




Touching lives with portable energy and lighting solutions

Eveready Industries India Ltd.



A legacy is not created in a day. It takes vision, continuous hard work, firm dedication and consistent quality focus to build a brand that inspires people, improves quality of life and creates long-term value for all stakeholders.

**Mr. B. M. Khaitan, Chairman,
EVEREADY INDUSTRIES INDIA LTD.**

What's coming up?

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Corporate Information

BOARD OF DIRECTORS

(as on date of Report)

Mr. B. M. Khaitan

Chairman (Non-Executive)

Mr. D. Khaitan

Vice Chairman (Non-Executive)

Mr. Amritanshu Khaitan

Managing Director

Mr. S. Saha

Wholetime Director

Mr. S. R. Dasgupta

Non-Executive Director

Mr. S. Goenka

Non-Executive Director

Mr. A. Khaitan

Non-Executive Director

Mrs. R. Nirula

Non-Executive Director

Mr. P. H. Ravikumar

Non-Executive Director

Mr. S. Sarkar

Non-Executive Director

BOARD COMMITTEES

Audit Committee

Mr. P. H. Ravikumar, Chairman

Mr. S. R. Dasgupta

Mrs. R. Nirula

Mr. S. Sarkar

Nomination & Remuneration Committee

Mr. P. H. Ravikumar, Chairman

Mr. S. R. Dasgupta

Mr. S. Goenka

Stakeholders Relationship Committee

Mr. S. R. Dasgupta, Chairman

Mr. S. Saha

Corporate Social Responsibility Committee

Mr. P. H. Ravikumar, Chairman

Mr. Amritanshu Khaitan

Mr. S. Saha

Sr. General Manager Legal & Company Secretary

Mrs. Tehnaz Punwani

Auditors

Deloitte Haskins & Sells

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STRENGTHENING A CENTURY-OLD LEGACY

When does a brand become more than just a brand?

How does enduring customer trust help create a timeless legacy?

And when does an organisation turn into an institution of consistent value creation across generations?

Vision

Our vision is to improve the quality of life of people through cutting-edge portable energy and lighting solutions and to strengthen the timeless appeal of our brand.

These aren't easy questions. However, if a single brand has been the part and parcel of everyday lives of millions of Indians from all sections of society for over a hundred years, then perhaps the answers are not difficult to find.

Across the length and breadth of India, transcending geographic, generational, linguistic and cultural barriers, Eveready remains one of India's most preferred brands.

While Eveready's portable energy and lighting solutions touch life and bring hope to millions, the brand continues to retain and strengthen its timeless appeal.

World of Eveready

At Eveready, we had an eventful and rewarding journey for the last hundred years and more. We started marketing our products in India since 1905, got incorporated as a company in 1934 and became a part of Williamson Magor Group in 1993.

Despite business challenges and economic crests and troughs, our brand has grown from strength to strength.

The legacy lives on...

WILLIAMSON MAGOR GROUP

Founded in 1869, the Williamson Magor Group pioneered India's tea industry. Over the years, the Group gradually progressed to become the world's largest tea producer (McLeod Russel India Limited) and diversified into consumer goods, engineering and construction, emerging as a multi-business enterprise with a turnover of ₹ 5,000+ crores.

BUSINESS VERTICALS



Batteries



Flashlights



Lighting and Electricals



Packet Tea

OPERATING PRACTICES

Driven by best-in-class operating standards, we never compromise on quality and environmental best practices.

CONSISTENT R&D

Our R&D facility is approved by Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology, Government of India.

We have an NABL accredited computerised testing facility to check lifecycle and capacity of primary and rechargeable batteries. In addition, we have a world-class design and testing facility for flashlights, CFL bulbs, LEDs and rechargeable products.

PAN-INDIA REACH



SALES OFFICES

- | | | |
|---------------|-------------|-----------|
| + Ahmedabad | + Delhi | + Kolkata |
| + Bengaluru | + Guwahati | + Lucknow |
| + Bhubaneswar | + Hyderabad | + Noida |
| + Chennai | + Indore | + Mumbai |
| + Cochin | + Jaipur | + Patna |



MANUFACTURING LOCATIONS

- | | |
|-----------|---------------|
| + Chennai | + Noida |
| + Kolkata | + Maddur |
| + Lucknow | + Uttaranchal |

Enjoys over **50%** market share in **2.5 billion** pieces (volume) Indian battery market

Enjoys over **75%** market share in the **35 million** pieces (volume) Indian organised flashlights market

DISTRIBUTION NETWORK

We have a pan-India distribution network. Our unique distribution strength lies in our ability to access and service rural India.



15 sales branch offices



44 distribution centres



4,000+ distributor network



1000+ van servicing retailers



3.2+ million outlets have Eveready's products



1+ million outlets serviced directly by the Company's network

Message from Managing Director

Dear Shareholders,

While the global economy makes a slow and gradual progress towards recovery, India saw a second consecutive year of sub-5% growth during the year. This manifested itself in persistent inflation, high fiscal deficit, and low investments both by the Government and the corporate sector — particularly in the infrastructure sector. There is growing optimism in the country that the new dispensation at the Centre will revive growth — and RBI will strengthen the monetary regime. If such optimism indeed translates to reality, one of the first sectors to immediately benefit from it will be the consumer goods sector. Eveready being part of the sector stands to gain from this.

Eveready continues to be the trusted pan-India brand for portable energy and lighting solutions. Despite the overall economy being dull, your Company recorded significant improvements. Total revenue was at ₹ 1,153 crores (₹ 1,035 crores in FY 2012-13) — thus a growth of 11%. In the backdrop of a sharp depreciating currency, the Company was able to grow its operating profits from ₹ 66 crores in FY 2012-13 to ₹ 91 crores in the current year. PBT for the current year was at ₹ 16.5 crores as against a loss of ₹ 0.8 crores in FY 2012-13. The EBITDA margin expansion from 6.4% to 7.9% took place due to consistent price increases in our core categories and cost conservation. The flow-through of the increased profits resulted in reduction of the Company's debt by ₹ 51 crores. This will reflect positively in interest cost reduction in the following years.

In the battery segment, the D size batteries continued to degrow, albeit at a slower rate while new age segment of AAA showed high double digit growth. The main AA segment remained stable. The Company took two rounds of price increase to offset the steep cost push, thereby not only protecting but improving margins in the segment. Outlook for FY 2014-15 remains stable for this segment due to proliferation of battery operated gadgets. Efforts will be on for margin improvement in the segment.

Eveready has been one of the first movers in LED torches, and caters to the widest customer and product segments in the Indian flashlight market. The segment faced slowdown due to down trading by Indian consumers in the year under review. However, the Company was able to maintain its volume and profitability in this segment. The Company is introducing new



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models of flashlights and lanterns to enhance its product offering. I believe it will help the Company to gain market share.

Your Company has forayed into the business of electrical solutions, leveraging its core competencies and brand recall. In the year under review, the segment grew by 40% over the previous year. Efforts are on to achieve additional growth from a wide variety of lighting and electrical solutions in urban and rural areas. This segment is poised to grow at a CAGR of 15-20% in the next three years. This, coupled with synergies of existing traditional distribution network and ongoing work to invest in new electrical outlets and modern-format retail stores, will help the Company to achieve the desired growth in the segment.

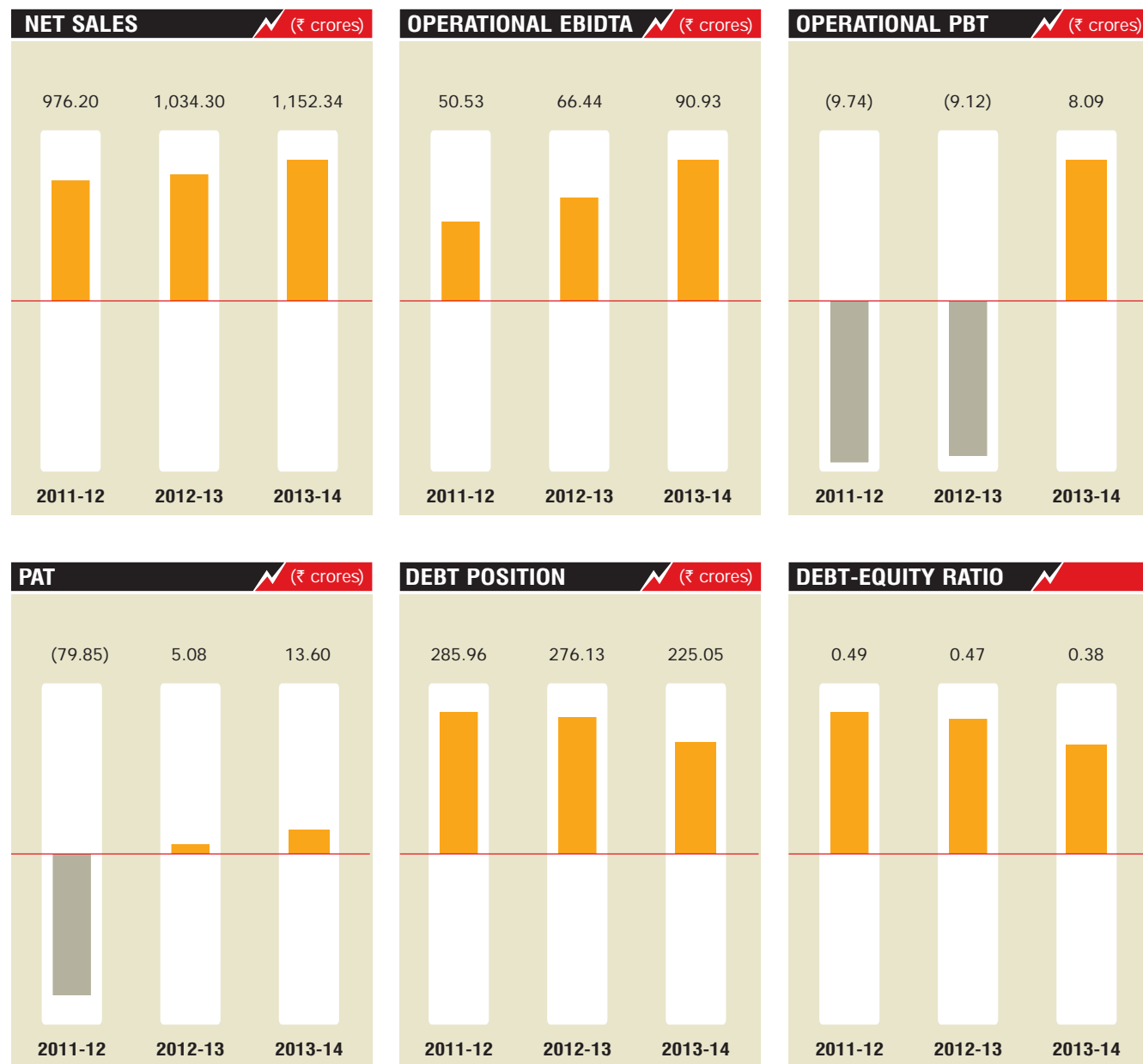
India's per capita consumption of portable energy and lighting solutions is low by global standards. There is certainly headroom for growth, as the economy gathers greater momentum and lifts income levels and consumption. Besides, increasing urbanisation, changing lifestyles and greater need for convenience are expected to bolster demand for our products.

I am grateful to the entire Eveready Team for their dedication and hard work. I am also thankful to our shareholders, customers and business partners for reposing their trust in our vision and strategies.

With warm regards,

Amritanshu Khaitan
Managing Director

Financial Performance



Solutions that Enrich Life



BATTERIES

- ✦ Undisputed market leader, commanding over 50% of India's market share
- ✦ Second largest producer of carbon zinc batteries globally, with an offtake of over 1.3 billion batteries annually
- ✦ Enjoys one of the highest brand recall and widest product portfolio in India's portable battery industry



FLASHLIGHTS

- + Holds 3/4th of India's organised flashlights market
- + Reputed for offering a wide product range in terms of quality, price range, shapes, sizes, colours and value-for-money models
- + Caters to the lighting needs of urban and rural India
- + Early movers into LED torches, introducing customers to digiLED technology torches

