 2013, (Act) the Board had constituted the Corporate Social Responsibility Committee. The terms of reference of the Committee covers all the matters specified in Section 135 of the Act.

ii) During the financial year 2015-16, one meeting of the Committee was held on February 2, 2016.

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

Name	Category	Attendance
Dr. Ramachandra N Galla	Non-Independent, Non-Executive	1
Mr. Nagarjun Valluripalli	Independent, Non-Executive	1
Mr. T R Narayanaswamy	Independent, Non-Executive	1

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

7. General Body Meetings

Location and date/time for the last three Annual General Meetings:

For the Financial year	Venue	Day and date	Time
2014-15	**Registered Office:** Renigunta-Cuddapah Road Karakambadi Tirupati, Andhra Pradesh – 517 520	Friday August 14, 2015	11:30 AM
2013-14		Wednesday August 6, 2014	11:30 AM
2012-13		Wednesday August 14, 2013	3:00 PM

Special Resolutions passed during the three previous years:

Financial year 2014-15

Special resolutions passed

a. To authorize the board of directors to borrow up to ₹ 500 crores over and above the aggregate of the paid-up capital and free reserves under Section 180(1)(c) of the Companies Act, 2013.

b. To authorize the board of directors to create mortgage or charge on the properties of the Company under Section 180 (1)(a) of the Companies Act, 2013.

c. To authorize the board of directors to enter into all kind of transactions with Mangal Industries Limited, a related party, upto an estimated amount of ₹ 600 crores in each financial year.

Financial year 2013-14:

Special resolutions passed

a. To appoint Mr. Vikramadithya Gourineni as Management Executive under Section 314 (1) (b) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2003.

b. To enter into lease agreement with Amara Raja Infra Private Limited to take lease of land admeasuring 12 acres situated at Nunegundlapalle Village, Bangarupalayam Mandal, Chittoor District.

Financial year 2012-13

No special resolutions were passed during the financial year 2012-13.

Resolutions passed by the Postal Ballot

No Postal Ballot was conducted during the financial year 2015-16. No special resolution is proposed to be passed through postal ballot.

8. Means of communication

The quarterly, half-yearly and annual results are submitted to the stock exchanges in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are published in Business Standard, Business Line (all editions) and Andhra Jyothi, Eenadu and Vaartha (Rayalaseema Edition). The Company also posts the press releases, transcript of calls made with analysts, results on its website www.amararaja.co.in.

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

9. General shareholders information

Day, Date, time and venue of Annual General Meeting	Saturday, August 6, 2016 at 2:30 p.m. at the Registered Office of the Company i.e Renigunta - Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517 520
Financial calendar (tentative):	Financial Year - April to March First Quarter Results -Mid of August 2016* Half-yearly Results - Mid of November 2016* Third Quarter Results -Mid of February 2016* Results for the year ending March 31, 2017 - last week of May 2017* *Provisional

Listing of shares on stock exchanges	National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai 400 051 BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street Mumbai 400 001 Listing fees for the financial year 2016-17 have been paid to all the above stock exchanges
Stock Code / Scrip Code	NSE : AMARAJABAT BSE : 500008
Corporate Identification Number (CIN)	L31402AP1985PLC005305
International Securities Identification Number (ISIN) for equity shares of ₹ 1/- each under Depository System	INE885A01032
Market Price Data High, Low during each month in last Financial year	Please see Annexure A
Performance of the Company's share price vis-à-vis-Sensex	Please see Annexure A
Registrar and Share Transfer Agents (RTA)	For shares related matters, the shareholders are requested to correspond with the RTA of the Company quoting their Folio Number or Client ID and DP ID at the following address: Cameo Corporate Services Limited V Floor, Subramanian Building No.1, Club House Road Chennai - 600002 Tel : 91 44 28460390 Fax : 91 44 28460129 E-mail : investor@cameoindia.com Website : www.cameoindia.com
Share Transfer System	All the valid transfers received are processed and approved by the Share Transfer and Stakeholders Relationship Committee by circular resolutions.
Distribution of Shareholding and Shareholding Pattern as on March 31, 2016	Please see Annexure B
Dematerialization of Shares and Liquidity	97.04% of the equity shares of the Company were dematerialized as on March 31, 2016.
Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity	The Company has not issued any GDR/ ADR/Warrants and convertible instruments.
Plant Location(s)	The Company's plants are located at a) Renigunta - Cuddapah Road, Karakambadi, Tirupati Andhra Pradesh 517 520 b) Nunegundlapalle Village Bangarupalayam Mandal, Chittoor District Andhra Pradesh 517 416

Address for correspondence	Amara Raja Batteries Limited Terminal A 1-18/1/AMR/NR Nanakramguda Gachibowli, Hyderabad 500 032 Tel : 91 40 23139000 Fax : 91 40 23139001 E-mail : investorservices@amararaja.co.in Website : www.amararaja.co.in

10. Other Disclosures

Disclosure of related party transactions

All transactions entered into with related parties during the financial year were on arm's length basis and in the ordinary course of business. The transactions with the related parties are in compliance with Section 188 of the Companies Act 2013 and Regulation 23 of the Regulations.

There were no materially significant transactions entered into by the Company with the related parties which might be deemed to have had a potential material conflict with the interests of the Company at large.

The details of the related party transactions entered during the year and disclosures as required by the Accounting Standards (AS 18) were made in note 25.13 of notes forming part of the financial statements.

The Board of Directors at their meeting held on November 11, 2014 approved a policy on dealing with related party transactions. The policy lays down the criteria for determining the materiality of transactions. The said policy has been posted on the Company's website at the following link

http://www.amararaja.co.in/policies/ARBL-Policy-on-dealing-with-Related-Party-Transactions.pdf

The members at the annual general meeting held on August 14, 2015 approved and authorised the Board to enter to transactions with Mangal Industries Limited (MIL) upto a cumulative value of transactions of ₹ 600 crores in each financial year. During the financial year 2015-16, the transactions entered into with MIL (including dividend paid) are ₹ 520.13 crores, a material transaction under the Regulation 23 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2016 ("Regulations") and the policy adopted by the Company under said Regulations.

Compliance(s) of matters relating to Capital Market

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

Whistle Blower Policy/Vigil Mechanism

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

Code of conduct for prevention of insider trading

The Company has adopted a code of conduct for prevention of Insider Trading (Insider Trading Code) in accordance with the requirements of SEBI (Prohibition of insider trading) Regulations, 2015. The insider Trading code which is applicable to all directors and designated employees lays down guidelines and procedures to be followed and disclosures to be made while dealing in the securities of the Company and non-consequences of violation. Mr. M R Rajaram, 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.

Disclosure of commodity price risks and commodity hedging activities

During the year 2015-16, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against imports. The details of foreign currency exposure are disclosed in Note 25.3 of the notes forming part of the financial statements.

11. The Company has Complied with the requirements of the Schedule V Corporate Governance report sub-paras (2) to (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

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

The Company has complied with the mandatory requirements of the Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. With regard to the non-mandatory requirements, the Company has complied to the extent stated below:

a. **Board:** The Company has a separate office maintained for the Non-Executive Chairman.

b. **Audit Qualifications:** There are no qualifications on the financial statements for the financial year ended March 31, 2016 by the Statutory Auditors of the Company.

c. **Other Non-Mandatory Requirements:** The Company would be progressively adopting the other non-mandatory requirements

13. The 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:

Regulation	Particulars of Regulation	Compliance Status (Yes/No/NA)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance Requirements with respect to subsidiaries of listed entity	NA
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management Personnel	Yes
27	Other Corporate Governance Requirements	Yes
46 (2) (b) to (i)	Disclosures on website	Yes

14. Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') as applicable, and the provisions of the Act/Companies Act, 1956, as applicable. The significant accounting policies, which are consistently applied, have been set out in the notes forming part of the audited financial statements for the financial year ended March 31, 2016.

15. Risk Management

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

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

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

18. Compliance on Corporate Governance

The quarterly compliance report has been submitted to the stock exchanges where the Company's equity shares are listed in the requisite format duly signed by the Company Secretary. Pursuant to Schedule V of the Listing (Obligations and Disclosure Requirements) Regulations, 2015 the Practising Company Secretary's Certificate regarding compliance of conditions of Corporate Governance is annexed to this report.

19. 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, 2015	424*	8,86,000
Number of equity shareholders who approached the Company for transfer of shares of ₹ 1/- each from the suspense account	15	27,000
Number of equity shareholders and to whom shares were transferred from suspense account during the year	15	27,000
Aggregate number of equity shareholders and the outstanding shares of ₹ 1/- each in the suspense account lying as on March 31, 2016	409	8,59,000

* Consolidated the same shareholders holding shares in multiple folios.

The voting rights on the shares outstanding in the Suspense account as on March 31, 2016 are frozen till a claim from the rightful owner of such shares is received.

20. Other requirements/Information

Dividend Policy

Dividends, other than interim dividend(s), are to be declared at the Annual General Meetings based on the recommendation of the Board of Directors. The Board of Directors at its meeting held on May 19, 2010 had adopted a policy for distributing dividend upto 15% of the profit after tax (PAT). Accordingly, every year the Company would pay the dividend amount upto 15% of the profit after tax (PAT) to all the eligible shareholders.

Transfer of unclaimed dividend

During the year under review, an amount of ₹ 4,17,520/- pertaining to unpaid/unclaimed dividend for the financial year 2007-08 has been transferred to Investor Education and Protection Fund (IEPF) on October 7, 2015.

Members who have not yet encashed their dividend from the financial year 2008-09 onwards are requested to make their claims without any delay to M/s. Cameo Corporate Services Limited, Registrar and Share Transfer Agents (RTA) of the Company for claiming the unclaimed/unpaid dividends.

Following table gives information relating to due dates for transfer of dividends to IEPF:

Financial Year	Date of Declaration	Due Date of Transfer to IEPF
2008-09	30.07.2009	04.09.2016
2009-10	29.07.2010	03.09.2017
2010-11 (special dividend)	24.01.2011	01.03.2018
2010-11	13.08.2011	18.09.2018
2011-12	14.08.2012	19.09.2019
2012-13	14.08.2013	19.09.2020
2013-14	06.08.2014	11.09.2021
2014-15	14.08.2015	19.09.2022
2015-16 (interim dividend)	15.03.2016	20.04.2023

As required under the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules 2012, (rules) the Company uploaded on the Company's website www.amararaja.co.in the particulars of unclaimed dividend as on August 14, 2015 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 rules. The same is also available on the 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.

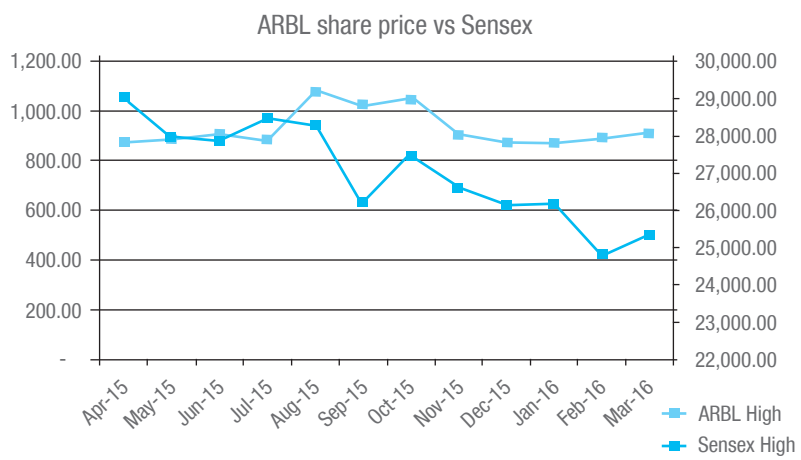
Annexure A

High, Low prices (based on closing prices) of the Company's shares traded on NSE and BSE and performance of BSE Sensex and S&P CNX Nifty during the period from April 1, 2015 to March 31, 2016 are furnished below:

Month	NSE		Nifty 50		BSE		Sensex	
	High (Rs.)	Low (Rs.)	High	Low	High (Rs.)	Low (Rs.)	High	Low
April 2015	877.65	790.90	8,834.00	8,181.50	877.70	792.15	29,044.44	27,011.31
May 2015	885.60	798.35	8,458.95	8,057.30	885.30	800.85	27,957.50	26,599.11
June 2015	902.20	843.35	8,433.40	7,965.35	901.60	844.45	27,895.97	26,370.98
July 2015	886.90	844.45	8,633.50	8,328.55	886.05	844.35	28,504.93	27,459.23
August 2015	1,081.45	911.95	8,588.65	7,791.85	1,078.40	910.95	28,298.13	25,714.66
September 2015	1,029.65	901.70	7,981.90	7,558.80	1,027.95	899.15	26,218.91	24,893.81
October 2015	1,046.60	899.65	8,295.45	7,950.90	1,046.75	903.15	27,470.81	26,220.95
November 2015	908.35	868.00	8,060.70	7,731.80	905.90	866.70	26,590.59	25,482.52
December 2015	878.10	837.50	7,954.90	7,610.45	877.65	837.25	26,169.41	25,036.05
January 2016	871.00	787.95	7,963.20	7,276.80	870.05	782.40	26,160.90	23,962.21
February 2016	890.45	824.05	7,555.95	6,970.60	890.90	825.60	24,824.83	22,951.83
March 2016	913.60	864.65	7,738.40	7,222.30	912.10	864.00	25,341.86	23,779.35

Performance of the Company's share price vis-à-vis-Sensex

A comparative line chart showing performance of share price (Closing High) of the Company with BSE Sensex (Closing High) during the financial year 2015-16



Performance of the Company's share price as at the beginning and end of the financial year 2015-16

Amount in ₹

Name of the Stock Exchange	NSE Close Price	BSE Close Price
Price as on April 1, 2015	843.90	845.50
Price as on March 31, 2016	877.60	879.55
Change in Value	33.70	34.05
% Change	3.99	4.03

As per the closing price of the Company's share on BSE, the market capitalisation increased from ₹ 14,442.20 crore as on April 1, 2015 to ₹ 15,023.81 crore as on March 31, 2016.

Distribution of Equity Shareholding as on March 31, 2016

No. of shares held	No. of shares	Percentage to capital	No. of shareholders	Percentage to no. of shareholders
1 - 100	778,470	0.46	24451	61.80
101 - 500	2,079,235	1.22	9272	23.44
501 - 1000	1,398,187	0.82	1874	4.74
1001 - 2000	3,152,998	1.85	2143	5.42
2001 - 3000	1,871,645	1.09	686	1.73
3001 - 4000	657,417	0.38	186	0.47
4001 - 5000	868,245	0.51	190	0.48
5001 - 10000	2,295,267	1.34	325	0.82
10001 and above	157,711,036	92.33	436	1.10
Total	170,812,500	100.00	39,563	100.00

Mode of Holding as on March 31, 2016

Particulars	No. of shares	Percentage to capital	No. of shareholders	Percentage to no. of shareholders
Demat mode	165,748,316	97.04	38,954	98.46
Physical mode	50,64,184	2.96	609	1.54
Total	170,812,500	100.00	39,563	100.00

Categories of Equity Shareholders as on March 31, 2016

Category	Number of Shares held	Percentage of holding
Promoters	88,927,452	52.06
Mutual Funds & UTI	14,563,800	8.53
Banks/Financial Institutions	901,415	0.53
Foreign Institutional Investors/Foreign Portfolio Investor/NRI's	42,139,193	24.67
Corporate Bodies	4,708,249	2.76
Trusts	316,276	0.18
Others	19,256,115	11.27
Total	170,812,500	100.00

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a code of conduct for all 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, 2016.

Place: Hanover, Germany
Date: May 24, 2016

Jayadev Galla
Vice Chairman and Managing Director

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Members

Messrs. Amara Raja Batteries Limited

Renigunta-Cuddapah Road

Karakambadi

Tirupati – 517 520

We have examined all relevant records of **Messrs. Amara Raja Batteries Limited**, having its Registered Office at Renigunta-Cuddapah Road, Karakambadi, Tirupati – 517 520, for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement till 30th November, 2015 and Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Regulation 34(3) of the "Listing Regulations" made applicable with effect from 1st December, 2015 for the financial year ended 31st March, 2016. 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 regulations 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 regulations of Corporate Governance. 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. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement till 30th November, 2015 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from 1st December, 2015 for the financial year ended 31st March, 2016.

For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775

Place: Chennai
Date: 24th May, 2016

Form No. MGT-9
Extract of Annual Return
as on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details

1	CIN	L31402AP1985PLC005305
2	Registration Date	February 13, 1985
3	Name of the Company	Amara Raja Batteries Limited
4	Category / Sub-Category of the Company	Public Company/ Company having share capital
5	Address of the Registered office and contact details	Renigunta-Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517 520 Tel: 91 877 226 5000 Fax: 91 877 228 5600 E-mail: investorservices@amararaja.co.in Website: www.amararaja.co.in
6	Whether listed company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited Unit: Amara Raja Batteries Limited V Floor, No. 1, Subramanian Building Club House Road Chennai - 600002 Tel : 91 44 28460390 Fax : 91 44 28460129 E-mail : investor@cameoindia.com Website : www.cameoindia.com

II. Principal business activities of the Company

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Batteries and Accumulators	27201	91

III. Particulars of holding, subsidiary and associate companies

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
Nil					

IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/ HUF	3,19,74,058	-	3,19,74,058	18.72	3,19,74,058	-	3,19,74,058	18.72	-
b. Central Government	-	-	-	-	-	-	-	-	-
c. State Government	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	31,15,500	-	31,15,500	1.82	31,15,500	-	31,15,500	1.82	-
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):	3,50,89,558	-	3,50,89,558	20.54	3,50,89,558	-	3,50,89,558	20.54	-
(2) Foreign									
a) NRIs - Individuals	94,26,644	-	94,26,644	5.52	94,26,644	-	94,26,644	5.52	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	4,44,11,250	-	4,44,11,250	26.00	4,44,11,250	-	4,44,11,250	26.00	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):	5,38,37,894	-	5,38,37,894	31.52	5,38,37,894	-	5,38,37,894	31.52	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	8,89,27,452	-	8,89,27,452	52.06	8,89,27,452	-	8,89,27,452	52.06	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,52,30,451	12,000	1,52,42,451	8.92	1,45,53,300	10,500	1,45,63,800	8.52	-0.40
b) Banks / FI	1,59,556	7,500	1,67,056	0.10	8,93,915	7,500	9,01,415	0.53	0.43
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	2,48,42,846	1,500	2,48,44,346	14.54	1,63,57,818	1,500	1,63,59,318	9.58	-4.96
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
Foreign Portfolio Investors	59,62,153	-	59,62,153	3.49	1,79,89,333	-	1,79,89,333	10.53	7.04
Sub-total (B)(1):	4,61,95,006	21,000	4,62,16,006	27.06	4,97,94,366	19,500	4,98,13,866	29.16	2.11
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	51,34,704	2,50,514	53,85,218	3.15	44,57,735	2,50,514	47,08,249	2.75	-0.40
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1,33,12,583	14,22,256	1,47,34,839	8.63	1,44,78,067	12,99,356	1,57,77,423	9.24	0.61
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	42,78,218	-	42,78,218	2.50	20,44,187	-	20,44,187	1.20	-1.30
c) Others (specify)									
Clearing members	6,58,338		6,58,338	0.39	66,473	-	66,473	0.04	-0.35
Foreign nationals	300	-	300	0.00	-	-	-	-	-
Hindu Undivided Families	5,22,516	-	5,22,516	0.31	5,09,032	-	5,09,032	0.30	-0.01
Non Resident Indians	54,00,873	34,94,814	88,95,687	5.21	42,95,728	34,94,814	77,90,542	4.56	-0.65
Others - Unclaimed suspense account	8,86,000	-	8,86,000	0.52	8,59,000	-	8,59,000	0.50	-0.02
Trusts	3,07,926	-	3,07,926	0.18	3,16,276	-	3,16,276	0.19	0.01
Sub-total (B)(2):	3,05,01,458	51,67,584	3,56,69,042	20.88	2,70,26,498	50,44,684	3,20,71,182	18.78	-2.11
Total Public Shareholding (B)=(B)(1)+(B)(2)	7,66,96,464	51,88,584	8,18,85,048	47.94	7,68,20,864	50,64,184	8,18,85,048	47.94	
Total (A) + (B)	16,56,23,916	51,88,584	1,70,81,2500	100.00	16,57,48,316	50,64,184	17,08,12,500	100.00	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	16,56,23,916	51,88,584	1,70,81,2500	100.00	16,57,48,316	50,64,184	17,08,12,500	100.00	

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Share holding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Ramachandra N Galla	1,27,95,074	7.49	-	1,27,95,074	7.49	-	-
2	Amara Kumari Galla	52,60,500	3.08	-	52,60,500	3.08	-	-
3	Jayadev Galla	1,28,21,984	7.51	0.69	1,28,21,984	7.51	0.69	-
4	Padmavathi Galla	9,91,500	0.58	-	9,91,500	0.58	-	-
5	Ashok Galla	52,500	0.03	-	52,500	0.03	-	-
6	Siddharth Galla	52,500	0.03	-	52,500	0.03	-	-
7	Ramadevi Gourineni	80,55,900	4.72	-	80,55,900	4.72	-	-
8	G V Ramakrishna Vara Prasad	7,93,244	0.46	-	7,93,244	0.46	-	-
9	Harshavardhana Gourineni	2,88,750	0.17	-	2,88,750	0.17	-	-
10	Vikramadithya Gourineni	2,88,750	0.17	-	2,88,750	0.17	-	-
11	Mangal Industries Limited	31,15,500	1.82	-	31,15,500	1.82	-	-
12	Johnson Controls (Mauritius) Private Limited	4,44,11,250	26.00	-	4,44,11,250	26.00	-	-
		8,89,27,452	**52.06**	**0.69**	**8,89,27,452**	**52.06**	**0.69**	**-**

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

	At the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
At the beginning of the year	8,89,27,452	52.06	-	
No change during the year				
At the end of the year	-		8,89,27,452	52.06

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

Sl No.	Top 10 Shareholders*	At the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
1.	Franklin Templeton Mutual Fund (including all managed funds)*				
	At the beginning of the year	4,771,621	2.79		
	Net market purchases/(sales) during the week ended:				
	April 10, 2015	(47,000)	(0.03)	4,724,621	2.77
	May 8, 2015	75,000	0.04	4,799,621	2.81
	August 14, 2015	(8,779)	(0.01)	4,790,842	2.80
	August 21, 2015	(481,221)	(0.28)	4,309,621	2.52
	August 28, 2015	(22,910)	(0.01)	4,286,711	2.51
	September 11, 2015	(18,082)	(0.01)	4,268,629	2.50
	September 30, 2015	(17,474)	(0.01)	4,251,155	2.49
	October 16, 2015	(77,954)	(0.05)	4,173,201	2.44
	November 27, 2015	129,800	0.08	4,303,001	2.52
	December 4, 2015	(215,711)	(0.13)	4,087,290	2.39
	December 11, 2015	27,728	0.02	4,115,018	2.41
	December 18, 2015	(62,017)	(0.04)	4,053,001	2.37
	December 25, 2015	(100,000)	(0.06)	3,953,001	2.31
	December 31, 2015	100,000	0.06	4,053,001	2.37
	February 19, 2016	50,000	0.03	4,103,001	2.40
	March 11, 2016	(95,000)	(0.06)	4,008,001	2.35
	March 18, 2016	(125,000)	(0.07)	3,883,001	2.27
	At the end of the year			3,883,001	2.27
2.	ICICI Prudential Mutual Fund (including all managed funds)*				
	At the beginning of the year	32,04,930	1.88		
	Market purchases/(sales) during the week ended				
	May 29, 2015	(35,783)	(0.02)	3,169,147	1.86
	June 5, 2015	(64,217)	(0.04)	3,104,930	1.82
	June 12, 2015	(100,000)	(0.06)	3,004,930	1.76
	At the end of the year			3,004,930	1.76
3	Franklin Templeton Investment Funds				
	At the beginning of the year	31,98,947	1.87		
	Market purchases/(sales) during the week ended				
	April 10, 2015	525,768	0.31	3,724,715	2.18
	April 24, 2015	350,000	0.20	4,074,715	2.39
	May 1, 2015	500,000	0.29	4,574,715	2.68
	June 5, 2015	(94,873)	(0.06)	4,479,842	2.62
	June 12, 2015	(145,127)	(0.08)	4,334,715	2.54

Sl No.	Top 10 Shareholders*	At the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	August 28, 2015	(237,000)	(0.14)	4,097,715	2.40
	October 9, 2015	(195,800)	(0.11)	3,901,915	2.28
	October 23, 2015	(75,600)	(0.04)	3,826,315	2.24
	December 11, 2015	9,000	0.01	3,835,315	2.25
	December 18, 2015	171,000	0.10	4,006,315	2.35
	January 8, 2016	300,000	0.18	4,306,315	2.52
	March 4, 2016	(292,309)	(0.17)	4,014,006	2.35
	At the end of the year			4,014,006	2.35
4.	HDFC Mutual Fund (including all managed funds)#				
	At the beginning of the year	2,804,000	1.64		
	Net market purchases/(sales) during the week ended :				
	May 22, 2015	(204,000)	(0.12)	2,600,000	1.52
	June 19, 2015	(100,000)	(0.06)	2,500,000	1.46
	August 7, 2015	(159,500)	(0.09)	2,340,500	1.37
	August 14, 2015	(21,500)	(0.01)	2,319,000	1.36
	August 21, 2015	(119,000)	(0.07)	2,200,000	1.29
	September 4, 2015	(148,700)	(0.09)	2,051,300	1.20
	September 11, 2015	(99,550)	(0.06)	1,951,750	1.14
	October 9, 2015	(3,000)	(0.00)	1,948,750	1.14
	October 16, 2015	(74,300)	(0.04)	1,874,450	1.10
	October 23, 2015	(44,450)	(0.03)	1,830,000	1.07
	November 27, 2015	26,400	0.02	1,856,400	1.09
	December 4, 2015	16,800	0.01	1,873,200	1.10
	December 11, 2015	33,600	0.02	1,906,800	1.12
	December 31, 2015	14,400	0.01	1,921,200	1.12
	January 8, 2016	(16,000)	(0.01)	1,905,200	1.12
	February 5, 2016	(264,400)	(0.15)	1,640,800	0.96
	February 26, 2016	(54,000)	(0.03)	1,586,800	0.93
	March 4, 2016	(237,100)	(0.14)	1,349,700	0.79
	March 11, 2016	(326,000)	(0.19)	1,023,700	0.60
	March 18, 2016	(21,000)	(0.01)	1,002,700	0.59
	March 31, 2016	(11,000)	(0.01)	991,700	0.58
	At the end of the year			991,700	0.58
5.	Smallcap World Fund, Inc				
	At the beginning of the year	21,73,886	1.27		
	At the end of the year			21,73,886	1.27

Sl No.	Top 10 Shareholders*	At the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
6.	Dr. Upendranath N				
	At the beginning of the year	2,147,254	1.26		
	Market purchases/(sales) during the week ended				
	June 12, 2015	(70,000)	(0.04)	2,077,254	1.22
	June 26, 2015	(127,082)	(0.07)	1,950,172	1.14
	June 30, 2015	(37,447)	(0.02)	1,912,725	1.12
	July 3, 2015	(81,000)	(0.05)	1,831,725	1.07
	July 10, 2015	(116,646)	(0.07)	1,715,079	1.00
	July 17, 2015	(12,621)	(0.01)	1,702,458	1.00
	July 31, 2015	(138,000)	(0.08)	1,564,458	0.92
	August 7, 2015	(122,000)	(0.07)	1,442,458	0.84
	December 4, 2015	(700,000)	(0.41)	742,458	0.43
	December 18, 2015	503,834	0.29	1,246,292	0.73
	At the end of the year			1,246,292	0.73
7.	Wasatch International Growth Fund				
	At the beginning of the year	14,58,482	0.85		
	Market purchases/(sales) during the week ended				
	At the end of the year			14,58,482	0.85
8.	Baron Emerging Market Fund				
	At the beginning of the year	1,452,000	0.85		
	Market purchases/(sales) during the week ended :				
	May 8, 2015	(25,000)	(0.01)	14,27,000	0.84
	At the end of the year			14,27,000	0.84
9.	Copthall Mauritius Investment Limited#				
	At the beginning of the year	13,81,394	0.81		
	Market purchases/(sales) during the week ended				
	April 24, 2015	(15,700)	(0.01)	1,365,694	0.80
	May 1, 2015	(22,191)	(0.01)	1,343,503	0.79
	May 8, 2015	(14,209)	(0.01)	1,329,294	0.78
	June 5, 2015	(250)	(0.00)	1,329,044	0.78
	June 30, 2015	254	0.00	1,329,298	0.78
	September 18, 2015	(47,754)	(0.03)	1,281,544	0.75
	September 25, 2015	(18,250)	(0.01)	1,263,294	0.74
	October 16, 2015	5,722	0.00	1,269,016	0.74
	October 23, 2015	(13,472)	(0.01)	1,255,544	0.74
	November 6, 2015	15,400	0.01	1,270,944	0.74
	November 27, 2015	(185,147)	(0.11)	1,085,797	0.64
	December 4, 2015	(1,245)	(0.00)	1,084,552	0.63

Sl No.	Top 10 Shareholders*	At the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	December 11, 2015	(167,616)	(0.10)	916,936	0.54
	December 18, 2015	(264,148)	(0.15)	652,788	0.38
	December 25, 2015	(118,240)	(0.07)	534,548	0.31
	December 31, 2015	(257,705)	(0.15)	276,843	0.16
	January 8, 2016	(275,043)	(0.16)	1,800	0.00
	March 11, 2016	6,600	0.00	8,400	0.00
	At the end of the year			8,400	0.00
10.	Durga Rani Chunduri				
	At the beginning of the year	13,51,500	0.79		
	At the end of the year			13,51,500	0.79
11.	J O Hambro Capital Management Umbrella Fund PLC (including all managed funds)^				
	At the beginning of the year	10,70,995	0.63		
	Market purchases/(sales) during the week ended				
	April 10, 2015	49,386	0.03	1,120,381	0.66
	May 1, 2015	26,386	0.02	1,146,767	0.67
	May 8, 2015	17,000	0.01	1,163,767	0.68
	June 12, 2015	106,989	0.06	1,270,756	0.74
	September 4, 2015	(115,544)	(0.07)	1,155,212	0.68
	September 11, 2015	(76,124)	(0.04)	1,079,088	0.63
	September 18, 2015	(4,080)	(0.00)	1,075,008	0.63
	September 25, 2015	(69,992)	(0.04)	1,005,016	0.59
	September 30, 2015	(20,740)	(0.01)	984,276	0.58
	November 6, 2015	40,088	0.02	1,024,364	0.60
	January 22, 2016	174,222	0.10	1,198,586	0.70
	February 12, 2016	76,007	0.04	1,274,593	0.75
	February 19, 2016	18,869	0.01	1,293,462	0.76
	February 26, 2016	8,153	0.00	1,301,615	0.76
	March 4, 2016	8,405	0.00	1,310,020	0.77
	At the end of the year			1,310,020	0.77
12.	Powermaster Engineers Private Limited^				
	At the beginning of the year	12,63,528	0.74		
	Market purchases/(sales) during the week ended :				
	At the end of the year			12,63,528	0.74

* Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder

#Ceased to be in the list of Top 10 as on March 31, 2016. However, the details were furnished as the shareholder was one of the Top 10 shareholders as on April 1, 2015.

^Not in the Top 10 shareholders as on April 1, 2015. However, the details were furnished as the shareholder was one of the Top 10 shareholders as on March 31, 2016.

V) Shareholding of Directors and Key Managerial Personnel:

Sl No.	For Each of the Directors and KMP	At the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
1.	Dr. Ramachandra N Galla, Chairman				
	At the beginning of the year	1,27,95,074	7.49		
	At the end of the year			1,27,95,074	7.49
2.	Mr. Jayadev Galla, Vice Chairman and Managing Director				
	At the beginning of the year	1,28,21,984	7.51		
	At the end of the year			1,28,21,984	7.51
3.	Mr. Shu Qing Yang				
	At the beginning of the year	Nil	Nil		
	At the end of the year			Nil	Nil
4.	Mr. Raphael John Shemanski				
	At the beginning of the year	Nil	Nil		
	At the end of the year			Nil	Nil
5.	Mr. Nagarjun Valluripalli				
	At the beginning of the year	Nil	Nil		
	At the end of the year			Nil	Nil
6.	Mr. N Sri Vishnu Raju				
	At the beginning of the year	Nil	Nil		
	At the end of the year			Nil	Nil
7.	Mr. T R Narayanaswamy				
	At the beginning of the year	Nil	Nil		
	At the end of the year			Nil	Nil
8.	Mr. Raymond J Brown				
	At the beginning of the year	Nil	Nil		
	At the end of the year			Nil	Nil
9.	Ms. Bhairavi Tushar Jani				
	At the beginning of the year	Nil	Nil		
	At the end of the year			Nil	Nil
10.	Mr. S V Raghavendra, Chief Financial Officer				
	At the beginning of the year	170	0.0001		
	At the end of the year			170	0.0001
11	Mr. M R Rajaram, Company Secretary				
	At the beginning of the year	Nil	Nil		
	At the end of the year			Nil	Nil

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

₹ million

Particulars	Secured Loans excluding deposits	Unsecured Loans*	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	759.47	-	759.47
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	759.47	-	759.47
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	(18.09)	-	(18.09)
Net Change	-	(18.09)	-	(18.09)
Indebtedness at the end of the financial year				
i) Principal Amount	-	741.38	-	741.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	741.38	-	741.38

*interest free sales tax deferment loan.

VI. Remuneration of Directors and Key Managerial Personnel

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

₹ million

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Jayadev Galla	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24.00	24.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.16	0.16
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	368.41	368.41
	- others, specify	-	-
5	Others, Contribution to Provident Fund	0.02	0.02
	Total (A)	392.59	392.59
	Ceiling as per the Act i.e 5% of the net profits calculated under Section 198 of the Companies Act, 2013		392.59

B. Remuneration to other directors:

₹ million

Sl. no.	Name of the Director	Particulars of Remuneration			
		Fees for attending board / committee meetings	Commission	Others, please specify	Total Amount
1.	Independent Directors				
	Mr. Nagarjun Valluripalli	0.18	0.50	-	0.68
	Mr. N Sri Vishnu Raju	0.17	0.50	-	0.67
	Mr. T R Narayanaswamy	0.11	0.50	-	0.61
	Mr. Raymond J Brown	0.08	0.50	-	0.58
	Ms. Bhairavi Tushar Jani	0.10	0.50	-	0.60
	Total (1)	0.64	2.50	-	3.14
2.	Other Non-Executive Directors				
	Dr. Ramachandra N Galla	-	235.55	-	235.55
	Mr. Shuqing Yang	-	-	-	-
	Mr. Bruce Ronning Jr.*	-	-	-	-
	Mr. Raphael J Shemanski*	-	-	-	-
	Total (2)	-	235.55	-	235.55
	Total (B)= (1+2)	0.64	238.05	-	238.69
	Total Managerial Remuneration				238.69
	Ceiling as per the Act i.e 1% of the net profits calculated under Section 198 of the Companies Act, 2013#				72.20

* Please refer the clause 2(iii) of the Corporate Governance Report on their resignation/ appointments during the year.

The shareholders at their meeting held on August 14, 2015 approved payment of Commission to Dr. Ramachandra N Galla, Non- Executive Chairman @ 3% of the net profits of the Company and other Non-Executive Independent Directors upto 1% of the net profits of the Company under the Companies Act, 2013.

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

₹ million

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. S V Raghavendra, CFO	Mr. M R Rajaram, Company Secretary	Total
1	Gross salary			
	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10.05	5.41	15.46
	Value of perquisites u/s 17(2) Income-tax Act, 1961	0.12	0.06	0.18
	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. S V Raghavendra, CFO	Mr. M R Rajaram, Company Secretary	Total
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	10.17	5.47	15.64

VII. Penalties/Punishment/Compounding of Offences

There were no penalties, punishment or compounding of offences during the year ended March 31, 2016.

Annual Report on Corporate Social Responsibility (CSR) Activities

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

   The broad focus areas of the Company are as follows:

   a. Education
   b. Health
   c. Environment
   d. Rural Development

   The activities under the Education include primary, secondary and higher education, skill development of rural youth, providing scholarships to meritorious students of underprivileged and promoting preventive healthcare activities such as providing safe and healthy drinking water, aiding hospitals etc.

   Weblink: http://www.amararaja.co.in/policies/ARBL-Corporate-Social-Responsibility-policy.pdf

2. Composition of the CSR Committee:

Name	Designation	Category
Dr. Ramachandra N Galla	Chairman	Non-Independent, Non-Executive
Mr. Nagarjun Valluripalli	Member	Independent, Non-Executive
Mr. T R Narayanaswamy	Member	Independent, Non-Executive

3. Average net profit of the Company for last three financial years: ₹ 5,284.06 million

4. Prescribed CSR Expenditure (2% of the Average Net Profit as in item 3 above): ₹ 105.68 million

5. Details of CSR spend for the financial year:

   a. Total amount spent for the financial year : ₹ 119.80 million
   b. Amount unspent, if any : Nil
   c. Manner in which the amount spent during the financial year is detailed below:

CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
Construction of Skill Development Centre to impart employment enhancing vocational skills to rural youth including running expenses	Rural Development Project	Pettamitta, Chittoor, Andhra Pradesh	₹ 119.80 million	₹ 119.80 million	₹ 216.05 million	Implementing Agency i.e Rajanna Trust

Place: Hanover, Germany
Date: May 24, 2016

Dr. Ramachandra N Galla
Chairman of the CSR Committee

Form 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 arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship	Mangal Industries Limited (MIL); Dr. Ramachandra N Galla, Chairman and Mr. Jayadev Galla, Vice Chairman and Managing Director are also Directors of MIL. They hold together 79.04% of equity of MIL.
(b) Nature of contracts/ arrangements/ transactions	Income: Sale of goods/fixed assets; Rendering of services and Sharing of expenses Expenses: Purchase of materials, plastic components, storage racks and sharing of expenses.
(c) Duration of the contracts / arrangements/ transactions	On going
(d) Salient terms of the contracts or arrangements or transactions including the value, if any*	Based on transfer pricing guidelines

* Appropriate approvals have been taken for related party transactions. Advances paid, if any, have been adjusted against invoices, wherever applicable. Please refer note 25.13 to the notes forming part of the financial statements for further information on transactions with MIL.

On behalf of the Board

Place: Hanover, Germany
Date: May 24, 2016

Dr. Ramachandra N Galla
Chairman

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 percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary during the financial year 2015-16; Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-16;

Name of the Director/Key Managerial Personnel	% increase in Remuneration in the financial year 2015-16	Ratio of the remuneration to the median remuneration of the employees
Dr. Ramachandra N Galla Non-Executive Chairman	16.85%	1,469.05
Mr. Bruce Ronning Jr.* Non-Executive Director	-	-
Mr. Raphael John Shemanski* Non-Executive Director	-	-
Mr. Shu Qing Yang Non-Executive Director	-	-
Mr. Nagarjun Valluripalli Non-Executive Independent Director	-	3.12
Mr. N Sri Vishnu Raju Non-Executive Independent Director	-	3.12
Mr. T R Narayanaswamy Non-Executive Independent Director	-	3.12
Mr. Raymond J Brown Non-Executive Independent Director	-	3.12
Ms. Bhairavi Tushar Jani# Non-Executive Independent Director	-	-
Executive Director		
Mr. Jayadev Galla Vice Chairman and Managing Director	16.85%	2,448.41
Key Managerial Personnel		
Mr. S V Raghavendra, Chief Financial Officer		63.45
Mr. M R Rajaram, Company Secretary		34.09

* Mr. Bruce Ronning Jr. resigned as a director with effect from February 1, 2016 and Mr. Raphael John Shemanski was appointed as an additional director with effect from March 19, 2016.

\# Ms. Bhairavi Tushar Jani was appointed on March 28, 2015, therefore, increase in her remuneration not provided.

b. The percentage increase in the median remuneration of employees in the financial year : 10.57%

c. The number of permanent employees on the rolls of the Company : 5,617

d. The explanation on the relationship between average increase in remuneration and the Company performance:

The average increase in the employee remuneration effected during the year 2015-16 is based on the individual performance and Company's performance during the previous financial year 2014-15. The other factors considered for revision in remuneration is based on market survey, functional expertise, industry standards etc.

e. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Aggregate remuneration of Key Managerial Personnel (KMP) (₹ million)	408.23
Revenue (₹ million)	46,906.68
Remuneration of KMP as a % of revenue	0.87
Profit Before Tax (PBT) (₹ million)	7,221.93
Remuneration of KMP as a % of PBT	5.65

f. Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies:

Particular	As at March 31, 2016	As at March 31, 2015	Variation
Market Capitalisation (in ₹ billion)			
BSE Limited	150.24	142.03	5.78%
National Stock Exchange of India Limited	149.91	142.30	5.35%
Price Earnings Ratio			
BSE Limited	30.70	34.57	(11.20%)
National Stock Exchange of India Limited	30.63	34.64	(11.57%)
Market Price (₹)			
BSE Limited	879.55	831.50	5.78%
National Stock Exchange of India Limited	877.60	833.05	5.35%

The Company had come out with the initial public offer (IPO) in the year 1992 at face value of ₹ 10/- each. An amount of ₹ 1,000 invested in the said IPO would be worth ₹ 1.32 million as on March 31, 2016.

g 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 in 2015-16 was 11.15%. The Percentage increase in the managerial remuneration for the same financial year was 16.81%

h. Comparison of each remuneration of the Key Managerial Personnel against the performance of the company:

Name	Remuneration (₹ million)	Revenue (₹ million)	% of Revenue	PBT (₹ million)	% of PBT
Mr. Jayadev Galla Vice Chairman and Managing Director	392.59	46,906.68	0.84	7,221.93	5.44
Mr. S V Raghavendra Chief Financial Officer	10.17	46,906.68	0.02	7,221.93	0.14
Mr. M R Rajaram Company Secretary	5.47	46,906.68	0.01	7,221.93	0.08

i. **The key parameters for any variable component of remuneration availed by the directors:**

Only commission is payable in addition to the monthly remuneration. The total remuneration paid to Mr. Jayadev Galla, Vice Chairman and Managing Director is restricted to 5% of the net profits of the Company per annum. The Commission paid to Dr. Ramachandra N Galla, Non-Executive Chairman is 3% of the net profits of the Company per annum. The amount of Commission paid to non-executive independent directors shall be determined by the Board within the overall limits of 1% of the net profits of the Company.

j. **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:** Not Applicable

k. **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.

On behalf of the Board

Place: Hanover, Germany
Date: May 24, 2016

Dr. Ramachandra N Galla
Chairman

Information under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules 2014 and forming part of the Directors' Report:

A. Conservation of Energy

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

B. Technology Absorption

i. 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:

- New product development for emerging applications.
- Manufacturing Technology up-gradation to make the batteries robust and high end performer.
- Development of import substitution in materials and products.
- Exploration of environmental friendly operations/ materials.
- Material/Process development activities for enhancing battery performance and cost efficiency.
- Value engineering efforts for product improvements.

ii. Benefits derived as a result of the above Technology Projects

- Designed & Developed….
  - 200Ah High power battery for UPS application.
  - 1KWhr battery for UDC application in collaboration with IIT-Madras.
  - Advanced automotive sealed lead acid batteries with innovative poly designs to meet vehicle crush requirements.
  - Light weight automotive lead acid batteries in-line with automotive vehicle manufacturers' mass reduction programs.
  - Tubular flooded batteries for HUPS market requirement with advanced manufacturing positive plate & formation process technologies.
  - An optimized product for Start-Stop application.
- Demonstrated innovative process technology for cleaning of cover venting system.
- Developed formation process with novel paste additive that enhances formation efficiency.
- Evaluated and implemented formation process with acid recirculation system.
- Filed 4 patents; 2 patents on Innovative Liq Arr and Splat Arr; 1 patent on BMS for portable devices; 1 patent on Formation cycle time reduction in flooded batteries.
- Investigated the technology challenges in lithium ion Batteries.
- Introduced an eco-friendly Web sleeve material that resulted in both material and cost savings.
- Novel concept to prevent plate dust was successfully demonstrated and regularization is planned.

- Obtained 3 publications i.e Effect of Additives on the Performance of Lead Acid Batteries; Effect of Properties of Carbon Materials on Performance of VRLA Batteries and Design of corrugated boxes for long transportation of batteries.
- Pursued "Mat positive plate technology study" successfully for automotive application.
- Reduced lead dross in lead alloy casting processes.
- Registered 4 Designs; Lead acid batteries having liq arr and splat off profile design to meet both vibration and acid retention test.
- Studied the significance of the cathode materials for lithium-ion batteries.
- Studied and evaluated process technology to recover the conductive material from spent paste.
- Studied and developed new class of Maintenance free electrolyte for VRLA Batteries

iii. Future Plan of Action (2016-17)

- An effective desulphation formulation shall be developed that help to boost the performance of batteries
- An eco-friendly yet cost effective FR formulation will be studied and implemented
- Cost effective pressure sensitive labels shall be introduced for Automotive segment
- Development of….
  - Advanced FGel/TGel batteries for Solar, UPS & Inverter applications.
  - Advanced automotive battery with AGM technology for start-stop application.
  - Batteries for UPS Application with advanced plate making technology.
  - HWS series for UPS-Data center application.
  - High energy density FTA batteries for Telecom application.
  - Short tubular batteries for HUPS/ UPS application with new variants.
  - Tubular flooded batteries for e-Rickshaw application.
- Deploy alternate continuous plate making technologies.
- Evaluation of processes for improved active material efficiency.
- Indigenous design and development of tooling in continuous plate making technology.
- Introduction of new process approach to reduce plate dust.
- Study the benefits of the Hybrid energy storage systems.
- Technology demonstration project in Tubular battery for traction & standby application.
- Validation of advanced positive plate technology in automotive batteries.

iv. Efforts in brief, made towards technology absorption

- Studied and recommended application based advanced continuous plate making technologies for higher productivity, less energy consumption and light weight batteries.
- Designed & Developed advanced automotive sealed lead acid batteries with innovative poly designs to meet vehicle crush requirements.
- Novel concept to prevent plate dust was successfully demonstrated and regularization is planned

v. Benefits derived as a result of above efforts

- Cost reduction.
- Environmental protection.
- Energy conservation.

- Enhanced performance and reliability of the product.
- Enhanced market share.
- Customer Satisfaction
- Penetration into newer markets.
- Resource saving.

vi. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a.	The details of technology imported	The Company has imported technology for the manufacture of Automotive (SLI) batteries from Johnson Controls Inc. USA
b.	The year of Import	1998
c.	Whether the technology been fully absorbed	Yes. Further, latest developments in the technology are absorbed and implemented from time to time with the help of Johnson Controls Inc. USA as and when required.
d.	If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	Not applicable

vii Expenditure on Research and Development (R&D)

₹ million

Sl. No	Parameters	2015-16	2014-15
1	Capital	17.66	20.07
2	Recurring	61.88	50.83
	Total	79.54	70.90

viii Foreign exchange earnings and outgo

₹ million

Sl. No	Parameters	2015-16	2014-15
1	Foreign exchange used	12,936.04	11,033.09
2	Foreign exchange earned - exports	2,796.25	2,404.98

On behalf of the Board

Place: Hanover, Germany
Date: May 24, 2016

Dr. Ramachandra N Galla
Chairman

Financial Statements

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

AMARA RAJA BATTERIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **AMARA RAJA BATTERIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable.

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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under Section 143 (11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.

   e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

   i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements;

   ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For BRAHMAYYA & Co.
Chartered Accountants
(Firm's Registration No. 00513S)

Karumanchi Rajaj
Partner
Membership No. 202309
Secunderabad, May 24, 2016

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-00018)

Sumit Trivedi
Partner
Membership No. 209354
Secunderabad, May 24, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Amara Raja Batteries Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BRAHMAYYA & Co.
Chartered Accountants
(Firm's Registration No. 00513S)

Karumanchi Rajaj
Partner
Membership No. 202309
Secunderabad, May 24, 2016

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sumit Trivedi
Partner
Membership No. 209354
Secunderabad, May 24, 2016

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

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

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ Government Orders provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date, except in the case of certain land of the Company admeasuring 8.68 hectares in Uttarakhand State, which is under dispute (refer details in Note 25.17 of the financial statements). The carrying amount of this land as at March 31, 2016 is ₹ Nil (net of impairment provision of ₹ 155.88 million).

In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit falling within the purview of the provision of Sections 73 to 76 of the Companies Act, 2013. There are no unclaimed deposits.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ million)	Amount Unpaid (₹ million)
VAT Laws	VAT	Appellate Authority upto Commissioner level	2008-09 to 2013-14 and 2015-16	41.45	32.63
		Tribunal	2007-08 to 2011-12	15.18	3.65
Sales Tax Laws	Sales Tax	Appellate Authority upto Commissioner level	2004-05 and 2010-11 to 2012-13	12.64	11.11
		Tribunal	2007-08	1.43	-
Income Tax Act, 1961	Income-tax	Appellate Authority upto Commissioner level	2009-10 and 2012-13	3.60	1.65
Central Excise Act, 1944	Excise Duty	Tribunal	2003-04 to 2007-08	9.63	-
Finance Act, 1994	Service Tax	Tribunal	2005-06	7.56	6.06

Out of the total disputed dues aggregating ₹ 91.49 million as above, ₹ 54.25 million has been stayed for recovery by the relevant authorities.

There are no dues of customs duty as at March 31, 2016 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to government. The Company has not taken any loans or borrowings from financial institutions and banks and has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

For BRAHMAYYA & Co.
Chartered Accountants
(Firm's Registration No. 00513S)

Karumanchi Rajaj
Partner
Membership No. 202309
Secunderabad, May 24, 2016

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-00018)

Sumit Trivedi
Partner
Membership No. 209354
Secunderabad, May 24, 2016

Balance Sheet as at March 31, 2016

All amounts are in ₹ million, except share data and where otherwise stated

		Notes	As at March 31, 2016		As at March 31, 2015	
A	EQUITY AND LIABILITIES					
	1 Shareholders' funds					
	(a) Share capital	3	170.81		170.81	
	(b) Reserves and surplus	4	20,845.61		16,824.90	
				21,016.42		16,995.71
	2 Non-current liabilities					
	(a) Long-term borrowings	5	724.72		741.38	
	(b) Deferred tax liabilities (net)	6	588.40		368.48	
	(c) Long-term provisions	7	460.15		443.06	
				1,773.27		1,552.92
	3 Current liabilities					
	(a) Trade payables (other than acceptances)					
	- Total outstanding dues of micro enterprises and small enterprises	25.2	14.42		6.94	
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,286.21		2,602.14	
	(b) Other current liabilities	8	2,470.55		1,509.43	
	(c) Short-term provisions	9	522.41		1,195.72	
				6,293.59		5,314.23
	TOTAL			29,083.28		23,862.86
B	ASSETS					
	1 Non-current assets					
	(a) Fixed Assets					
	(i) Tangible assets	10	13,122.66		9,398.93	
	(ii) Intangible assets	11	40.63		43.69	
	(iii) Capital work-in-progress		1,197.42		861.68	
	(iv) Intangible assets under development		1.72		1.52	
			14,362.43		10,305.82	
	(b) Non-current investments	12	160.76		160.76	
	(c) Long-term loans and advances	13	479.28		701.70	
				15,002.47		11,168.28
	2 Current assets					
	(a) Inventories	14	6,016.48		4,181.33	
	(b) Trade receivables	15	5,921.46		5,541.02	
	(c) Cash and cash equivalents	16	1,502.58		2,221.71	
	(d) Short-term loans and advances	17	527.75		660.81	
	(e) Other current assets	18	112.54		89.71	
				14,080.81		12,694.58
	TOTAL			29,083.28		23,862.86
	Corporate information	1				
	Significant accounting policies	2				

See accompanying notes forming part of the financial statements

In terms of our report attached
For Brahmayya & Co.
Chartered Accountants

Karumanchi Rajaj
Partner

Place: Secunderabad
Date: May 24, 2016

For Deloitte Haskins & Sells LLP
Chartered Accountants

Sumit Trivedi
Partner

Place: Secunderabad
Date: May 24, 2016

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Jayadev Galla
Vice Chairman and Managing Director

S.V. Raghavendra
Chief Financial Officer

M.R. Rajaram
Company Secretary

Place: Hanover, Germany
Date: May 24, 2016

Statement of Profit and Loss for the year ended March 31, 2016

All amounts are in ₹ million, except share data and where otherwise stated

		Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
1	Revenue from operations (gross)	19	52,417.61	46,371.67
	Less: Excise duty		5,510.93	4,258.38
	Revenue from operations (net)		46,906.68	42,113.29
2	Other income	20	456.85	422.99
3	Total revenue (1+2)		47,363.53	42,536.28
4	Expenses			
	(a) Cost of materials consumed	25.6	27,421.38	25,494.67
	(b) Purchase of stock-in-trade (traded goods)	25.8	3,254.51	2,746.49
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(1,031.20)	(479.95)
	(d) Employee benefits expense	22	2,430.02	1,950.93
	(e) Finance costs	23	4.85	2.41
	(f) Depreciation and amortisation expense	10,11	1,398.67	1,339.92
	(g) Other expenses	24	6,663.37	5,383.19
	Total expenses		40,141.60	36,437.66
5	Profit before tax (3-4)		7,221.93	6,098.62
6	Tax expense			
	(a) Current tax expense		2,115.00	1,910.00
	(b) Taxation of earlier years		(7.44)	12.84
	(c) Deferred tax		219.92	67.16
	Net tax expense		2,327.48	1,990.00
7	Profit for the year (5-6)		4,894.45	4,108.62
	Earnings per share (of ₹ 1/- each)			
	Basic and Diluted (₹)	25.15	28.65	24.05
	Corporate information	1		
	Significant accounting policies	2		

See accompanying notes forming part of the financial statements

In terms of our report attached
For Brahmayya & Co.
Chartered Accountants

Karumanchi Rajaj
Partner

Place: Secunderabad
Date: May 24, 2016

For Deloitte Haskins & Sells LLP
Chartered Accountants

Sumit Trivedi
Partner

Place: Secunderabad
Date: May 24, 2016

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Jayadev Galla
Vice Chairman and Managing Director

S.V. Raghavendra
Chief Financial Officer

M.R. Rajaram
Company Secretary

Place: Hanover, Germany
Date: May 24, 2016

Cash flow statement for the year ended March 31, 2016

All amounts are in ₹ million, except share data and where otherwise stated

		For the year ended March 31, 2016		For the year ended March 31, 2015	
A.	Cash flow from operating activities				
	Profit before tax		7,221.93		6,098.62
	Adjustments for:				
	Depreciation and amortisation expense (including provision for impairment of fixed assets)	1,398.67		1,339.92	
	Loss on sale of fixed assets sold (net)/ written off	19.92		17.53	
	Finance costs	4.85		2.41	
	Interest income	(97.84)		(118.99)	
	Dividend income from long term investments	(0.50)		(0.03)	
	Dividend income from current investments	-		(54.12)	
	Gain on sale of current investments	(88.76)		(33.90)	
	Provision for diminution in the value of investments	0.00*		-	
	Liabilities no longer required written back	(15.95)		(6.22)	
	Provision for doubtful trade receivables	26.77		10.28	
	Bad trade receivables written off (net)	6.12		24.62	
	Net unrealised exchange (gain)/ loss	(69.23)		42.51	
			1,184.05		1,224.01
	Operating profit before working capital changes		8,405.98		7,322.63
	Changes in working capital:				
	Adjustments for (increase)/decrease in operating assets:				
	- Trade receivables	(418.59)		(1,039.45)	
	- Loans and advances	40.38		(115.16)	
	- Other assets	(25.78)		(48.96)	
	- Inventories	(1,835.15)		(831.25)	
	Adjustments for increase/(decrease) in operating liabilities:				
	- Trade payables, Other liabilities and Provisions	1,561.73		584.43	
			(677.41)		(1,450.39)
	Cash generated from operations		7,728.57		5,872.24
	Net income tax paid (including wealth tax)		(2,181.37)		(1,921.96)
	Net cash flows from operating activities [A]		5,547.20		3,950.28
B.	Cash flow from investing activities				
	Capital expenditure on fixed assets including capital advances	(5,171.75)		(4,063.29)	
	Proceeds from sale of fixed assets	267.51		1.12	
	Purchase of current investments - mutual fund units	(23,190.00)		(5,704.13)	
	Proceeds from sale of current investments - mutual fund units	23,278.76		5,738.03	
	Bank balances not considered as cash and cash equivalents (net)	776.03		989.68	
	Interest received	100.79		93.82	
	Dividend received from current investments - mutual fund units	-		54.12	
	Dividend received from long term investments	0.50		0.03	
	Net cash flows used in investing activities [B]		(3,938.16)		(2,890.62)

* less than ₹ 0.01 million

Cash flow statement for the year ended March 31, 2016

All amounts are in ₹ million, except share data and where otherwise stated

		For the year ended March 31, 2016		For the year ended March 31, 2015	
C.	Cash flow from financing activities				
	Repayment of long-term borrowings	(18.09)		(13.66)	
	Repayment of short-term borrowings	-		(83.83)	
	Finance costs	(4.85)		(2.41)	
	Dividends paid including tax on dividend	(1,613.66)		(645.49)	
	Net cash flows used in financing activities [C]		(1,636.60)		(745.39)
	Net (decrease)/ increase in Cash and cash equivalents [A+B+C]		(27.56)		314.27
	Cash and cash equivalents at the beginning of the year		745.91		482.84
	Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		65.91		(51.20)
	Cash and cash equivalents at the end of the year (refer Note 2 below)		784.26		745.91

Notes:

1 The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 (AS 3) on Cash Flow Statements.

2 Cash and cash equivalents comprise:

	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents as per Note 16	1,502.58	2,221.71
Less: Other bank balances		
(a) In deposit accounts (original maturity more than 3 months)	620.00	1,453.31
(b) In earmarked accounts		
- Dividend accounts	38.24	19.69
- Balances held as margin money against guarantees given	60.08	2.80
Cash and cash equivalents (as per AS 3 Cash Flow Statements)	784.26	745.91

3 The earmarked bank balances can be utilised only for the specific identified purposes.

In terms of our report attached
For Brahmayya & Co.
Chartered Accountants

Karumanchi Rajaj
Partner

Place: Secunderabad
Date: May 24, 2016

For Deloitte Haskins & Sells LLP
Chartered Accountants

Sumit Trivedi
Partner

Place: Secunderabad
Date: May 24, 2016

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Jayadev Galla
Vice Chairman and Managing Director

S.V. Raghavendra
Chief Financial Officer

M.R. Rajaram
Company Secretary

Place: Hanover, Germany
Date: May 24, 2016

Notes forming part of the financial statements

All amounts are in ₹ million, except share data and where otherwise stated

Note 1: Corporate Information

Amara Raja Batteries Limited ("the Company") is one of the largest manufacturer 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 various user segments 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®.

Note 2: Significant Accounting Policies

a. Basis of Accounting and Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') as applicable, and the relevant provisions of the Companies Act, 2013/ Companies Act, 1956, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of Estimates

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

c. Inventories

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, where considered necessary. 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. Excise duty is included in the value of finished goods.

(iii) Stock-in-trade – Weighted average cost

d. Cash and cash equivalents (for purposes of Cash Flow Statement)

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

e. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation/ amortization and impairment losses, if any. 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 on making the asset ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the spare or the principal item of the relevant assets, whichever is lower.

Fixed assets acquired and put to use for project purpose are capitalized and depreciation thereon is included in the project cost till the project is ready for its intended use.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

Capital work-in-progress are fixed assets which are not yet ready for their intended use and are carried at cost, comprising direct cost and related incidental expenses.

f. Intangible assets

Intangible assets are carried at cost, net of accumulated amortization and impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

g. Depreciation and Amortisation

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following 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.:

Asset	Useful lives (in years)
Plant and machinery (including electrical installations and moulds)	1-10

The useful lives of the assets are periodically reviewed and re-determined and the unamortised depreciable amount is charged over the remaining useful life of such assets.

Assets costing ₹ 5,000 and below are fully depreciated in the year of acquisition.

Assets taken on lease (leasehold land and leasehold improvements) are amortised over the period of lease.

Intangible assets, comprising computer software, are amortised on the straight-line method over a period of 5 years.

h. Impairment of Assets

The Company assesses at each Balance Sheet date whether there is an indication that an asset/ cash generating unit may be impaired. If any indication exists the Company estimates the recoverable amount of such assets and if carrying amount exceeds the recoverable amount, impairment is recognised. The recoverable amount of an asset/ cash generating unit is the greater of the net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognised impairment loss no longer exists or may have decreased such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

i. Investments

Investments, which are readily realizable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value.

j. Foreign currency transactions and translations

Transactions made during the year in foreign currency are recorded at the exchange rate prevailing at the time of transactions. Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the year-end are translated at the exchange rate prevalent at the date of Balance Sheet. Exchange differences arising on actual payment/ realization and year end reinstatement referred to above are recognised in the Statement of Profit and Loss.

In respect of forward contracts entered into to hedge risks associated with foreign currency fluctuation on its existing assets and liabilities, the premium or discount arising at the inception of such a forward exchange contract is amortised as expense or income over the period of the contract. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised in the Statement of Profit and Loss.

k. 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 based on the amount of contribution required to be made and when services are rendered by the employees.

(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 each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

(iii) Other long-term employee benefits

Other long-term employee benefits comprise of leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

(iv) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which employee renders the related service.

l. Revenue Recognition and Other Income

Revenue Recognition:

(i) Sale of goods are recognised, net of returns and trade discounts, on transfer of significant risk and rewards of ownership to the buyer. Sales include excise duty but exclude sales tax and value added tax.

(ii) Sale of services is recognised based on the agreements with the customers and when services are rendered.

Other Income:

(i) Interest income is recognised on a time proportionate method, based on the transactional interest rates.

(ii) Royalty income is recognised on accrual basis in accordance with the terms of the agreement.

(iii) Dividend income is accounted for in the year when the right to receive payment is established.

m. 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 capitalized. The amount capitalized 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. Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for fixed assets.

n. Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss as per the applicable lease terms.

o. Earnings per share

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

p. Taxes on Income

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

(ii) Deferred tax is recognised on timing differences, being the differences between taxable income and the accounting income that originate in one period and capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

q. Provisions, Contingent Liabilities and Contingent assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable than an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

r. 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 includes the applicable taxes and duties like excise duty and also the best estimate of relevant freight expenses. The timing of outflows will vary based on the actual warranty claims.

All amounts are in ₹ million, except share data and where otherwise stated

Note 3: Share capital

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised				
Equity shares of ₹1/- each	200,000,000	200.00	200,000,000	200.00
(b) Issued				
Equity shares of ₹1/- each	175,028,500	175.03	175,028,500	175.03
(c) Subscribed and fully paid-up				
Equity shares of ₹1/- each	170,812,500	170.81	170,812,500	170.81
	170,812,500	170.81	170,812,500	170.81

Notes:

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

Equity shares	Year ended March 31, 2016		Year ended March 31, 2015	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	170,812,500	170.81	170,812,500	170.81
Changes during the year	-	-	-	-
At the end of the year	170,812,500	170.81	170,812,500	170.81

(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 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, 2016		As at March 31, 2015	
	Number of shares	%	Number of shares	%
Dr. Ramachandra N Galla	12,795,074	7.49	12,795,074	7.49
Jayadev Galla	12,821,984	7.51	12,821,984	7.51
Johnson Controls (Mauritius) Private Limited	44,411,250	26.00	44,411,250	26.00

Notes forming part of the financial statements

All amounts are in ₹ million, except share data and where otherwise stated

	As at March 31, 2016		As at March 31, 2015	
Note 4: Reserves and surplus				
(a) Capital reserve		0.01		0.01
(b) Securities premium account		311.86		311.86
(c) General reserve				
Opening balance	2,595.57		2,184.71	
Add: Transferred from surplus in Statement of Profit and Loss	489.44		410.86	
Closing balance		3,085.01		2,595.57
(d) Surplus in Statement of Profit and Loss				
Opening balance	13,917.46		10,959.62	
Add: Profit for the year	4,894.45		4,108.62	
Less: Interim dividend [₹ 4.25 per share]	725.95		-	
Proposed dividend [2015 : ₹ 3.61 per share]	-		616.63	
Tax on dividend	147.79		123.29	
Transferred to General reserve	489.44		410.86	
Closing balance		17,448.73		13,917.46
Total		20,845.61		16,824.90

Note 5: Long-term borrowings

Deferred payment liabilities (unsecured)				
Sales tax deferment loans [Refer Note below]	741.38		759.47	
Less: Current maturities of sales tax deferment loans disclosed under Note 8 - Other current liabilities	16.66		18.09	
		724.72		741.38
Total		724.72		741.38

Note:

Interest free sales tax deferment loans availed by the Company under the Government of Andhra Pradesh TARGET 2000 New Industrial Policy are repayable at the end of 14th year from the year in which these loans were availed. The last instalment is repayable by 2025-26.

Note 6: Deferred tax liabilities / (assets)

(a) Tax effect of items constituting deferred tax liabilities		
(i) Depreciation	647.47	416.88
	647.47	416.88
(b) Tax effect of items constituting deferred tax assets		
(i) Provision for compensated absences, gratuity and other employee benefits	49.07	44.26
(ii) Provision for doubtful trade receivables	10.00	4.14
	59.07	48.40
Deferred tax liabilities (net) [a-b]	588.40	368.48

All amounts are in ₹ million, except share data and where otherwise stated

	As at March 31, 2016	As at March 31, 2015

Note 7: Long-term provisions

(a) Provision for employee benefits [Refer Note 25.11 (b)]		
(i) Provision for gratuity (net)	(0.79)	(3.71)
(ii) Provision for compensated absences	123.85	121.01
(b) Provision - Others		
(i) Provision for warranty [Refer Note 25.20]	337.09	325.76
Total	460.15	443.06

Note 8: Other Current Liabilities

(a) Current maturities of long-term borrowings [Refer Note 5 - Long-term borrowings]	16.66	18.09
(b) Unclaimed dividends [Refer Note (i) below]	38.24	19.69
(c) Other payables		
(i) Statutory remittances (Excise duty, PF, TDS, VAT, etc.)	335.32	260.48
(ii) Payables on purchase of fixed assets	403.86	189.28
(iii) Advances from customers	98.79	102.78
(iv) Others [Refer Note (ii) below]	1,577.68	919.11
Total	2,470.55	1,509.43

Notes:

(i) There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

(ii) Other liabilities includes employees related payables (including payable to Vice-Chairman and Managing Director), commission payable to Non-Executive Chairman and Other Directors, outstanding liabilities for incentives and trade schemes, etc.

Note 9: Short-term provisions

(a) Provision for employee benefits [Refer Note 25.11 (b)]		
(i) Provision for compensated absences	13.71	8.40
(b) Provision - Others		
(i) Provision for tax [net of advance tax ₹ Nil (As at March 31, 2015: ₹ 1,850 million)]	-	30.63
(ii) Provision for wealth tax	-	1.90
(iii) Provision for warranty [Refer Note 25.20]	508.70	414.87
(iv) Provision for proposed dividend	-	616.63
(v) Provision for tax on proposed dividend	-	123.29
Total	522.41	1,195.72

All amounts are in ₹ million, except share data and where otherwise stated

Note 10: Tangible assets

Particulars	Gross block (at cost)				Depreciation / Amortisation				Net Book Value	
	As at March 31, 2015	Additions	Deductions / adjustments*	As at March 31, 2016	As at March 31, 2015	For the year	On deductions / adjustments*	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Land										
- Freehold (Refer Note (ii) below]	170.17	-	1.89	168.28	155.88	-	-	155.88	12.40	14.29
	(170.17)	*(-)*	*(-)*	*(170.17)*	*(75.52)*	*(80.36)*	*(-)*	*(155.88)*	*(14.29)*	*(94.65)*
- Leasehold	938.03	26.54	435.56	529.01	8.46	5.19	2.44	11.21	517.80	929.57
	(401.51)	*(536.52)*	*(-)*	*(938.03)*	*(3.06)*	*(5.40)*	*(-)*	*(8.46)*	*(929.57)*	*(398.45)*
Buildings	2,884.49	1,448.27	(259.26)	4,592.02	344.58	141.35	(1.32)	487.25	4,104.77	2,539.91
	(1,735.47)	*(1,149.02)*	*(-)*	*(2,884.49)*	*(202.40)*	*(142.18)*	*(-)*	*(344.58)*	*(2,539.91)*	*(1,533.07)*
Leasehold Improvements	159.30	-	-	159.30	34.55	19.52	-	54.07	105.23	124.75
	(103.56)	*(55.74)*	*(-)*	*(159.30)*	*(0.42)*	*(34.13)*	*(-)*	*(34.55)*	*(124.75)*	*(103.14)*
Plant and Machinery (including electrical installations)	9,570.67	3,711.53	481.09	12,801.11	4,115.16	1,136.42	372.54	4,879.04	7,922.07	5,455.51
	(7,040.20)	*(2,634.29)*	*(103.82)*	*(9,570.67)*	*(3,211.29)*	*(992.38)*	*(88.51)*	*(4,115.16)*	*(5,455.51)*	*(3,828.91)*
Furniture and Fixtures	138.20	7.12	0.67	144.65	60.38	9.88	0.64	69.62	75.03	77.82
	(100.81)	*(37.90)*	*(0.51)*	*(138.20)*	*(47.32)*	*(13.34)*	*(0.28)*	*(60.38)*	*(77.82)*	*(53.49)*
Vehicles	144.51	56.61	4.22	196.90	43.69	17.14	2.88	57.95	138.95	100.82
	(130.61)	*(23.23)*	*(9.33)*	*(144.51)*	*(33.47)*	*(16.96)*	*(6.74)*	*(43.69)*	*(100.82)*	*(97.14)*
Office Equipment	177.91	119.90	3.63	294.18	71.44	32.77	2.62	101.59	192.59	106.47
	(112.25)	*(67.94)*	*(2.28)*	*(177.91)*	*(47.41)*	*(25.92)*	*(1.89)*	*(71.44)*	*(106.47)*	*(64.84)*
Computers	145.00	30.55	10.04	165.51	95.21	27.08	10.60	111.69	53.82	49.79
	(98.18)	*(49.23)*	*(2.41)*	*(145.00)*	*(72.93)*	*(24.56)*	*(2.28)*	*(95.21)*	*(49.79)*	*(25.25)*
Total	**14,328.28**	**5,400.52**	**677.84**	**19,050.96**	**4,929.35**	**1,389.35**	**390.40**	**5,928.30**	**13,122.66**	**9,398.93**
Previous year	*(9,892.76)*	*(4,553.87)*	*(118.35)*	*(14,328.28)*	*(3,693.82)*	*(1,335.23)*	*(99.70)*	*(4,929.35)*	*(9,398.93)*	*(6,198.94)*

Note 11: Intangible assets

Particulars	Gross block (at cost)				Depreciation / Amortisation				Net Book Value	
	As at March 31, 2015	Additions	Deductions	As at March 31, 2016	As at March 31, 2015	For the year	On deductions	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Brands/Trademarks	0.12	-	-	0.12	0.12	-	-	0.12	-	-
	(0.12)	*(-)*	*(-)*	*(0.12)*	*(0.12)*	*(-)*	*(-)*	*(0.12)*	*(-)*	*(-)*
Software	85.40	10.34	-	95.74	41.71	13.40	-	55.11	40.63	43.69
	(62.38)	*(23.02)*	*(-)*	*(85.40)*	*(29.43)*	*(12.28)*	*(-)*	*(41.71)*	*(43.69)*	*(32.96)*
Total	**85.52**	**10.34**	**-**	**95.86**	**41.83**	**13.40**	**-**	**55.23**	**40.63**	**43.69**
Previous year	*(62.50)*	*(23.02)*	*(-)*	*(85.52)*	*(29.55)*	*(12.28)*	*(-)*	*(41.83)*	*(43.69)*	*(32.96)*

Amounts in italics and brackets represent previous year numbers

* Adjustments include transfers inter-se

All amounts are in ₹ million, except share data and where otherwise stated

Notes:

(i) Buildings includes ₹ 2,560.66 million constructed on leasehold lands taken on lease for a period of 99 years.
(ii) Depreciation/ Amortisation on land-freehold, represents provision for impairment [Refer Note 25.17]
(iii) Depreciation and Amortisation expense charged to Statement of Profit and Loss account is as follows:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Tangible Assets	1,389.35	1,335.23
Intangible Assets	13.40	12.28
Less: Depreciation capitalized to fixed assets /capital work-in-progress	4.08	7.59
Net charge to Statement of Profit and Loss	1,398.67	1,339.92

Note 12: Non-current investments

(At cost, unless otherwise stated)

	As at March 31, 2016		As at March 31, 2015	
A. Trade - Others (Unquoted)				
Andhra Pradesh Gas Power Corporation Limited 1,206,000 (March 31, 2015: 1,206,000) equity shares of ₹ 10 each fully paid-up		157.14		157.14
Total (A)		157.14		157.14
B other investments				
(a) Investment in equity instruments - Quoted				
(i) Standard Batteries Limited	0.01		0.01	
125 (March 31, 2015: 125) equity shares of ₹ 1 each fully paid-up Less: Provision for diminution in value of investments	0.01	-	0.01	-
(ii) Nicco Corporation Limited	0.001		0.001	
25 (March 31, 2015: 25) equity shares of ₹ 2 each fully paid-up Less: Provision for diminution in value of investments	0.001	-	-	0.001
(iii) Exide Industries Limited		0.04		0.04
10,000 (March 31, 2015: 10,000) equity shares of ₹ 1 each fully paid-up				
(iv) HBL Power Systems Limited		0.01		0.01
5,500 (March 31, 2015: 5,500) equity shares of ₹ 1 each fully paid-up				
(v) IVRCL Limited		0.21		0.21
160,000 (March 31, 2015: 160,000) equity shares of ₹ 2 each fully paid-up				

	As at March 31, 2016		As at March 31, 2015	
(vi) IDBI Bank Limited		1.01		1.01
23,749 (March 31, 2015: 23,749) equity shares of ₹ 10 each fully paid-up				
(vii) Andhra Bank		2.28		2.28
227,900 (March 31, 2015: 227,900) equity shares of ₹ 10 each fully paid-up				
(b) Investment in equity instruments - Unquoted				
Indian Lead Limited	0.03		0.03	
1,128 (March 31, 2015: 1,128) equity shares of ₹ 10 each fully paid-up				
Less: Provision for diminution in value of investments	0.03	-	0.03	-
(c) Investment in government securities				
6 years National Savings Certificates [Refer Note below]		0.07		0.07
Total [B]		3.62		3.62
Total [A + B]		160.76		160.76
Aggregate amount of quoted investments		3.56		3.56
Aggregate market value of listed and quoted investments		16.19		24.28
Aggregate amount of unquoted investments		157.24		157.24
Aggregate amount of provision made for other than temporary diminution		0.041		0.041

Note The 6 year National Savings Certificates have been lodged as security with government departments.

Note 13: Long-term loans and advances

(Unsecured, considered good unless otherwise specified)

(a) Capital advances	84.06	249.82
(b) Security deposits	213.32	126.54
(c) Loans and advances to related parties [Refer Note 25.13]		
(ii) Capital Advances	38.54	229.16
(iii) Security Deposits	23.57	23.57
(d) Advance income tax [net of provision ₹ 2,115 million (As at March 31, 2015: ₹ Nil)]"	41.28	-
(e) Prepaid expenses	4.70	0.70
(f) Balances with government authorities	73.81	71.91
Total	479.28	701.70

All amounts are in ₹ million, except share data and where otherwise stated

	As at March 31, 2016	As at March 31, 2015

Note 14: Inventories

(At lower of cost and net realisable value)

(a) Raw materials and bought-out components	1,692.77	1,138.24
(b) Work-in-progress	1,507.05	1,363.29
(c) Finished goods	2,204.22	1,143.25
(d) Stock-in-trade (goods purchased for resale)	82.33	100.99
(e) Stores and spares (including secondary packing material)	523.10	428.98
(f) Loose tools	7.01	6.58
Total	6,016.48	4,181.33
Raw materials includes materials-in-transit	424.05	179.37

Note 15: Trade receivables

(Unsecured)

Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Considered good	174.65	90.34
Doubtful	28.89	11.13
	203.54	101.47
Less: Provision for doubtful trade receivables	28.89	11.13
	174.65	90.34
Other Trade receivables		
Considered good	5,746.81	5,450.68
Doubtful	-	1.06
	5,746.81	5,451.74
Less: Provision for doubtful trade receivables	-	1.06
	5,746.81	5,450.68
Total	5,921.46	5,541.02

All amounts are in ₹ million, except share data and where otherwise stated

	As at March 31, 2016	As at March 31, 2015

Note 16 : Cash and cash equivalents

A. Cash and cash equivalents (as per AS 3 Cash Flow Statements)		
(a) Cash on hand	1.82	1.26
(b) Cheques on hand	113.46	425.10
(c) Balances with banks		
(i) in current accounts	548.65	275.76
(ii) in EEFC accounts	120.33	43.79
Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) [A]	784.26	745.91
B. Other bank balances		
(a) In deposit accounts		
(i) original maturity more than 3 months	620.00	1,453.31
(b) In earmarked accounts		
(i) Dividend accounts	38.24	19.69
(ii) Balances held as margin money against guarantees given [Refer Note below]	60.08	2.80
Total - Other bank balances [B]	718.32	1,475.80
Total - Cash and cash equivalents [A+B]	1,502.58	2,221.71

Note: Includes deposits aggregating ₹ 0.08 million (March 31, 2015: ₹ Nil) with remaining maturity of more than 12 months from the Balance Sheet date.

Note 17: Short-term loans and advances

(Unsecured, considered good)

(a) Loans and advances to related parties [Refer Note 25.13]		
(i) Commercial advances	45.67	-
(ii) Security deposits	0.21	-
(b) Commercial advances	235.00	232.92
(c) Security deposits	12.86	27.80
(d) Loans and advances to employees	7.21	3.13
(e) Prepaid expenses	51.86	24.85
(f) Balances with government authorities (advances, CENVAT credit, VAT credit and Service Tax credit receivable)	174.94	372.11
Total	527.75	660.81

All amounts are in ₹ million, except share data and where otherwise stated

Note 18: Other current assets

(unsecured, considered good)

	As at March 31, 2016	As at March 31, 2015
(a) Accruals:		
(i) Interest accrued on deposits	37.80	40.75
(ii) Interest accrued on overdue trade receivables	0.44	8.38
(b) Others:		
(i) Contractually reimbursable expenses	74.30	40.58
Total	112.54	89.71

Note 19: Revenue from operations

	For the year ended March 31, 2016	For the year ended March 31, 2015
(a) Sale of products [Refer Note (i) below]	52,022.05	46,039.98
(b) Sale of services [Refer Note (ii) below]	381.61	314.84
(c) Other operating revenue [Refer Note (iii) below]	13.95	16.85
Revenue from operations (Gross)	52,417.61	46,371.67
Less: Excise duty	5,510.93	4,258.38
Total	46,906.68	42,113.29

Notes:

(i) Sale of products comprises:		
Manufactured goods		
- Storage batteries	48,343.20	42,998.73
Sub-total - Sale of manufactured goods	48,343.20	42,998.73
Traded goods		
- Storage batteries	3,678.85	2,999.95
- Home UPS	-	41.30
Sub-total - Sale of traded goods	3,678.85	3,041.25
Total - Sale of products	52,022.05	46,039.98
(ii) Sale of services comprise:		
- Installation and Commissioning	118.76	114.96
- Annual Maintenance	5.36	82.28
- Others	257.49	117.60
Total - Sale of services	381.61	314.84
(iii) Other operating revenues comprise:		
- Sale of process scrap	13.95	16.85
Total - Other operating revenues	13.95	16.85

All amounts are in ₹ million, except share data and where otherwise stated

	For the year ended March 31, 2016	For the year ended March 31, 2015

Note 20: Other income

(a) Interest income		
- from banks on deposits	97.84	118.99
- from other deposits	9.22	1.34
- on overdue trade receivables	24.23	9.60
(b) Dividend income		
- from current investments	-	54.12
- from long term investments	0.50	0.03
(c) Gain on sale of current investments	88.76	33.90
(d) Gain on foreign currency transactions and translation	126.73	121.25
(e) Sale of non process scrap	35.68	24.34
(f) Liabilities no longer required written back	15.95	6.22
(g) Provision for doubtful trade receivables written back	5.60	0.97
(h) Royalty income	9.29	11.53
(i) Other non operating income	43.05	40.70
Total	456.85	422.99

Note 21: Changes in inventories of finished goods, work-in-progress and stock-in-trade

Inventories at the end of the year				
Finished goods - storage batteries		2,204.22		1,143.25
Work-in-progress - storage batteries		1,507.05		1,363.29
Stock-in-trade				
- Storage batteries	82.33		100.12	
- Home UPS	-		0.87	
		82.33		100.99
		3,793.60		2,607.53
Inventories at the beginning of the year				
Finished goods - storage batteries		1,143.25		941.75
Work-in-progress - storage batteries		1,363.29		1,052.11
Stock-in-trade				
- Storage batteries	100.12		36.73	
- Home UPS	0.87		37.83	
		100.99		74.56
		2,607.53		2,068.42
Increase in finished goods, work-in-progress and stock-in-trade		(1,186.07)		(539.11)
Increase/ (decrease) of excise duty on finished goods		154.87		59.16
Net increase		(1,031.20)		(479.95)

All amounts are in ₹ million, except share data and where otherwise stated

	For the year ended March 31, 2016	For the year ended March 31, 2015

Note 22: Employee benefits expense

(a) Salaries and wages	2,055.71	1,677.17
(b) Contribution to provident and other funds	120.73	99.30
(c) Staff welfare expenses	253.58	174.46
Total	**2,430.02**	**1,950.93**

Note 23: Finance costs

(a) Interest expense on:		
(i) Working capital facilities	0.13	0.03
(ii) Others	1.82	-
(b) Other borrowing costs	2.90	2.38
Total	**4.85**	**2.41**

Note 24: Other expenses

Consumption of stores and spares (including packing material)	695.57	577.24
Tools consumed	9.03	7.55
Power and fuel	1,445.07	1,229.23
Rent	142.94	127.47
Repairs and maintenance		
- Plant and machinery	45.08	75.88
- Buildings	17.72	27.76
- Others	46.47	34.57
Insurance	56.51	50.02
Rates and taxes	41.36	38.84
Communication	26.92	25.42
Travelling and conveyance	196.78	151.68
Outward freight and handling charges	1,313.21	1,166.91
Advertisement and sales promotion	583.68	262.82
Donations	144.37	125.29

Notes forming part of the financial statements

All amounts are in ₹ million, except share data and where otherwise stated

	For the year ended March 31, 2016		For the year ended March 31, 2015	
Expenditure on Corporate Social Responsibility [Refer Note 25.21]		119.80		96.25
Legal and professional		58.46		52.90
Payment to auditors [Refer Note below]		7.45		3.93
Bad trade receivables written off	10.59		25.39	
Less: Provision released	4.47		0.77	
		6.12		24.62
Provision for doubtful trade receivables		26.77		10.28
Loss on fixed assets sold (net) / written of		19.92		17.53
Warranty expenses (net)		624.13		394.54
Service expenses		258.58		207.79
Cash discounts		12.48		4.71
Printing and stationery		14.24		11.44
Miscellaneous expenses		750.71		658.52
Total		**6,663.37**		**5,383.19**

Notes:

Payment to auditors comprise (net of service tax)		
(a) To statutory auditors		
(i) For audit	6.20*	3.00
(ii) For taxation matters	0.50	0.50
(iii) Reimbursement of expenses	0.50	0.18
(b) To cost auditor for cost audit	0.25	0.25
Total	7.45	3.93

* includes ₹ 0.20 million paid to the previous auditors

All amounts are in ₹ million, except share data and where otherwise stated

Note 25 Additional notes to the financial statements

25.1 Contingent liabilities and commitments (to the extent not provided for)

	As at March 31, 2016	As at March 31, 2015
(i) Contingent Liabilities:		
Claims against the Company not acknowledged as debt		
Matters under dispute:		
- Excise duty / Service tax	11.04	11.85
- Sales tax/VAT	79.30	54.05
- Income tax	1.95	13.14
- Electricity related	701.57	692.35
- Other	56.68	-

Future cash outflows in respect of the matters above are determinable only on receipt of judgments/decisions pending at various forums/authorities and in view of the Management no provision is required.

(ii) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	1,397.20	2,663.68
(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.		

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

		As at March 31, 2016	As at March 31, 2015
(i)	Principal amount due to suppliers under MSMED Act, as at the end of the year	14.42	6.94
(ii)	Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	0.12
(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	-	0.12
(vii)	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (iv)	-	0.12
	Dues to Micro, Small and Medium 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.		

25.3 (a) There are no outstanding forward exchange/ other derivative contracts as at the year end.

(b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	Currency	As at March 31, 2016 (in million)		As at March 31, 2015 (in million)	
		Foreign currency	₹	Foreign currency	₹
Payables (including payables in respect of fixed assets)	EUR	0.12	9.28	0.13	8.62
	GBP	0.08	8.14	0.04	3.32
	JPY	0.05	3.25	-	-
	USD	12.01	802.31	2.46	155.40
Trade receivables	USD	2.13	140.20	3.04	188.79
Advance from customers	USD	-	-	0.18	11.68
Advance to vendors	USD	-	-	2.79	173.41
	EUR	-	-	0.73	48.65
	GBP	-	-	0.04	3.89
Cash on hand	USD	0.01	0.69	*	0.27
	SGD	*	0.04	*	0.04
	ZAR	*	*	-	-
	CNY	*	0.02	-	-
	RUB	*	*	-	-
	KPW	0.45	0.03	-	-
	AED	*	*	-	-
	CZK	*	*	-	-
	JPY	0.03	0.02	-	-
	EUR	*	*	*	*
Bank balances	USD	1.83	120.33	0.71	43.79

* less than 0.01 million

25.4 Value of imports calculated on C.I.F basis:

	For the year ended March 31, 2016	For the year ended March 31, 2015
Raw materials and bought out components	10,596.08	9,839.32
Stores and spares	156.61	138.67
Capital goods	1,745.27	878.31
Total	**12,497.96**	**10,856.30**

All amounts are in ₹ million, except share data and where otherwise stated

25.5 Expenditure in foreign currency:

	For the year ended March 31, 2016	For the year ended March 31, 2015
Professional and consultation fees	0.71	1.85
Sales commission	0.94	0.47
Foreign Travel expenses	22.66	12.59
Advertising and sales promotion	54.89	14.73
Others	6.13	3.04
Total	85.33	32.68

25.6 Raw materials (including bought-out components) consumed comprises of:

	For the year ended March 31, 2016	For the year ended March 31, 2015
Lead	12,555.30	11,858.30
Lead alloys	10,299.23	9,787.81
Separator	1,156.13	994.50
Others (including other bought-out components)	3,410.72	2,854.06
Total	27,421.38	25,494.67

25.7 Details of consumption of imported and indigenous raw materials:

	For the year ended March 31, 2016		For the year ended March 31, 2015	
	₹ million	% of total consumption	₹ million	% of total consumption
Raw materials and bought-out components				
Imported	10,577.91	39	10,085.14	40
Indigenous	16,843.47	61	15,409.53	60
Total	27,421.38	100	25,494.67	100
Stores and spares				
Imported	137.15	20	134.11	23
Indigenous	558.42	80	443.13	77
Total	695.57	100	577.24	100
Tools				
Imported	1.76	19	0.95	13
Indigenous	7.27	81	6.60	87
Total	9.03	100	7.55	100

25.8 Purchase of stock-in-trade (traded goods):

	For the year ended March 31, 2016	For the year ended March 31, 2015
Storage batteries	3,254.51	2,746.49
Total	3,254.51	2,746.49

25.9 Earnings in foreign exchange:

	For the year ended March 31, 2016	For the year ended March 31, 2015
Export of goods calculated on F.O.B basis	2,781.78	2,376.81
Freight and insurance recoveries	14.47	28.17
Total	2,796.25	2,404.98

25.10 Amounts remitted in foreign currency during the year on account of dividend:

Year of Remittance	On Account of Financial Year	No. of Non-Resident Shareholders	No. of Shares held	Amount
2015-16	2014-15	2	44,616,734	161.07
2015-16	2015-16	4	45,101,082	191.68
2014-15	2013-14	2	44,616,734	144.11

25.11 Employee benefit plans

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 ₹ 35.01 million (Year ended March 31, 2015: ₹ 28.16 million) for provident fund contributions, ₹ 40.86 million (Year ended March 31, 2015: ₹ 33.86 million) for Superannuation Fund contributions and ₹ 31.10 million (Year ended March 31, 2015: ₹ 26.98 million) towards Employees' State Insurance Scheme contributions in the Statement of Profit and Loss.

b. Defined benefit plans

The following table sets forth the status of the Gratuity Plan and Compensated absences of the Company and the amounts recognized in the Balance Sheet and Statement of Profit and Loss:

Particulars	Year ended March 31, 2016		Year ended March 31, 2015	
	Gratuity [Funded]	Compensated absences [Unfunded]	Gratuity [Funded]	Compensated absences [Unfunded]
I Components of employer's expense				
Current service cost	9.48	28.37	8.64	57.94
Interest cost	6.37	10.35	5.55	8.25
Expected return on plan assets	(6.88)	-	(6.28)	-
Actuarial losses / (gains)	0.89	(23.29)	(1.88)	(37.74)
Expenses shared to / (from) group companies	0.30	-	(0.19)	-
Total expense recognized in the Statement of Profit and Loss	10.16	15.43	5.84	28.45

Notes forming part of the financial statements

All amounts are in ₹ million, except share data and where otherwise stated

Particulars	Year ended March 31, 2016		Year ended March 31, 2015	
	Gratuity [Funded]	Compensated absences [Unfunded]	Gratuity [Funded]	Compensated absences [Unfunded]
II. Net asset/ (liability) recognized in the Balance Sheet				
Present value of defined benefit obligation	89.12	137.56	80.04	129.41
Fair value of plan assets	89.91	-	83.75	-
Surplus / (Deficit)	0.79	(137.56)	3.71	(129.41)
Unrecognized past service costs	-	-	-	-
Net asset / (liability) recognized in the Balance Sheet	**0.79**	**(137.56)**	**3.71**	**(129.41)**
III. Change in defined benefit obligations (DBO) during the year				
Present value of DBO at the beginning of the year	80.04	129.41	70.44	105.34
Current service cost	9.48	28.37	8.64	57.94
Interest cost	6.37	10.35	5.55	8.25
Actuarial losses/ (gains)	0.89	(23.29)	(1.88)	(37.74)
Benefits paid	(7.96)	(4.26)	(2.79)	(4.38)
Liability transferred from other group companies	0.30	(3.02)	0.08	-
Present value of DBO at the end of the year	**89.12**	**137.56**	**80.04**	**129.41**
IV. Change in fair value of assets during the year				
Plan assets at beginning of the year	83.75	-	71.21	-
Expected return on plan assets	6.88	-	6.28	-
Actual company contributions	6.94	-	8.97	-
Actuarial (losses) / gains	-	-	-	-
Benefits paid	(7.96)	-	(2.52)	-
Funds transferred from group companies	0.30	-	(0.19)	-
Plan assets at the end of the year	**89.91**	**-**	**83.75**	**-**
Actual return on plan assets	6.88	-	6.28	-
V. The major categories of plan assets as a % of the total plan assets				
Funded with Life Insurance Corporation of India	100%	-	100%	-
VI. Actuarial Assumptions				
Discount rate	8%	7.81%	8%	8%
Expected return on plan assets	9%	-	9%	-
Salary escalation	7%	13%	7%	13%
Attrition	4%	7%	4%	8%

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

VII. Amounts for the current and previous four financial years

	2015-16	2014-15	2013-14	2012-13	2011-12
Gratuity*					
Present value of DBO	89.12	80.04	70.44	63.69	54.55
Fair value of plan assets	89.91	83.75	71.21	59.78	51.57
Surplus / (Deficit)	0.79	3.71	0.77	(3.91)	(2.98)
Compensated absences					
Present value of DBO	137.56	129.41	105.34	90.51	57.08
Deficit in plan assets	137.56	129.41	105.34	90.51	57.08
Experience gain on plan liabilities	(28.23)	(39.76)	(33.73)	(29.45)	(15.16)

* Details of experience adjustments arising on plan liabilities and plan assets have not been disclosed in the absence of relevant information.

25.12 Segment reporting

I. Business Segment

The Company has considered business segment as the primary segment for disclosure. The Company is engaged in the manufacture and trading of lead acid storage batteries, which in the context of Accounting Standard 17 "Segment Reporting" is considered the only business segment.

II. Geographical segment

The Company sells its product mainly within India where the conditions prevailing are uniform. Since the sales outside India are below threshold limit, no separate geographical segment disclosure is considered necessary.

25.13 Related party transactions

(a) Details of related parties:

	Description of relationship	Names of related parties
(i)	Entity holding more than 20% (entity exercising significant influence)	Johnson Controls (Mauritius) Private Limited ['JCI']
(ii)	Key Management Personnel ('KMP') and major shareholder	Jayadev Galla Vice Chairman and Managing Director
(iii)	Relative of Key Management Personnel and major shareholder	Dr. Ramachandra N Galla – Father of KMP Chairman
(iv)	Entities in which KMP/ Relatives of KMP exercise control/ significant influence	Amara Raja Power Systems Limited ['ARPSL'] Amara Raja Electronics Limited ['AREL'] Mangal Industries Limited ['MIL'] Amara Raja Infra Private Limited ['ARIPL'] Amara Raja Industrial Services Private Limited ['ARISPL'] Asistmi Solutions Private Limited ['ASPL'] Amara Raja Media and Entertainment Private Limited ['ARMEPL'] (w.e.f. December 12, 2015) Rajanna Trust ['RT'] Nine Nines Lifestyle Private Limited ['NNLPL'] Amaron Batteries Private Limited ['ABPL'] RNGalla Family Holdings Private Limited ['RGFHPL']

Notes forming part of the financial statements

All amounts are in ₹ million, except share data and where otherwise stated

Related party transactions (contd.)

(b) Details of related party transactions during the year ended March 31, 2016 and balances outstanding as at March 31, 2016

Particulars	Entity holding more than 20%	KMP	Relative of KMP	Entities in which KMP/ Relatives of KMP exercise control/ significant influence						
	JCI			ARPSL	AREL	MIL	ARIPL	ARISPL	ASPL	RT
Purchase of goods / services	- (-)	- (-)	- (-)	2.45 (1.63)	4.36 (1.08)	4,438.76 (3,357.71)	386.89 (236.55)	216.02 (111.67)	- (0.90)	- (-)
Sale of goods / services	- (-)	- (-)	- (-)	146.45 (133.13)	95.89 (161.76)	89.74 (12.03)	- (-)	- (-)	- (-)	- (-)
Purchase of fixed assets	- (-)	- (-)	- (-)	106.36 (100.72)	0.84 (0.15)	456.23 (158.22)	2,486.03 (2,377.78)	- (-)	- (-)	- (-)
Sale of fixed assets	- (-)	- (-)	- (-)	- (-)	- (-)	113.86 (-)	- (-)	- (-)	- (-)	- (-)
Expenses reimbursed to	- (-)	- (-)	- (-)	1.23 (0.38)	- (0.79)	6.86 (0.04)	1.10 (1.10)	10.12 (5.86)	- (-)	- (-)
Expenses recovered from	- (-)	- (-)	- (-)	42.45 (38.33)	29.12 (30.54)	57.18 (16.94)	5.35 (3.82)	3.04 (1.69)	- (-)	- (-)
Interest income	- (-)	- (-)	- (-)	6.30 (6.33)	11.46 (3.14)	2.86 (-)	- (1.34)	- (-)	- (-)	- (-)
Cash discount received	- (-)	- (-)	- (-)	- (-)	- (-)	6.60 (-)	- (-)	- (-)	- (-)	- (-)
Royalty income	- (-)	- (-)	- (-)	- (-)	10.58 (12.96)	- (-)	- (-)	- (-)	- (-)	- (-)
Dividend paid	349.07 (143.45)	100.78 (41.42)	100.57 (41.33)	- (-)	- (-)	24.49 (10.06)	- (-)	- (-)	- (-)	- (-)
Remuneration	- (-)	392.59 (335.98)	235.55 (201.59)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Rent paid	- (-)	30.81 (29.34)	4.85 (4.55)	- (-)	- (-)	- (-)	1.04 (1.02)	- (-)	- (-)	- (-)
Donation paid	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	262.27 (218.22)
Interest paid	- (-)	- (-)	- (-)	0.23 (-)	- (-)	0.01 (-)	- (-)	- (-)	- (-)	- (-)
Rental Income	(-)	(-)	(-)	(-)	(-)	4.74 (-)	(-)	(-)	(-)	(-)

Particulars	Entity holding more than 20%	KMP	Relative of KMP	Entities in which KMP/ Relatives of KMP exercise control/ significant influence						
	JCI			ARPSL	AREL	MIL	ARIPL	ARISPL	ASPL	RT
Balances outstanding at the end of the year										
Trade receivables	- (-)	- (-)	- (-)	38.59 (82.68)	153.82 (72.09)	4.23 (2.13)	- (-)	- (-)	- (-)	- (-)
Advances given	- (-)	- (-)	- (-)	10.02 (-)	3.90 (-)	23.94 (1.81)	34.85 (227.36)	11.50 (-)	- (-)	- (-)
Deposits given	- (-)	20.41 (20.41)	3.16 (3.16)	- (-)	- (-)	- (-)	0.21 (15.00)	- (-)	- (-)	- (-)
Interest accrued	- (-)	- (-)	- (-)	0.44 (5.70)	- (1.47)	- (-)	- (1.21)	- (-)	- (-)	- (-)
Trade payables	- (-)	- (-)	- (-)	0.07 (0.16)	0.06 (-)	304.25 (250.16)	33.17 (20.20)	21.11 (2.31)	- (-)	4.37 (-)
Other payables	- (-)	368.11 (310.90)	234.30 (201.59)	- (-)	- (-)	- (-)	- (-)	3.94 (-)	- (-)	- (-)
Payables in respect of fixed assets	- (-)	- (-)	- (-)	44.72 (3.34)	- (0.05)	30.25 (31.43)	105.70 (58.17)	- (-)	- (-)	- (-)

Note: Figures in brackets relate to the previous year.

25.14 Leases

The Company has entered into certain operating lease agreements and an amount of ₹ 142.94 million (Year ended March 31, 2015: ₹ 127.47 million) paid under such agreements has been charged to the Statement of Profit and Loss. These leases are generally not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by such agreements.

25.15 Earnings per share

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Basic		
(a) Profit for the year (₹ in million)	4,894.45	4,108.62
(b) Weighted average number of equity shares ₹ 1 each outstanding during the year (No's)	170,812,500	170,812,500
Earnings per share		
(c) Basic and diluted (in ₹) [a/b]	28.65	24.05

25.16 Revenue expenditure capitalized to fixed assets/ capital work-in-progress

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Employee benefits expense	35.16	36.84
Cost of material consumed (net) (Refer Note below)	17.76	37.21
Power and Fuel	11.97	14.93
Depreciation and amortization expense	4.08	7.59
Others	4.53	13.23
Total	73.50	109.80

Note: Net of income from sale of batteries, scrap, etc. ₹ 24.40 million (Year ended March 31, 2015: ₹ 21.96 million)

25.17 The Company had purchased 8.68 hectares of freehold land for a consideration of ₹ 155.88 million in 2011-12 at Tehsil Laksar, District Haridwar, Uttarakhand State. Under the terms of sanction by the State Government for sale of such land, a manufacturing unit was to be set up within two years from the date of purchase of land, which owing to unforeseen circumstances could not take place. The District Collector vide order dated November 10, 2014 initiated proceedings for vesting the aforementioned land with the State Government. Based on legal advice, the Company has gone in appeal against the order of the District Collector and is pursuing the matter with relevant authorities. Consequent to the appeal by the Company against the aforesaid order, the Court of Board of Revenue, Dehradun, Uttarakhand State, has stayed the proceedings initiated under the aforesaid order.

However, pending resolution of the matter which is *sub-judice*, the Company had in the previous years, fully impaired the value of the aforesaid land.

25.18 Disclosure as per Regulation 34(3) and 53(f) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Loans and advances in the nature of loans given to Companies in which Directors are interested ₹ Nil (March 31, 2015: ₹ Nil)

25.19 Details of expenditure incurred on research and development

	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue Expenditure:		
(a) Cost of materials consumed	7.11	4.94
(b) Consumption of stores and spares (including secondary packing material)	1.76	0.59
(c) Employee benefits expense	40.57	32.47
(d) Power and fuel	3.52	3.29
(e) Others	8.92	9.54
Total Revenue Expenditure [A]	61.88	50.83
Capital expenditure [B]:	17.66	20.07
Total [A + B]	79.54	70.90

The Company has obtained approval from Department of Scientific and Industrial Research for claiming of weighted tax benefit under Section 35(2AB) of the Income Tax Act, 1961.

25.20 Details of provisions

(a) Provision for warranty relates to warranty provision made in respect of sale of certain storage batteries, the estimated cost of which is accrued at the time of sale. The products are generally covered under a free warranty period ranging from 6 months to 3 years.

(b) The movement in provision for warranty is as follows:

	2016	2015
Balance as at April 1	740.63	849.54
Add: Provision made during the year	520.04	467.51
Less: Utilisation/ reversed during the year	414.88	576.42
Balance as at March 31	845.79	740.63
Out of the above,		
Classified under Long-term provisions (Refer Note 7)	337.09	325.76
Classified under Short-term provisions (Refer Note 9)	508.70	414.87

25.21 Corporate Social Responsibility

Expenses incurred on Corporate Social Responsibility (CSR) programs under section 135 of the Companies Act, 2013 act are charged to Statement of Profit and Loss under "Other expenses" [Note 24] aggregating ₹ 119.80 million (For the year ended March 31, 2015: ₹ 96.25 million)

25.22 Previous year figures have been recast / reclassified wherever necessary to correspond with the current year's classification / disclosures.

For and on behalf of the Board of Directors

Dr. Ramachandra N Galla
Chairman

Jayadev Galla
Vice Chairman and
Managing Director

S.V. Raghavendra
Chief Financial Officer

M. R. Rajaram
Company Secretary

Place: Hanover, Germany
Date: May 24, 2016

NOTICE OF THE ANNUAL GENERAL MEETING

To the members of
Amara Raja Batteries Limited

NOTICE is hereby given that the 31st annual general meeting of the members of Amara Raja Batteries Limited will be held on Saturday, August 6, 2016 at 2:30 p.m. at the registered office of the Company situated at Renigunta-Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517 520 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2016 together with the reports of the Board of Directors' and Auditors' thereon.

2. To confirm the payment of interim dividend of ₹ 4.25/-per equity share of ₹ 1/- each as final dividend for the financial year ended March 31, 2016.

3. To appoint a director in place of Dr. Ramachandra N Galla (DIN: 00133761) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

4. To ratify the appointment of auditors and fix their remuneration and in this regard 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 139 and 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, the appointment of joint statutory auditors i.e M/s. Brahmayya & Co., Chartered Accountants, Firm Registration No. 000513S and M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Firm Registration No. 117366W/W-100018 which was approved at the Annual General Meeting held on August 14, 2015 to hold office for a term of 5 years i.e from the conclusion of 30th annual general meeting until the conclusion of the 35th annual general meeting of the Company, be and is hereby ratified from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration of Rs. 50,00,000/- (Rupees Fifty Lakhs only) plus reimbursement of out of pocket expenses and applicable taxes and the Board of Directors of the Company be and they are hereby authorised to pay such increased audit fees as they may deem fit."

SPECIAL BUSINESS:

5. To appoint Mr. Raphael John Shemanski (DIN: 07462586 as a Director and in this regard 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 152 and all other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Mr. Raphael John Shemanski (DIN: 07462586) who was appointed as an Additional Director of the Company with effect from March 19, 2016 by the Board of Directors, who holds office upto the date of this Annual General Meeting under Section 161 of the Act and Article 95 of the Articles of Association of the Company, being eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

6. To ratify the remuneration of the Cost Auditors for the financial year 2016-17 and in this regard 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 (Act) and 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 2016-17 at a remuneration of Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only) plus reimbursement of out of pocket expenses and applicable taxes be and is hereby ratified.

   RESOLVED FURTHER that any of the Director or Key Managerial Personnel of the Company be and they are hereby severally authorised to do all acts and take all steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board
For Amara Raja Batteries Limited

Place: Hanover, Germany
Date: May 24, 2016

M R Rajaram
Company Secretary

Corporate Identification Number (CIN): L31402AP1985PLC005305

Registered Office:
Renigunta-Cuddapah Road
Karakambadi, Tirupati
Andhra Pradesh – 517 520
Tel: 91 (877) 226 5000
Fax: 91 (877) 228 5600
E-mail: investorservices@amararaja.co.in
Website: www.amararaja.co.in

Notes:

1. A Member entitled to attend and vote at the annual general meeting (the "meeting" or "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.

   A person can act as proxy on behalf of members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.

   The proxy form in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

2. Corporate member(s) intending to send their authorised representative(s) to attend the meeting are requested to send to the Company a duly certified true copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 (Act) authorising their representatives to attend and vote on their behalf at the meeting.

3. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to the special business to be transacted at the meeting, is annexed hereto.

4. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the directors seeking appointment/ re-appointment at the meeting is furnished and forms part of the Notice.

5. The registers i.e Register of Directors and Key Managerial Personnel and Register of Contracts or Arrangements maintained under Section 170 and Section 189 of the Act respectively will be available for inspection to the members at the meeting.

6. The copies of the Annual Report 2015-16 including the notice of the 31st Annual General Meeting of the Company, inter-alia, indicating the process and manner of e-voting, attendance slip and proxy form are being sent by electronic mode to all the members whose email-ids are registered with the Company/Depositories for communication purposes. For members who have not registered their email address, the aforesaid documents are being sent in the permitted mode.

7. Members may also note that the notice of the 31st annual general meeting, proxy form and the Annual Report 2015-16 shall be placed on the Company's website www.amararaja.co.in. The physical copies will also be available at the registered office of the Company for inspection during normal business hours on working days.

8. The route map to the venue of the meeting is furnished herewith and forms part of the Notice.

9. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Share Transfer Agents, Cameo Corporate Services Limited ("Cameo") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the concerned Depository Participant by the members.

10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.

11. Members holding shares in physical form are requested

    - to advise any change in their address immediately to Cameo Corporate Services Limited.
    - to update their Bank details already registered with Company/ Cameo Corporate Services Limited or register their bank details by submitting the duly completed National Electronic Clearing Services (NECS) mandate form attached to this annual report and forward the same to the Cameo Corporate Services Limited to enable the Company to remit the dividend through NECS.

12. 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 RTA/Depositories for receiving all communication(s) including Annual Report, Notices, Circulars, etc. from the Company electronically.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Cameo Corporate Services Limited, Chennai.

14. Members seeking any information with regard to the financial statements, are requested to write to the Company atleast 7 days before the meeting so as to enable the management to keep the information ready at the meeting.

15. Members are requested to handover the attendance slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall.

16. Voting through electronic means: In compliance with the provisions of Section 108 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing e-voting facility to the members to exercise their right to vote on resolutions proposed to be passed in the meeting by electronic means. The members may cast their vote using an electronic voting system from a place other than the venue of the meeting ('Remote e-voting'). The Company has engaged the services of Karvy Computershare Private Limited (Karvy) as the authorised agency to provide e-voting facilities. Instructions for e-voting are given in note no. 22.

17. **Voting at AGM:** The facility for voting through polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the AGM.

18. The Board of Directors has appointed **Shri V.Suresh, a Practicing Company Secretary,** (Membership No. FCS 2969 and CP No. 6032) **as a Scrutinizer** to scrutinize the remote e-voting process and poll at AGM in a fair and transparent manner.

19. The Scrutinizer shall, immediately after the conclusion of voting at 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 three (3) 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 countersignature.

20. The Results shall be declared by the Chairman or by an authorised person of the Chairman and the resolutions will be deemed to have been passed on the date of AGM, subject to receipt of requisite number of votes in favour of resolutions.

21. After declaration of the results, the same shall be placed along with the Scrutinizer's Report(s) on the website of the Company www.amararaja.co.in and on Karvy's website https://evoting.karvy.com and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed for placing the same on their website(s).

22. **E-voting Instructions:** The instructions and other information relating to e-voting are as under:

    A **In case a Member receives an e-mail from Karvy** [for Members whose email addresses are registered with the Company/ Depositories]:

    i. Open internet browser by typing the URL: https://evoting.karvy.com

    ii. Enter the login credentials (i.e. **User ID and password**) which will be sent separately. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

    iii. After entering these details appropriately, click on "LOGIN".

    iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

    v. You need to login again with the new credentials.

    vi. On successful login, the system will prompt you to select the E-Voting Event Number for **AMARA RAJA BATTERIES LIMITED.**

    vii. On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under **"FOR/ AGAINST"** or alternatively, you may partially enter any number in **"FOR"** and partially in **"AGAINST"** but the total number in **"FOR/ AGAINST"** taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option **"ABSTAIN"** and the shares held will not be counted under either head.

    viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

    ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

    x. You may then cast your vote by selecting an appropriate option and click on "Submit".

    xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. **During the e-voting period, Members can login any number of times till they have voted on the Resolution(s).**

    xii. **Corporate / Institutional Members** (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: vsureshpcs@gmail.com with a copy marked to evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format **"Amara Raja Batteries Limited_31st AGM."**

B In case a Member receives physical copy of Notice of the Annual General Meeting [for Members whose email IDs are not registered with the Company / Depository Participant(s)]:

i. User ID and initial password-These will be sent separately.

Ii. Please follow all steps from Sr.No.(i) to (xii) as mentioned in (A) above, to cast your vote.

In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website https://evoting.karvy.com or call toll free number 1-800-3454-001

Other Instructions

i. The e-voting period commences on Wednesday, August 3, 2016 (9:00 AM IST) and ends on Friday, August 5, 2016 (5:00 PM IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form as on July 30, 2016 i.e cut off date may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, he / she / it shall not be allowed to change it subsequently.

ii. 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 July 30, 2016. 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 July 30, 2016 shall only be entitled to avail the facility of remote e-voting and voting at the meeting through ballot.

iii. Any person who becomes a member of the Company after the dispatch of the notice of the meeting and holding shares as on the cut-off date i.e July 30, 2016 may write to evoting@karvy.com or to the Company at investorservices@amararaja.co.in requesting for User ID and password. On receipt of User ID and password, the steps from sl nos. (i) to (vii) mention in the note 20 (A) above should be followed for casting their vote. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

Statement pursuant to Section 102 (1) of the Companies Act, 2013(Act)

The following statement sets out all material facts relating to special business mentioned in the accompanying notice dated May 24, 2016 and shall be taken as forming part of the notice.

Item No. 5

Mr. Raphael John Shemanski (Mr. Ray Shemanski) was appointed as an Additional Director of the Company by the Board with effect from March 19, 2016, pursuant to Section 161 of the Companies Act, 2013 (Act) and holds office upto the date of this Annual General Meeting.

The Company has received a notice in writing under Section 160 of the Act, from a member along with deposit of requisite amount proposing the candidature of Mr. Ray Shemanski for the office of Director under Section 152 of the Act. The Company has received from Mr. Ray Shemanski the requisite disclosures/declarations pursuant to the provisions of the Act.

The particulars of Mr. Ray Shemanski viz., qualification, expertise and directorships and memberships of other Board Committees of listed entities are furnished in this annual report and forms part of this notice.

Mr. Ray Shemanski is interested in the resolution as set out at item no. 5 of this notice with regard to his appointment as a Director.

Item No. 6

The Board of Directors at their meeting held on May 24, 2016, on recommendation of the Audit Committee, approved the appointment of M/s. Sagar & Associates, Cost Accountants, Hyderabad as cost auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2016-17 on a remuneration of Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only) plus reimbursement of out of pocket expenses and applicable taxes.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, consent of the members is sought by way of an ordinary resolution as set out at item no. 6 of the notice ratifying the remuneration payable to the Cost Auditors for the financial year 2016-17.

By Order of the Board

For Amara Raja Batteries Limited

Place: Hanover, Germany

Date: May 24, 2016

M R Rajaram

Company Secretary

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief particulars of the directors proposed for re-appointment/appointment at the annual general meeting are given below

I. Name of the Director	Dr. Ramachandra N Galla
Date of Birth	June 1, 1938
Qualification	M.E. (Applied Electronics) from Roorkee University, Uttar Pradesh. MS (Systems Sciences) from Michigan State University, USA
Expertise	Dr. Ramachandra N Galla is the founder Chairman of Amara Raja group of Companies. He started his career as an Electrical Engineer in US Steel Corporation, USA and moved on to Sargent & Lundy, USA as a Consulting Engineer for the Designing of Nuclear & Coal Fired Power Plant before he laid the foundation of Amara Raja Batteries Limited in the year 1985 in Chittoor District. Dr. Ramachandra N Galla occupied various positions in the Company including the office of Chairman and Managing Director and presently holds the office of the Non-Executive Chairman of the Company. Dr. Ramachandra N Galla is instrumental in the growth of the Company and also Amara Raja Group of Companies as a whole.
Relationship with other directors	Dr. Ramachandra N Galla is the father of Mr. Jayadev Galla, Vice Chairman and Managing Director
Name(s) of listed entities in which Directorships held	Amara Raja Batteries Limited
Name of listed entities in which Committee membership (s)/Chairmanship (s) held	Chairman of Share Transfers and Stakeholders Relationship Committee, Amara Raja Batteries Limited.
Total shares held by him in the Company	12,795,074 equity shares of ₹ 1/- each.

II. Name of the Director	Mr. Raphael John Shemanski (Mr. Ray Shemanski)
Date of Birth	June 7, 1962
Qualification	Bachelor of Science degree from Saginaw Valley State University, Michigan and a Master of Business Administration from the University of Michigan
Expertise	Mr. Ray Shemanski joined Johnson Controls in 2003 and currently leads the Johnson Controls Power Solutions Global Aftermarket Business. In this role he manages a team to focus on the strengths of the local market leadership through regional management and strong operating responsibility for the balance of company's Starting, Lighting and Ignition (SLI) lead acid battery manufacturing facilities worldwide. He also supports both Aftermarket and Original Equipment customers with SLI products. Previously, Mr. Ray Shemanski was Vice President and General Manager of Johnson Controls Global Original Equipment Group where he managed customer relationship surrounding the company's battery technologies. Mr. Ray Shemanski also served as Vice President and General Manager of Johnson Control's Automotive Experience, Ford Business Unit.
Relationship with other directors	Not related to any other director of the Company
Name(s) of listed entities in which Directorships held	Amara Raja Batteries Limited
Name of listed entities in which Committee membership (s)/Chairmanship (s) held	Nil
Total shares held by him in the Company	Nil

Notes

Amara Raja Batteries Limited

CIN: L31402AP1985PLC005305
Registered Office: Renigunta – Cuddapah Road, Karakambadi, Tirupati – 517520, Andhra Pradesh
Tel: 91 (877) 226 5000 Fax: 91 (877) 228 5600
investorservices@amararaja.co.in |www.amararaja.co.in

ATTENDANCE SLIP

31st Annual General Meeting (AGM) – August 6, 2016

Sr. No.

Folio No. / DP ID No. / Client ID No.	
Name and registered address of the member	
Name(s) of the Joint Holder(s) if any	
Number of Shares held	
Full Name of the Proxy (IN BLOCK LETTERS)	

I certify that I am a member/proxy for the member of the Company. I hereby record my presence at the 31st Annual General Meeting of the Company held on Saturday, August 6, 2016 at 2:30 p.m. at the registered office of the Company at Renigunta-Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517 520

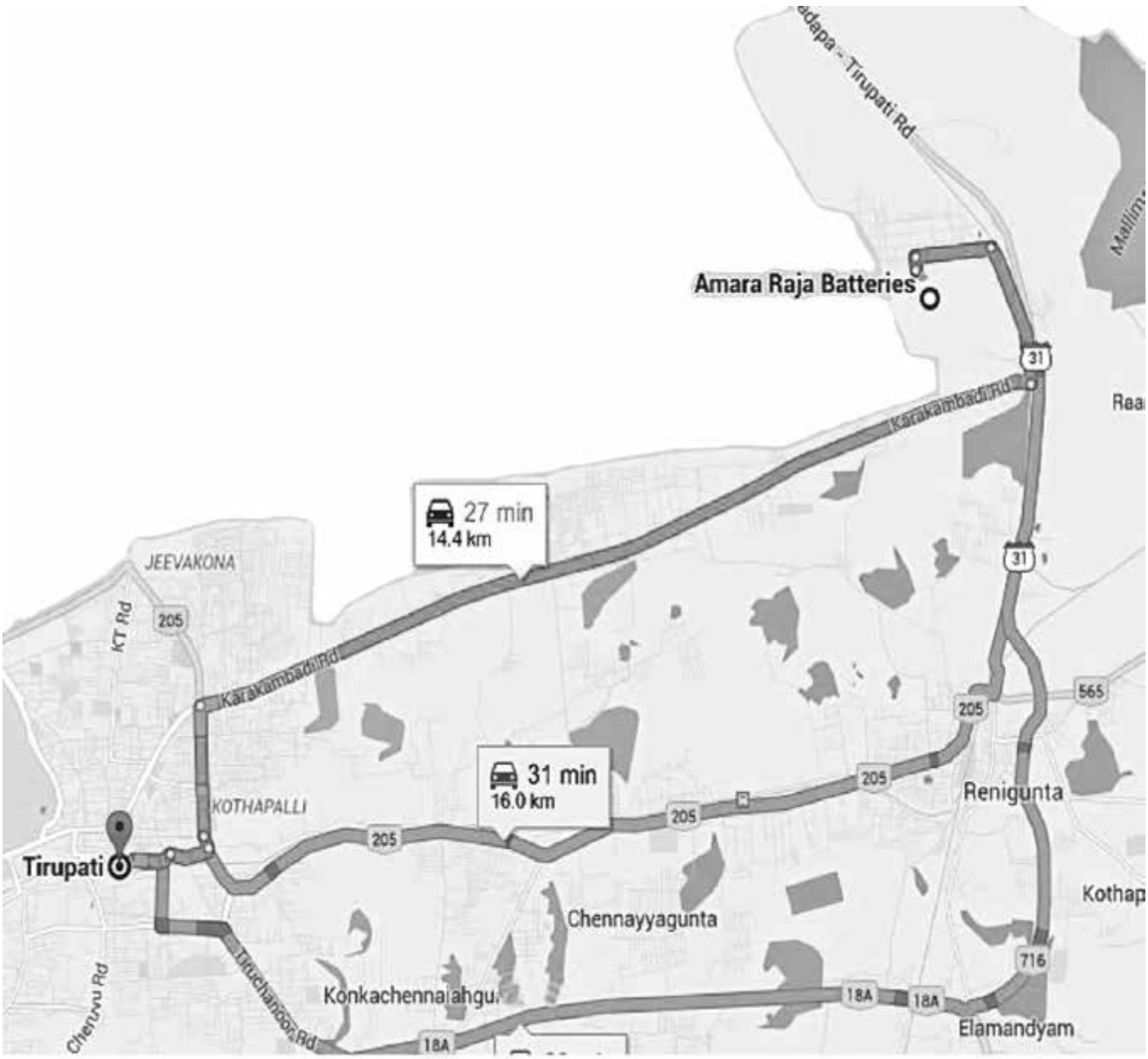
SIGNATURE OF THE MEMBER/PROXY

1. Members are requested to handover the attendance slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members/Proxy holders are requested to bring their copies of the Annual Report to the AGM.

2. Only members/representatives of the Corporate members or proxies are allowed to attend the AGM. Bodies Corporate, whether a company or not, who are members, may attend through their authorised representatives appointed under Section 113 of the Companies Act, 2013 (Act). A copy of authorisation should be deposited with the Company.

Route Map to the AGM Venue

Venue: Registered Office situated at Renigunta-Cuddapah Road, Karakambadi, Tirupati - 517520



Distance from **Tirupati Railway Station** : 14.50 Kms (Via Karakambadi Road)

Distance from **Renigunta Railway Station** : 6.75 Kms

AMARA RAJA

Amara Raja Batteries Limited

CIN: L31402AP1985PLC005305
Registered Office: Renigunta – Cuddapah Road, Karakambadi, Tirupati – 517520, Andhra Pradesh
Tel: 91 (877) 226 5000 Fax: 91 (877) 228 5600
investorservices@amararaja.co.in |www.amararaja.co.in

Proxy Form - Form MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

31st Annual General Meeting – August 6, 2016

Name of the Member(s) :

Registered address :

E-mail id :

Folio No. :

DP ID/Client ID No. :

I/We, being the member (s) holding ……..…. equity shares of the Amara Raja Batteries Limited, hereby appoint

1. Name : ……

Address : ……

e-mail id : ……

Signature : ……or failing him/her

2. Name : ……

Address : ……

e-mail id : ……

Signature : ……or failing him/her

3. Name : ……

Address : ……

e-mail id : ……

Signature : ……or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual general meeting of the Company, to be held on Saturday, August 6, 2016 at 2:30 p.m. at the registered office of the Company situated at Renigunta-Cuddapah Road, Karakambadi, Tirupati, Andhra Pradesh - 517 520 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Subject matter of the resolution
1.	Adoption of the audited financial statements for the financial year ended March 31, 2016 together with the reports of the Board of Directors' and Auditors' thereon.
2.	Confirmation of payment of interim dividend as final dividend for the financial year 2015-16.
3.	Appointment of Dr. Ramachandra N Galla, as Director of the Company.
4.	Ratification of appointment of M/s. Brahmayya & Co., and M/s. Deloitte Haskins & Sells LLP as the joint statutory auditors of the Company.
5.	Appointment of Mr. Raphael John Shemanski as Director of the Company.
6.	Ratification of the remuneration to be paid to the cost auditors of the Company for the financial year 2016-17

Signed this ..... day of 2016

Affix a
Revenue Stamp
of ₹ 1/-

Signature of the Member

Notes:

1. The proxy form in order to be effective, should be duly stamped, completed, signed and must be returned so as to reach the Registered Office of the Company, not less than 48 hours before the time for holding the aforesaid meeting.
2. The Proxy need not be a Member of the Company.
3. The proxy holder may vote either for or against each resolution.

To

M/s. Cameo Corporate Services Limited
Unit: Amara Raja Batteries Limited
Renigunta-Cuddapah Road
Karakambadi- 517520
Tirupati, Andhra Pradesh, India

Dear Sir,

Payment of Dividend through NECS (NECS Mandate Form)

I/We hereby give my/our mandate to credit my/our Dividend on the shares held by me/us under the Folio mentioned hereunder, directly to my/our bank account through the National Electronic Clearing Service (NECS)

The details are given below:

Folio No.	
Name of First / Sole Shareholder	
First Shareholders Address:	
Email Id	
Mobile No.	

Particulars of Bank:

Name of Bank in Full									
Branch Name & Address									
IFSC Code									
Branch Code									
(9 Digits Code Number of the Bank and branch as appearing on the **MICR** Cheque issued by the Bank). Please attach a photocopy of the cheque.									
Type of Account with code	Saving Bank 10		Current 11		Cash Credit 13		NRE		NRO
Account No. (as appearing on the Cheque Book)									

I/we , hereby, declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/we would not hold the Company or User institution responsible. I/We undertake to inform any subsequent changes in the particulars of my account to facilitate updation of records for purpose of credit of dividend amount through I/We understand that, the above details shall be maintained by you till I/We hold the shares in physical mode under the captioned folio.

Place: (Signature of Sole/First holder)
Date:

To

Cameo Corporate Services Limited
Unit : Amara Raja Batteries Limited
V floor, Subrmanian Building
No. 1, Club House Road
Chennai- 600 002

Dear Sir,

Sub: E-mail address Registration

I am a shareholder of the Company. I want to receive all communication from the Company including AGM and other General Meeting notices and explanatory statement(s) thereto, Balance Sheets, Director's reports, Auditor's Reports etc or any other Communication from the Company. through e-mail. Please register my e-mail ID, set out below, in your records for sending communication through e-mail:

Folio No. / DP ID & Client ID

Name of 1st Registered Holder : .....

Name of Joint Holder(s) : .....

Registered Address : .....

.....

.....

E-mail ID (to be registered) : .....

Contact Tel No.s : Mobile : .....

Landline : .....

Signature :

Place:

Dates

Notes:

1. Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.
2. Kindly submit duly completed form to Cameo Corporate Services Limited, V Floor, Subramanian Building No. 1, Club House Road, Chennai-60002

CONCEPT & DESIGN

HASTRA

hastra.hastra@gmail.com

www.kalajyothi.com

AMARA RAJA
Gotta be a better way

SAFE HARBOUR

IN THIS ANNUAL REPORT, WE HAVE DISCLOSED FORWARD LOOKING INFORMATION TO ENABLE INVESTORS TO COMPREHEND OUR PROSPECTS AND TAKE INFORMED INVESTMENT DECISIONS. THIS REPORT AND OTHER STATEMENTS-WRITTEN AND ORAL-THAT WE PERIODICALLY MAKE, MAY CONTAIN FORWARD-LOOKING STATEMENTS THAT SET OUT ANTICIPATED RESULTS BASED ON THE MANAGEMENT'S PLANS AND ASSUMPTIONS.

WE HAVE TRIED WHEREVER POSSIBLE TO IDENTIFY SUCH STATEMENTS BY USING WORDS SUCH AS 'ANTICIPATES', 'ESTIMATES', 'EXPECTS', 'PROJECTS', 'INTENDS', 'PLANS', 'BELIEVES' AND WORDS OF SIMILAR SUBSTANCE IN CONNECTION WITH ANY DISCUSSION OF FUTURE PERFORMANCE.

WE CANNOT GUARANTEE THAT THESE FORWARD-LOOKING STATEMENTS WILL BE REALISED, ALTHOUGH WE BELIEVE WE HAVE BEEN PRUDENT IN OUR ASSUMPTIONS. THE ACHIEVEMENT OF RESULTS IS SUBJECT TO RISKS. UNCERTAINTIES AND EVEN INACCURATE ASSUMPTIONS. SHOULD KNOWN OR UNKNOWN RISKS OR UNCERTAINTIES MATERIALISE, OR SHOULD UNDERLYING ASSUMPTIONS PROVE INACCURATE, ACTUAL RESULTS COULD VARY MATERIALLY FROM THOSE ANTICIPATED, ESTIMATED OR PROJECTED.

WE UNDERTAKE NO OBLIGATION TO PUBLICLY UPDATE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION. FUTURE EVENTS OR OTHERWISE.