

ANNEXURE - III

REPORT ON CORPORATE GOVERNANCE 2017-2018

GOVERNANCE PHILOSOPHY

The Company's approach and commitment to ethical Corporate Governance remains unchanged in its 71 years of existence. The underlying principles and core values still guide the Company in all its executive decision making processes.

Corporate Governance is an internalised process which drives your Company to remain in its path as a sustainable wealth creator for all its stakeholders – shareholders, customers, employees and the overall society at large within which it exists. Your Company believes that while substantial societal resources are being utilised by large corporates to generate wealth and add value, it is the principles of Corporate Governance that should keep them in the right track so that the process of wealth creation is sustainable over an extended period of time.

Your Company's principles of corporate governance are based on the philosophy of empowerment and responsibility. It feels the management must be empowered to drive the organisation forward in the best interest of all the stakeholders. This empowerment, however, also thrusts upon it the responsibility to stay within the framework of accountability and transparency so that its actions are sustainable over a long time and benefit the larger society.

Your Company's believes that if proper checks and balances are worked into the system of functioning, then its executive decision making becomes more process driven than individual driven and there are minimal chances of abuse of authority.

In its quest to inculcate an ethical corporate culture and citizenship within the organisation, the Company's governance philosophy depends heavily on a few tenets. These are trusteeship, transparency, empowerment and accountability, control and ethical corporate citizenship. Your Company is of the view that by inculcating these tenets, the appropriate corporate culture can be created whereby the Company is managed in a way that reflects ethical corporate citizenship.

The tenet of trusteeship dictates that the board of directors will protect and enhance shareholder value as well as discharge the Company's obligations to all the other stakeholders. The Company's role in the economic and social spheres will be fulfilled under this tenet.

Under the tenet of transparency the Company makes necessary disclosures and explains the rationale behind its policies and decisions to all those who are affected by them.

Empowerment makes it possible for the Company to remain innovative across the levels. It makes every individual employee within the organisation free to determine his or her destiny in tune with that of the organisation. Empowerment means delegation and decentralisation so that decision making process is fast and transparent to everyone.

However, this freedom of action that empowerment allows is counter balanced by control which ensures that management decision making remains within the framework of rules. Checks and balances are devised in a way that prevents malpractices and removes opacity in decision making so that risk management becomes more effective.

The corporate governance principles and processes makes it possible for the Company to remain steadfast in its path of ethical corporate behaviour and citizenship. The principles are also manifest in its high standards of ethical behaviour, both internally and externally.

THE GOVERNANCE STRUCTURE

The following three interlinked levels within which Exide practice Corporate Governance:

1. Strategic supervision – by the board of directors
2. Strategic management – by the executive committee
3. Executive management – by the divisional heads of businesses

The structure ensures that at the ground level the executive management of the divisions are focused on embellishing the quality, efficiency and effectiveness of each business vertical. This level functions under the strategic day to day management of the executive committee that has under its ambit the overall vision of the entire organisation. Above both these is the board of directors that provides the strategic supervision on behalf of the shareholders. The Board is free from the task of strategic management but has the larger role of guiding the executive management with objectivity so that accountability is ensured at all levels.

The central role of these three entities is dependent on the structure. Their role, in turn determines the responsibilities that is vested in them. Each entity is formally empowered with the requisite powers so that there is no hindrance to its discharge of responsibilities for the overall growth of the organisation.

BOARD OF DIRECTORS

In terms of the Company's corporate governance policy, all statutory and other significant and material information are placed before the board to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of stakeholders.

Composition

As on the date of this report, the board of directors of the Company consists of four (4) executive directors and seven (7) non-executive directors. The composition of the board represents an optimal mix of professionalism, knowledge and

experience in business, finance, law and corporate management which enables the board to discharge its responsibilities and provide effective leadership to the business. The positions of the Chairman of the Board and the Chief Executive Officer of the Company are held by separate individuals, where the Chairman of the board is a non-executive independent director. None of the directors of your Company are related to each other.

The details of each member of the board along with the number of directorship(s)/committee membership(s)/chairmanship(s) are provided herein below:

Composition and directorship(s)/committee membership(s)/chairmanship(s) as on 31st March, 2018

Name of Director	Category of Directors	No. of other Directorships held(*)	Committee memberships held in other companies (**)	
			As Member	As Chairman
Mr. Bharat Dhirajlal Shah	Independent Non-Executive Chairman	9	8	1
Mr. R B Raheja	Non-Executive Vice Chairman	5	1	Nil
Mr. G Chatterjee	Executive Director	3	Nil	Nil
Mr. A K Mukherjee	Executive Director	3	1	Nil
Mr. Subir Chakraborty	Executive Director	3	Nil	Nil
Mr. Arun Mittal	Executive Director	2	Nil	Nil
Mr. Vijay Aggarwal	Independent Non-Executive Director	5	3	2
Ms. Mona N Desai	Independent Non-Executive Director	1	Nil	Nil
Mr. Sudhir Chand	Independent Non-Executive Director	1	2	Nil
Mr. Nawshir H Mirza	Independent Non-Executive Director	6	1	5
Mr. Surin Shailesh Kapadia***	Independent Non-Executive Director	1	Nil	Nil

* Excludes directorships in Indian private limited companies, foreign companies, Companies u/s 8 of the Companies Act, 2013 and memberships of managing committees of various chambers/bodies and alternate directorships.

** Committees include only audit committee and stakeholder's relationship committee.

*** Mr. Surin Shailesh Kapadia appointed as an additional director at the board meeting of the Company held on 25th October, 2017.

Appointment/Re-appointment of Directors

Mr. Surin Shailesh Kapadia has been appointed as an Additional Director of the Company on 25th October, 2017 on the recommendation of nomination and remuneration committee and board of directors.

Mr. A. K. Mukherjee – Whole-time director (designated as Director – Finance & CFO) and Mr. Arun Mittal – Whole-time director (designated as Director-Industrial), retire by rotation in accordance with the provisions of the Companies Act, 2013 and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

A brief resume of the directors proposed to be appointed and re-appointed, along with the particulars of directorships held by

them, has been appended to the notice for the Annual General Meeting which is being circulated to the members along with this report.

Mr. A. K. Mukherjee holds 1,000 equity shares and Mr. Arun Mittal holds 1,152 equity shares in the Company. Mr. Surin S Kapadia does not hold any equity shares in the Company.

Meetings and Attendance

During the financial year ended 31st March, 2018, four (4) board meetings were held on 4th May, 2017, 27th July, 2017, 25th October, 2017 and 31st January, 2018 respectively. The previous Annual General Meeting was held on 27th July, 2017.

Directors' attendance at Board Meetings and at Annual General Meeting (AGM):

Name of Director	No. of Board Meetings Attended	Attendance at last AGM
Mr. Bharat Dhirajlal Shah	3	-
Mr. R B Raheja	3	-
Mr. G Chatterjee	4	Yes
Mr. A K Mukherjee	4	Yes
Mr. Subir Chakraborty	4	Yes
Mr. Arun Mittal	4	Yes
Mr. Vijay Aggarwal	4	Yes
Ms. Mona N Desai	4	Yes
Mr. Sudhir Chand	4	Yes
Mr. Nawshir H Mirza	4	Yes
Mr. Surin S Kapadia*	2	N.A.

*Mr. Surin S Kapadia appointed as an additional director at the board meeting of the Company held on 25th October, 2017

Directors' Induction, Training and Familiarisation

The board is responsible for the selection of new directors on the recommendations received from the Nomination and Remuneration committee. After getting appointed, the directors receive a formal letter of appointment which inter alia explains the role, functions, duties and responsibilities expected from him/her as a director of the Company. The director is also explained in detail the compliances required to be made under the Companies Act and the SEBI (Listing Obligations & Disclosure requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations, 2015") and other relevant regulations.

By way of an introduction to the Company, the director is presented with the Company profile, annual reports and an overview of the Company's manufacturing facilities. All non-executive directors newly inducted in the board are introduced to the Company through appropriate orientation sessions. Presentations are made by various executive directors and senior management personnel and site visits to various plant locations are organised for them to provide a complete oversight into the Company's operations and business. Detailed presentations on Company's business segments, if any, performance updates, global business environment, business strategy and risks involved are periodically made at the board meetings during the year.

The details of such familiarisation programmes for independent directors along with the familiarisation policy are available on the company's website at <http://www.exideindustries.com/investors/governance-policies.aspx>.

Board Portal – Meetings Management System

With a view to leverage advancement in technology and reducing paper consumption, the Company has adopted a web-based application for transmitting board/committee agenda. The directors of the Company receive the agenda in electronic form through this application, which can be accessed through browsers and iPads/tablets. The application meets high standards of integrity and ensures confidentiality that is required for storage and transmission of board/committee agenda in electronic form.

Code of Conduct for Directors and Senior Executives

All directors and members of the senior management have affirmed their compliance with the Code of Conduct for board of directors and senior executives as on 31st March, 2018 and a declaration to that effect, signed by the Managing Director & CEO is enclosed and forms part of this report. The Code of Conduct for board of directors and senior executives has also been posted on the website of the Company.

COMMITTEES OF THE BOARD

A. Audit Committee

The role / terms of reference of the Audit Committee is to–

- (a) Assist the board of directors of the Company in fulfilling its responsibilities to oversee the:
 - i. Company's financial reporting process;
 - ii. the integrity of the Company's financial statements as per authority and responsibilities provided in the Charter;
 - iii. Auditors' appointment, qualifications and independence;
 - iv. the performance of the Company's internal audit function and that of statutory auditors.
- (b) Overseeing the reporting requirements for inclusion in the Company's annual report.
- (c) Laying down the criteria for granting the omnibus approval in line with Policy on Related Party Transactions and such approval shall be applicable in respect of transactions which are repetitive in nature.
- (d) Review of adequacy and effectiveness of Internal Financial Control, risk management system and vigil mechanism
- (e) Review with management the quarterly and annual financial statements

The role / terms of reference of the Audit Committee are in conformity with the SEBI Regulations, 2015 read in conjunction with Section 177 of the Companies Act, 2013.

Composition and Attendance

The audit committee presently comprises of five (5) non-executive independent directors. Mr. Nawshir H Mirza, Chairman of the committee is a non-executive independent director and a Chartered Accountant, acknowledged as a financial expert in his own right. All the other members are well versed in corporate finance and related areas.

During the financial year ended 31st March, 2018, six (6) meetings of the audit committee were held on 3rd May, 2017, 26th July, 2017, 25th October, 2017, 18th December, 2017, 31st January, 2018 and 6th March, 2018 respectively. The composition and attendance of the committee meetings are as follows:

Name of Director	Category	Designation	Number of meetings attended
Mr. Nawshir H. Mirza	Independent Non-executive	Chairman	6
Mr. Vijay Aggarwal	Independent Non-executive	Member	6
Ms. Mona N Desai	Independent Non-executive	Member	6
Mr. Sudhir Chand	Independent Non-executive	Member	6
Mr. Surin S Kapadia*	Independent Non-executive	Member	2

*Mr. Surin S Kapadia appointed as an additional director at the board meeting of the Company held on 25th October, 2017

The Managing Director & CEO, Director- Finance & CFO and Chief- Internal Audit are permanent invitees to the audit committee meetings. The representative(s) of the statutory auditors also attend the audit committee meetings. The Company Secretary acts as the secretary to the committee. Other directors and members of the management are also invited as may be required from time to time.

B. Nomination & Remuneration Committee

The terms of reference of the Nomination and Remuneration committee inter alia includes the following:

- i. To identify persons who are qualified to become directors and who may be appointed in the senior management and to lay down the criteria thereof;
- ii. To recommend to the board appointment of directors and senior management personnel and their removal;
- iii. To evaluate the individual directors performance;
- iv. Formulate the criteria for determining the qualification, positive attribute and independence of the directors;
- v. Recommend to the board policy relating to remuneration for directors, key managerial personnel and other employees; and
- vi. Devising a policy on board diversity.

For the performance evaluation criteria for Independent Directors, please refer Board's Report.

Composition and Attendance

The Nomination and Remuneration committee presently comprises of three (3) non-executive directors. Mr. Vijay Aggarwal is the Chairman of the Committee who is also a non-executive independent director. The Company Secretary acts as the secretary to the Committee.

During the financial year ended 31st March, 2018, four (4) meetings of the Nomination & Remuneration committee were held on 4th May, 2017, 26th July, 2017, 25th October, 2017 and 31st January, 2018 respectively. The composition and attendance details of the committee meetings are as follows:

Name of Director	Category	Designation	Number of meetings attended
Mr. Vijay Aggarwal	Independent Non-Executive	Chairman	4
Ms. Mona N Desai	Independent Non-Executive	Member	4
Mr. Sudhir Chand	Independent Non-Executive	Member	4

Remuneration of Directors

Details of Remuneration paid/payable to the Directors for the year ended 31st March, 2018 are as follows:

Name of Director	Salary & Performance Bonus	Contributions to retiral funds	Perquisites & Other benefits	Commission ¹	Sitting Fees ²	(in Rs.) Total
Executive directors						
Mr. G Chatterjee	2,34,48,400	54,85,567	13,39,985	1,08,99,200	-	4,11,73,152
Mr. A K Mukherjee	1,25,53,992	31,59,213	14,05,237	62,76,996	-	2,33,95,438
Mr. Subir Chakraborty	87,32,732	21,22,097	11,44,623	42,16,366	-	1,62,15,818
Mr. Arun Mittal	68,01,004	16,48,308	11,95,135	32,75,000	-	1,29,19,447
Non-executive directors						
Mr. R B Raheja	-	-	-	-	2,25,000	2,25,000
Mr. Vijay Aggarwal	-	-	-	12,50,000	6,00,000	18,50,000
Ms. Mona N Desai	-	-	-	12,50,000	6,00,000	18,50,000
Mr. Sudhir Chand	-	-	-	12,50,000	6,00,000	18,50,000
Mr. Bharat Dhirajlal Shah	-	-	-	35,00,000	2,25,000	37,25,000
Mr. Nawshir H Mirza	-	-	-	35,00,000	6,00,000	41,00,000
Mr. Surin Kapadia ³	-	-	-	12,50,000	2,50,000	15,00,000

- The commission for the year ended 31st March, 2018 will be paid, subject to deduction of tax, after adoption of accounts by the members at the ensuing Annual General Meeting
- The sitting fees paid to the non executive directors is towards attending the Board and Audit Committee meetings held during the year.
- Mr. Surin S Kapadia appointed as an additional director at the board meeting of the Company held on 25th October, 2017

Notes:

All the Executive Directors of the Company have been appointed on contractual basis. As per the contract, the notice period is 3 months.

Payment of remuneration to the executive/Whole-time directors of the Company is governed by the terms and conditions of their appointment as recommended by the Nomination and Remuneration Committee and approved by the Board subject to the approval of the Shareholders and the Central Government, where applicable.

Non-executive/independent directors of the Company receive remuneration by way of fees for attending meetings of the Board or Committee thereof as approved by the Board from time to time within the prescribed limits. Non-executive independent directors may also be paid commission as approved by the shareholders subject to a limit of 1% of the net profits of the Company computed under the applicable provisions of the Companies Act, 2013. The commission payable to the independent directors is determined by the Board within the aforesaid limit of 1% of the net profits after taking into account their attendance roles and responsibilities in various Committees of the Board, their operational and functional expertise and contribution made by them.

In accordance with the approval of the Shareholders in the Annual General Meeting held on 19th July 2016, the payment of commission to non-executive directors has been determined by the Board, which is well within the ceiling of 1% of net profits of the Company for the year ended 31st March, 2018 as computed under applicable provisions of the Companies Act, 2013. The allocation of the commission amongst the eligible Non-executive independent directors has been decided by the Board with each interested director present not participating in the deliberations in respect of his own commission.

Shareholding of Non-Executive directors

Name of Director	No. of shares held as on 31st March, 2018
Ms Mona N Desai	78,666
Mr. S Chand	18,872

Apart from the above, there was no pecuniary relationship or transactions between the Company and non-executive directors.

The performance criteria for the purpose of payment of remuneration to the directors are in accordance with the Nomination and Remuneration policy of the Company.

C. Stakeholders' Relationship Committee

The Committee oversees redressal of shareholders' grievances pertaining to transfer of shares, non-receipt of dividend and non-receipt of annual reports. The Committee also oversees the performance of registrar and transfer agent and recommend the measures for overall improvement in the quality of investor services.

Composition and Attendance

The Stakeholders' Relationship Committee of the Company comprises of three (3) Directors. Mr. Sudhir Chand, non-executive independent director is the Chairman of the Stakeholders Relationship committee. Mr. Jitendra Kumar, Company Secretary and EVP - Legal & Administration, is the compliance officer and acts as the secretary to the committee.

During the financial year 2017-18, the Committee met once on 19th March, 2018. The composition and attendance details of the committee meeting are as follows:

Name of Director	Category	Designation	Number of meetings attended
Mr. Sudhir Chand	Independent Non-Executive	Chairman	1
Mr. Subir Chakraborty	Executive	Member	Nil
Mr. G. Chatterjee	Executive	Member	1

Investor Grievance Redressal Mechanism

During the financial year ended 31st March, 2018, 18 complaints were received from shareholders. All complaints have been redressed to the satisfaction of the shareholders and none of them were pending as on 31st March, 2018.

Number of complaints received and resolved during the year and pending share transfers as on 31st March, 2018:

Number of complaints pending at the beginning of the financial year 2017-18	Nil
Number of complaints received during the financial year 2017-18	18
Number of complaints redressed during the financial year 2017-18	18
Number of complaints pending redressal at the end of the financial year 2017-18	Nil
Number of pending share transfers as at 31st March, 2018	Nil

D. Share Transfer Committee

The Share Transfer committee approves the transfer/transmission of shares, sub-division or consolidation of shares and issue of new/duplicate share certificates and related matters. The Share Transfer committee presently comprises of three (3) executive directors.

Composition and Attendance

During the financial year ended 31st March, 2018, 8 meetings of Share Transfer committee were held on 17th April, 2017, 2nd June, 2017, 1st August, 2017, 1st September, 2017, 7th November, 2017, 8th December, 2017, 29th January, 2018, and 5th March, 2018 respectively. The composition and attendance details of the committee meetings are as follows:

Name of Director	Category	Designation	Number of meetings attended
Mr. G Chatterjee	Executive	Chairman	8
Mr. A K Mukherjee	Executive	Member	8
Mr. Subir Chakraborty	Executive	Member	8

All routine matters including inter alia formalities pertaining to transfer, transmission, etc. within specified threshold limits as delegated by the Board are being dealt by "Share Transfer Committee of Executives" comprising of a representative from the registrar & share transfer agent, the compliance officer and an officer from the secretarial team which meets at least once in a fortnight.

E. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee is responsible for -

1. formulating the CSR policy and proposing revisions as and when required subject to the approval of the board of directors;

2. proposing budget allocation for the CSR activities, subject to the approval of the board of directors;
3. identifying modalities of implementing the CSR activities;
4. formulation of an effective monitoring system;
5. monitoring the progress of the CSR programs on a regular basis;
6. review the impact assessment; and
7. annually report to the board, the status of CSR activities and contributions made.

The Committee has formulated a Corporate Social Responsibility policy indicating the activities to be undertaken by the Company and recommend the expenditure on the specified CSR activities pursuant to Schedule VII of the Companies Act, 2013 and also monitor the policy from time to time. The said policy is available on the website of the Company at <http://www.exideindustries.com/investors/governance-policies.aspx>

Composition & Attendance

The Corporate Social Responsibility Committee comprises of four (4) members with Mr. Bharat D Shah, non executive independent director acting as Chairman.

Four (4) meetings of the Corporate Social Responsibility Committee were held during the year on 4th May, 2017, 26th July, 2017, 25th October, 2017 and 31st January, 2018 respectively. The composition and attendance details of the Committee are given below:

Name of Director	Category	Designation	Number of meetings attended
Mr. Bharat Dhirajlal Shah	Independent Non-Executive	Chairman	4
Mr. Sudhir Chand	Independent Non-Executive	Member	4
Mr. G Chatterjee	Executive	Member	4
Mr. Subir Chakraborty	Executive	Member	4

F. Banking Operations Committee

The Banking Operations Committee has been constituted to approve opening and closing of bank accounts, change in signatories and carrying on other routine banking operations. The Committee presently comprises of three (3) executive directors, viz. Mr. G. Chatterjee, Mr. A K Mukherjee and Mr. Subir Chakraborty.

G. Executive Committee

The Executive Committee comprises of the executive directors, key management personnel and senior management personnel viz. Mr. G Chatterjee, Mr. A K Mukherjee, Mr. Subir Chakraborty, Mr. Arun Mittal, Mr. Arnab Saha, Dr. Dipak Sen

Choudhury, Ms. Nupur Roy Choudhury, Mr. Ranjan Sarkar and Mr. Jitendra Kumar. Mr. Achim Leulsdorf resigned from the Company w.e.f. 30th September, 2017 and hence ceased to be member of the Committee. The Committee focuses on the strategic management issues of the Company, subject to the overall supervision of the board of directors.

H. Independent Directors Meeting

During the year under review, the Independent Directors met twice on 4th May, 2017 and on 31st January 2018 inter alia, to discuss:

- i. Evaluation of the performance of non independent directors and the Board of Directors as a whole;
- ii. Evaluation of the performance of the Chairman of the Company, taking into account the views of the executive and non executive directors
- iii. Evaluation of the quality, content and timelines of flow of information between the management and the board to effectively and reasonably perform its duties.

All the independent directors were present at the said meeting.

MAJOR POLICIES ADOPTED BY THE COMPANY

I. Whistle Blower Policy/Vigil Mechanism

In accordance with the provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI Regulations 2015, every listed Company is required to have a vigil mechanism for the directors, employees and stakeholders to report their genuine concerns and grievances. The Company has a whistle blower policy in place and the same is also available on the website of the Company. The audit committee of directors is entrusted with the responsibility to oversee the vigil mechanism. During the year, no personnel were denied access to audit committee.

The Whistle Blower Policy is uploaded on the Company's website under the following web-link <http://www.exideindustries.com/investors/governance-policies.aspx>

II. Policy on Material Subsidiaries

In accordance with the requirements of Regulation 16(1) (c) of SEBI Regulations, 2015 the Company has a policy on material subsidiaries. A subsidiary shall be considered a material subsidiary if any of the following conditions is satisfied:

- a. if the net-worth (i.e. paid-up capital and free reserves) of the subsidiary exceeds 20% of the consolidated net worth of the Company and its subsidiaries in the immediately preceding accounting year; or
- b. if the income of the subsidiary exceeds 20% of the consolidated income of the Company and its subsidiaries in the immediately preceding accounting year.

The policy on material subsidiaries have been uploaded on the Company's website under the following web-link <http://www.exideindustries.com/investors/governance-policies.aspx>.

III. Policy on Related Party Transactions

All transactions entered into with the related parties during the financial year ended 31st March, 2018 were in the ordinary course of business and on an arm's length basis and without any conflict of interest in accordance with the provisions of the Companies Act, 2013 and SEBI Regulations, 2015. Moreover, there were no materially significant related party transactions during the financial year which were in conflict with the interest of the Company. Suitable disclosures as prescribed under the applicable Accounting Standard have been made in the notes to the Financial Statements.

The policy for related party transactions has been uploaded on the Company's website. The web-link is <http://www.exideindustries.com/investors/governance-policies.aspx>

IV. Policy on Determination of Materiality for Disclosures and Archival Policy

In accordance with Regulation 30 of SEBI Regulations, 2015, the Company has framed a policy on determination of materiality for disclosures to disclose events or information which, in the opinion of the board of directors of the Company, are material. Further the Company has an archival policy in line with the requirements of SEBI Regulations to ensure that information relating to the Company is adequately disclosed on its website as required by law. The policies have been uploaded on the Company's website. The web-link is <http://www.exideindustries.com/investors/governance-policies.aspx>.

V. Policy on Preservation of Documents

In accordance with Regulation 9 of SEBI Regulations, 2015, the Company has framed a policy on preservation of documents approved by the Board of Directors of the Company. The policy is intended to define preservation of documents and to provide guidance to the executives and employees working in the Company to make decisions that may have an impact on the operations of the Company. It not only covers the various aspects on preservation of the documents, but also the safe disposal/destruction of the documents. The Policy has been uploaded on the Company's website. The web-link is <http://www.exideindustries.com/investors/governance-policies.aspx>.

VI. Dividend Distribution Policy

In accordance with Regulation 43A of SEBI Regulations, 2015, the Company has framed the Dividend Distribution Policy approved by the Board of Directors of the Company. The Dividend Distribution Policy of the Company endeavors to maintain a consistent approach towards dividend payment to its shareholders and regulate the process of dividend declaration and its payout by the Company as per the laws in force. The Policy inter alia covers the financial parameters that will be considered when declaring dividends, internal and external factors that would be considered for declaring dividends and the circumstances under which shareholders can or cannot expect dividend. The Policy has been uploaded on the Company's website. The web-link is <http://www.exideindustries.com/investors/governancepolicies.aspx>.

GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings:

AGM	Year Ended	Venue	Date	Time
68th	31.03.2015	Kala Kunj, 48 Shakespeare Sarani, Kolkata – 700 017	31.07.2015	11.00 AM
69th	31.03.2016	Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017	19.07.2016	11.00 AM
70th	31.03.2017	Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017	27.07.2017	11.30 AM

SPECIAL RESOLUTIONS

The details of the special resolutions passed by the Company at the last three Annual General Meetings (AGMs) are given herein below:

Date of AGM	Subject matter of the resolution	Triggering Section of the Companies Act
31st July, 2015	Payment of Commission to Non-Executive Chairman & Non executive Independent Director	149, 197 and 198 of the Companies Act, 2013
	Adoption of new set Articles of Association	14 of the Companies Act, 2013
19th July, 2016	-	-
27th July, 2017	-	-

POSTAL BALLOT

No resolution requiring postal ballot was placed before the last Annual General Meeting. No resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting.

DISCLOSURES

a. There were no materially significant related party transactions entered into by the Company with promoters, directors, key managerial personnel or other persons which may have a potential conflict with the interest of the Company.

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

There was no such instance of non-compliance during the last three years.

c. All mandatory requirements have been appropriately complied with and the non-mandatory requirements are dealt with at the end of the report.

d. Disclosure of commodity price risk and commodity hedging activities

Lead and Lead Alloys are the primary materials consumed in the manufacture of batteries representing more than 70% of total material consumption by value.

The Company procures about 30% of its Lead and Lead Alloys requirement through imports or import parity pricing based on prices quoted on London Metal Exchange (LME). Balance 70% of its Lead and Lead Alloys are procured from Local Smelters, including its own Smelters, prices of which are influenced by demand/supply situation as well as LME price movement.

At times, prices of Lead and Lead Alloys become volatile due to sudden changes in demand/supply situation as well as LME price movement due to international forces. The Company procures Lead and Lead Alloys mostly at current pricing or on LME averages and there is no long-term contract for pricing.

About 30% of Company's business with OEMs as well as institutional customers are having "Lead price variation clause" (Lead price denominated pricing). Hence, this portion of the business is protected from Lead price volatility. Balance 70% of Company's business to retail customers are exposed to lead price volatility as prices are determined by market forces. However, increasing usage of recycled lead, replacing consumption of pure lead, which is cheaper than pure lead and not directly exposed to LME price movement, to some extent reduces the risk of Lead price volatility.

Exposure to currency fluctuations and its impact on Company's business is significant since about 30% of Lead and Lead Alloys procurement is based on "import parity price." Moreover, there are imports of few other materials as well as most of the capital goods (machineries).

While exposure to currency fluctuation on Lead and Lead alloy cost is to some extent mitigated as stated above, exposure on account of other imports remains. However, Exports, which constitutes about 5% of Company's business, acts as an automatic hedge against risks resulting from currency fluctuation.

As a policy, the Company does not enter into Commodity hedging. Accordingly, as on the date of reporting, there was no open position held by the Company on Commodity futures or options. Same principle applies in case of currency also. Very few "forward covers" are taken, at times, against import liabilities when situation warrants. As at end of March'18 there was no "forward cover contract" which remained open, for foreign currency liability.

e. The disclosures on corporate governance as required under Regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 have been adhered and complied with.

MEANS OF COMMUNICATION

A. Quarterly results and Audited Financial Results are generally published in following Newspapers:

Business Standard
The Economic Times
The Telegraph
The Times of India
Hindu Business Line
Ananda Bazar Patrika
The Mint
Eishamay

B. The Company's website at www.exideindustries.com is regularly updated with financial results.

C. Whether MD & A is a part of Annual Report : Yes

D. Whether Official news Releases and Presentations made to Institutional Investors/Analysts are posted on the website of the Company : Yes

GENERAL SHAREHOLDER INFORMATION

1. The 71st Annual General Meeting is proposed to be held for the financial year: 1st April 2017 to 31st March 2018.

2. The Company has furnished information, as required under Regulation 36 of SEBI (Listing Obligations & Disclosure

Requirements) Regulations, 2015, relating to appointment of new directors and re-appointment of retiring directors. Shareholders may kindly refer to the Notice convening the 71st Annual General Meeting of the Company. The name of other companies in which the directors appointed/ re-appointed holds directorship and the membership of committees of the board are also given in the annexure to the Notice convening the 71st Annual General Meeting.

3. Annual General Meeting for the financial year 2017-18

Date	2nd August, 2018
Venue	Kala Mandir, 48 Shakespeare Sarani, Kolkata – 700 017
Time	10.30 AM
Dates of Book Closure for Final Dividend	27.07.2018 to 02.08.2018
Last Date of receipt of Proxy Forms	31st July, 2018 (10.30 AM)

Unclaimed Dividend

Section 124 of the Companies Act, 2013 mandates that companies transfer dividend that has been unclaimed for a period of seven (7) years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned as follows, if unclaimed within a period of seven years, will be transferred to IEPF:

Details of Unclaimed Dividend as on 31.03.2018

Year	Type	Account No	Date of Declaration	Due Date for transfer to IEPF
2011	Final	704718	21-Jul-11	26-Aug-18
2012	Interim	00142220002179	20-Oct-11	25-Nov-18
2012	Final	704784	17-Jul-12	27-Aug-19
2013	Interim	00142220002464	19-Oct-12	24-Nov-19
2013	Final	704862	16-Jul-13	21-Aug-20
2014	Interim	33105176380	23-Oct-13	29-Nov-20
2014	Final	50200006512872	22-Jul-14	28-Aug-21
2015	Interim	704922	21-Jul-14	21-Aug-21
2015	Final	50200013542151	31-Jul-15	06-Sept-22
2016	Interim	50200015464528	28-Oct-15	04-Dec-22
2016	Final	50200020247750	19-Jul-16	25-Aug-23
2017	Interim	705017	26-Oct-16	02-Dec-23
2017	Final	50200025616737	27-Jul-17	01-Sept-24
2018	Interim	50200027732367	25-Oct-17	30-Nov-24

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 27th July, 2017 (date of last Annual General Meeting) on the Company's website <http://www.exideindustries.com/investors/unclaimed-dividends.aspx> and on the website of Ministry of Corporate Affairs.

4. Tentative financial calendar for 2018-2019

First Quarterly Results	August, 2018
Second Quarterly/Half Yearly Results	November, 2018
Third Quarterly Results	January, 2019
Annual Results for the year ending on 31st March, 2019	April 2019
Annual General Meeting for the year ending on 31st March, 2019	July/August 2019

5. Dividend Payment Date

During the financial year 2017-18, the Company paid an interim dividend @ Rs 1.60 per equity share to its shareholders.

The final dividend @ Re. 0.80 per equity share as recommended by the board at its meeting held on 7th May, 2018 for the year ended 31st March, 2018, if approved by the shareholders at the ensuing Annual General Meeting to be held on 2nd August, 2018, will be paid within 30 days from the date of the Annual General Meeting.

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund

During the year, pursuant to Section 124 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred 34,58,598 equity shares to the DEMAT Account of IEPF authority maintained with NSDL in respect of which dividend had remained unclaimed/unpaid for a consecutive period of seven years. The process of claiming unpaid/unclaimed dividend and/or shares transferred by the Company to IEPF is provided in the notes of the Notice of 71st Annual General Meeting of the Company and is also available at <http://www.exideindustries.com/investors/unclaimed-dividends.aspx>

6. Listing of Equity Shares on Stock Exchanges and Stock Code/Symbol

ISIN: INE302A01020

The Equity Shares of the Company are presently listed on the following Stock Exchanges:

Name and Address of the Stock Exchange	Stock Code	Symbol
The Calcutta Stock Exchange Limited (CSE) 7 Lyons Range, Kolkata - 700 001	15060 & 10015060	-
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	500086	-
National Stock Exchange of India Limited (NSE) Exchange Plaza, 5th Floor, Plot no. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	-	EXIDEIND

The listing fees for the Financial Year 2018-19 has been paid to the above Stock Exchanges.

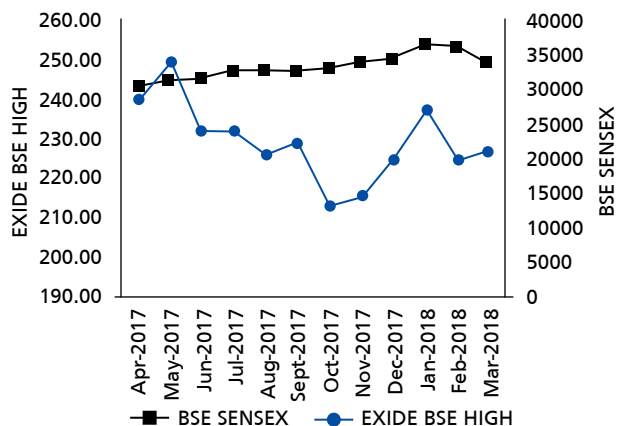
7. Stock Market price date for the year on BSE, NSE & CSE

Month	BSE(#)		NSE(#)		CSE*	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2017	240.55	223.80	240.55	223.50	*	*
May 2017	249.70	219.90	250.00	219.20	*	*
June 2017	231.95	208.85	232.40	208.75	*	*
July 2017	231.95	213.00	232.00	212.50	*	*
August 2017	225.95	194.85	225.95	194.70	*	*
September 2017	229.00	197.00	228.40	197.00	*	*
October 2017	213.20	198.25	213.25	197.80	*	*
November 2017	214.65	195.30	214.80	195.10	*	*
December 2017	224.40	200.25	224.65	200.10	*	*
January 2018	237.05	214.20	237.20	214.15	*	*
February 2018	224.20	192.85	225.75	192.40	*	*
March 2018	226.80	202.50	225.75	202.45	*	*

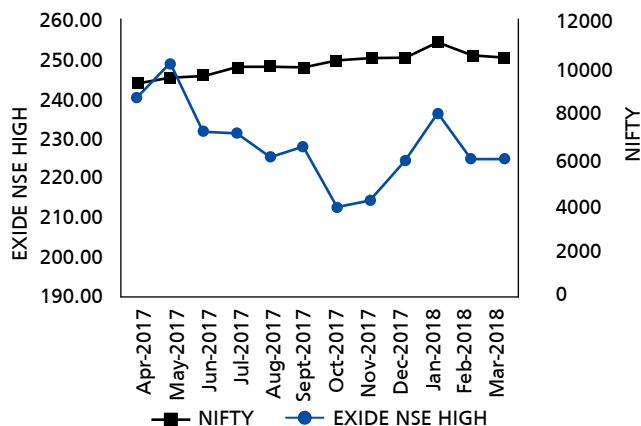
(#) Source BSE and NSE web-site

* No trading on the exchange

8.(a) Performance of Exide Share Price in comparison to BSE Sensex



(b) Performance of Exide Share Price in comparison to NIFTY



9. Registrar and Transfer Agent

The Company has engaged the services of C B Management Services (P) Ltd, P-22 Bondel Road, Kolkata- 700 019, a SEBI registered body as its Registrar and Share Transfer Agent for processing transfers, sub-division, consolidation, etc. Since trading in Company's shares can now be done only in the dematerialised form, request for demat and remat should be sent directly to the Registrar through concerned depository participants. The Company has made arrangements for dematerialisation of its share currently held in physical form with National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL).

10. Share Transfer System

As stated above, the Company's shares are compulsorily traded in demat mode on the stock exchanges. The shareholders are therefore requested to kindly note that physical documents, viz. Demat Request Forms (DRF) and share certificates, etc. should be sent by their Depository Participants (DP's) directly to the Share Transfer Agents. Any delay on the part of the DP's to send the DRF and the share certificates beyond 15 days from the date of generation of the DRN by the DP will be rejected/cancelled. This is being done to ensure that no demat requests remain pending with the Share Transfer Agent beyond a period of 15 days. Shareholders should, therefore, ensure that their DP's do not delay in sending the DRF and share certificates to the Share Transfer Agent after generating the DRN.

Request for transfer of shares held in physical form can be lodged with C B Management Services (P) Ltd. Share

transfer processed and share certificate duly endorsed are issued within 30 days of the date of lodgment subject to documents being valid and complete in all respects. The decisions of the committee are placed at the next board meeting. The Company obtains from a Company Secretary in practice, a half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the said certificate with stock exchanges.

11. Nomination Facility

Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital & Debentures) Rules, 2014, nomination facility is available to the shareholders. This facility is mainly useful for shareholders holding the shares in single name. In cases where the shares are held in joint names, the nomination will be effective only in the event of death of all the joint holders.

Investors are advised to avail of this facility, especially those holding securities in single name, to avoid the expensive and long drawn process of transmission by law.

Investors holding shares in physical form may obtain nomination form (Form SH-13) from the Registrar and Share Transfer Agent of the Company. However, if the shares are held in dematerialised form, the nomination has to be intimated to your depository participants directly, as per the format prescribed by them.

12. Share Transfer Record

Month	No. of Transfer	No. of shares processed
April, 2017	3	5,143
May, 2017	1	4,040
June, 2017	5	8,772
July, 2017	3	920
August, 2017	NIL	NIL
September, 2017	1	11,860
October, 2017	2	5,240
November, 2017	1	500
December, 2017	3	407
January, 2018	2	2,041
February, 2018	6	3,169
March, 2018	3	878

13. Distribution of Shareholding as on 31.03.2018

Range	Shares		Shareholders	
	No. of shares of face value Re.1/- each	% of total shares	Total no. of holders	% of Total holders
1-5000	3,67,72,806	4.33	1,25,606	97.22
5001-10000	1,33,65,843	1.57	1,888	1.46
10001-20000	1,20,99,844	1.42	869	0.67
20001-30000	67,07,476	0.79	278	0.21
30001-40000	45,18,676	0.53	129	0.10
40001-50000	35,27,797	0.42	78	0.06
50001-100000	80,60,752	0.95	113	0.09
100001 & above	76,49,46,806	89.99	232	0.19
Total	85,00,00,000	100.00	1,29,193	100.00

14. Shareholding pattern of the Company as on 31.03.2018:

Category	No. of shares	% of total issued shares
Promoter Holding	39,09,54,666	45.99
Foreign Institutional Investors	12,12,60,914	14.27
Non Resident Individual	38,36,184	0.45
Mutual Funds	12,15,00,291	14.29
Financial Institutions, Insurance Companies & Banks	4,38,38,930	5.16
Public	9,64,66,050	11.35
Bodies Corporate	6,81,66,173	8.02
Directors & their relatives	5,18,194	0.06
Investor Education and Protection Fund	34,58,598	0.41
Total	85,00,00,000	100.00

15. Dematerialisation of Shares and Liquidity

Exide shares are tradable compulsorily in the electronic form. We have established connectivity with both depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to our shares under the Depository system is INE302A01020.

As on 31st March, 2018, 98.61% of the Company's total shares representing 83,82,19,455 shares are held in dematerialised form and 1.39% representing 1,17,80,545 shares are in physical form.

Category	Number		% to total equity
	Shareholders	Shares	
Demat Mode			
NSDL	78,400	81,67,51,764	96.09
CDSL	46,005	2,14,67,691	2.52
Total	1,24,405	83,82,19,455	98.61
Physical Mode	4,788	1,17,80,545	1.39
Grand Total	1,29,193	85,00,00,000	100.00

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

The Company has not issued any GDRs, ADRs, Warrants or any other convertible instruments.

17. Cost Audit

Name of the Cost Auditor: Shome & Banerjee
Cost Accountants
5A, Nurulla Doctor Lane
(West Range)
2nd Floor, Kolkata-700 017
Regn No.: 000001

Actual date of filing the
Cost Audit Report
For 2016-17 : 22nd August, 2017

18. Commodity Price risk or Foreign Exchange risk and Hedging activities

The same has already been explained under the heading 'Disclosures' in this report.

19. Plant Locations

State	Address
West Bengal	91 New Chord Road, Authpur, Shamnagar, 24 Parganas (N)- 743 128
West Bengal	Durgachak, Haldia, Dist Midnapore (E), West Bengal- 721 602
Haryana	Plot No. 179, Sector 3, HSIIDC Growth Centre, Bawal- 123 501
Maharashtra	D2, MIDC Industrial Estate, Chinchwad East, Pune- 411 019
Maharashtra	Plot No. T-17 MIDC Taloja Industrial Area, Taloja- 410 208
Maharashtra	E-5, MIDC, Nagpur Taluka, Ahmednagar - 414 111
Tamil Nadu	Chichurakanapalli, Sevaganapalli Panchayat, Hosur Taluk, Dist Krishnagiri - 635 103
Uttarakhand	Khasra No. - 275, Lakeshwari Industrial Area, Bhagwanpur, Roorkee, Dist-Haridwar - 247 661
Uttarakhand	Plot No. 31, Sector 8A, Integrated Industrial Estate, Ranipur, Haridwar - 249 403

20. Address for Correspondence

The Company's registered office is situated at Exide House, 59E, Chowringhee Road, Kolkata- 700 020.

All Shareholders' correspondence should be addressed to:

- (a) Share Department, Exide Industries Limited
Exide House, 59E Chowringhee Road,
Kolkata- 700 020.

Contact Person:

Mr. Jitendra Kumar

Company Secretary and Compliance Officer

Tel Nos. : [033] 23023400/ 22832118/2150/2171

Fax No. : [033] 2283 2637

Email : Jitendrak@exide.co.in

- (b) C B Management Service (P) Ltd,
P-22 Bondel Road, Kolkata- 700 019

Contact Person:

Mr. Amit Banerjee,

GM- Operations

Tel No. : [033] 4011 6700/6725/6729/6742

Fax No. : [033] 40116739

Email : rta@cbmsl.com

- (c) For investor grievances, shareholders may send an email to
cosec@exide.co.in

Status as regards adoption/non adoption of discretionary requirements laid down in Part E of Schedule II of Regulation 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming part of the Report on Corporate Governance

Particulars	Status
The Board A non-executive Chairperson may be entitled to maintain a Chairperson's office at the expense of the Company and also allowed reimbursement of expenses incurred in performance of his duties.	Not Adopted
Shareholders Rights A half-yearly declaration of financial performance including summary of the significant events in the last six months, may be sent to each household of shareholders.	Not Adopted
Modified opinion (s) in audit report Company may move towards a regime of financial statements with unmodified audit opinion.	Company's financial statements have unmodified audit opinion
Separate posts of Chairperson and CEO The Company may appoint separate persons to the post of Chairperson and Managing Director/CEO.	Adopted
Reporting of Internal Auditor The Internal auditor may report directly to the Audit Committee.	Not Adopted

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance by the Company is annexed with the Directors' Report.