



## Board of Directors

Mr. T. R. Swaminathan, **Chairman**

Mr. R. S. Jhawar

Mr. S. L. Mundra

Mr. Supriya C. Mukherjee

Mr. F. J. Guzdar, **Whole-Time Director**

## Bankers

Bank of India

HDFC Bank

## Solicitors

Govind Desai Associates, Mumbai

## Auditors

Messrs B. K. Khare & Co.  
Mumbai

## Registered Office

103, Rustom Court Building,  
Opp. Podar Hospital,  
Dr. Annie Besant Road,  
Worli, Mumbai 400 030.

## Registrar & Share Transfer Agents

M/s Sharepro Services (India) Private Ltd.

Sahimita Warehousing Complex,  
13 AB 2nd Floor, Gala No. 53,  
Andheri (E), Mumbai 400 072  
Tel No. : (022) 6772 0400, 6772 0300  
Fax No. : (022) 2859 1568

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**NOTICE OF ANNUAL GENERAL MEETING:**

Notice is hereby given that Sixty Fourth Annual General Meeting of the Company will be held as scheduled below.

Day : Friday  
 Date : 5th August, 2011  
 Time : 3.00 PM.  
 Venue : Offers Club, Carter Road, Bandra (W),  
 Mumbai – 400 050

The Agenda for the meeting will be as under:

**ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Statement of Accounts for the financial year ended 31st March, 2011 and report of the Directors and Auditors thereon.
- 2) To elect a Director in the place of Mr. R. S. Jhawar who retires by rotation and being eligible, offers himself for re-election.
- 3) To consider and, if thought fit to pass, with or without modification, the following resolution as a special resolution  
 "RESOLVED THAT Messrs. B. K. Khare & Company, Chartered Accountants, Mumbai be and are hereby appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors and they be paid in addition, out of pocket and / or traveling expenses that they may incur in carrying out their duties.

**SPECIAL BUSINESS:**

- 4) To consider and, if thought fit, to pass, with or without modification the following an ordinary resolution.  
 "RESOLVED THAT pursuant the provisions of Sections 269, 309, 311 and other applicable provisions of the Companies Act, 1956 the Company hereby approves the appointment of Mr. F. J. Guzdar as a Whole-Time Director of the Company for a period of one year from 01.04.2011 to 31.03.2012 on the remuneration set out in the draft agreement to be executed between the Company and Mr. F. J. Guzdar placed before this meeting and initialed by the Chairman for the purpose of the identification."

By order of the Board of Directors

Registered Office:  
 103, Rustom Court,  
 Opp. Podar Hospital,  
 Dr. Annie Besant Road  
 Worli, Mumbai – 400 030.

F.J.GUZDAR  
 DIRECTOR,

Dated:- 30th May, 2011

**Notes:-**

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

- 2) An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business to be transacted at the meeting as set out above is annexed hereto and forms part of the Notice.
- 3) The Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are also annexed.
- 4) The register of members and shares transfer books of the Company will remain closed from 28th July, 2011 to 5th August, 2011 (both days inclusive).
- 5) Members are requested to bring their copies of the Annual Report to the meeting.

**ANNEXURE TO THE NOTICE:****Item No.4:**

Mr. F. J. Guzdar was re-appointed as a Wholetime Director of the Company for a period up to 31.03.2012 from 01.04.2011 by the Board of Directors on 14.02.2011 to comply with provision of Section 269 of the Act. The remuneration payable to Mr. F. J. Guzdar and other terms of employment are set out in the draft agreement to be entered into between the Company and Mr. F. J. Guzdar, keeping in view the provisions of Sections 269, 309, 311 & Schedule XIII of the Act. His appointment and the remuneration payable to him are subject to the approval of shareholders of the Company at the general meeting.

The general terms of the draft agreement between the Company and Mr. F. J. Guzdar referred to in resolution in item no.4 of the notice are as under.

**A. REMUNERATION:**

Salary of Rs. 60,000/- per month.

**B. COMMISSION:**

1% commission on the net profit of the Company, subject to a ceiling of 50% of the salary or Rs.120,000/ per annum whichever is less.

**C. BENEFITS, PERQUISITS AND ALLOWANCES :****Category A**

1. Housing:
 

Housing - I)	The expenditure by the Company on hiring furnished accommodation will be subject to the ceiling of sixty percent of the salary.
Housing - II)	In case the accommodation is owned by the Company, ten percent of the salary of Mr. F.J. Guzdar shall be deducted by the Company.
Housing - III)	In case no accommodation is provided by the Company, Mr. F. J. Guzdar shall be entitled to House Rent Allowance subject to the ceiling laid down in Housing - I.

2. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962, subject to a ceiling of 10% of the salary.
3. Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
4. Leave Travel Concession: For self and family once in a year incurred in accordance with the rules specified by the Company.
5. Club Fees: Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
6. Personal Accident Insurance: Premium not to exceed Rs.60,000/- per annum.
7. Contribution to Deferred Annuity @ 15% of the Salary.

Explanation: For the purpose of the category A, "Family" means the spouse, the dependent children and dependent parents of Mr. F. J. Guzdar.

#### Category B

1. Contribution to deferred Annuity will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income- Tax act.
2. The Company shall not be liable to pay contribution to Provident Fund and Gratuity.

Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

#### Category C

1. Provision of Company maintained car with driver for use on Company's business and telephone at residence will not be considered as perquisites.  
The maximum ceiling on perquisites under category A will be restricted to an amount equivalent to the annual Salary or Rs. 720,000/- per annum, whichever is less.
- D. Mr. F. J. Guzdar is also entitled for privilege leave of one month for every eleven months of service.
- E. Mr. F. J. Guzdar shall also be entitled to attend the meeting of the Board of Directors or any committee thereof from the date of appointment but no sitting fees shall be paid to him.

- F. Mr. F. J. Guzdar shall be paid the aforesaid remuneration by way of salary and perquisites (except commission) as aforesaid, as minimum remuneration, notwithstanding that in any financial year of the Company during the aforesaid period, the Company has made no profit or the profits are inadequate.
- G. Mr. F. J. Guzdar shall be entitled to reimbursement of entertainment expenses actually and properly incurred for the business of the Company.
- H. a) Mr. F. J. Guzdar shall be entitled to first class air or train fare, whichever is convenient and expeditious to the Company and shall be entitled to all expenses incurred by him during such travel within India for the business of Company.  
b) In the event of his having travelled outside the Indian Union on behalf of The Company or on Company's business he shall be entitled to all expenses incurred by him during such travels and first class return air passage

A copy of the draft agreement between the Company and Mr. F. J. Guzdar referred to at Item No. 5 of the notice will be open for inspection by members between 11.00 a.m. and 3.00 p.m. on any working day of the Company, at its Registered Office.

Mr. F. J. Guzdar has over 46 years of experience in the field of finance. He has worked with the Company as Vice President (Finance) from 1989 and as Vice President (Corporate) since 1997. He has also already served the Company as a Whole-Time Director from 1.10.1998 to 31.03.2011. Your Directors feel that the Company would immensely benefit from the aforesaid wide and varied experience possessed by Mr. F. J. Guzdar. Your Board accordingly recommends his-re-appointment.

None of the Directors except Mr. F. J. Guzdar is interested in the resolution at Item Nos.5 of the notice since they relate to his own appointment.

The Explanatory Statement together with the accompanying Notice should be treated as an abstract under Section 302.

By order of the Board of Directors

Registered Office:  
103, Rustom Court,  
Opp. Podar Hospital,  
Dr. Annie Besant Road,  
Worli, Mumbai – 400 030.

F.J.GUZDAR  
DIRECTOR

Dated:- 30th May, 2011.

**Details of the Directors seeking re-appointment at the Annual General Meeting**

Particulars	Mr. R. S. Jhawar	Mr. F. J. Guzdar
Date of Birth	7th November, 1938	5th December, 1937
Date of Appointment	3rd September, 1999	1st October, 1998
Expertise in specific area	During his long career of over 49 years Mr. Jhawar has acquired considerable experience and expertise in financial and other aspects of Corporate Management in diverse fields by virtue of holding senior positions in Finance and in General Management. He has rich experience in Tea and Non-Banking Finance Companies. He was the Chairman of Indian Tea Association for two consecutive terms and was also the Vice Chairman of the Tea Board.	Finance and Administration
Directorship held in other public Companies (excluding Foreign Companies And Section 25 Companies)	Listed Companies: Williamson Magor & Co. Limited Williamson Financial Services Limited Asian Hotels (East) Limited Unlisted Companies: Metals Centre Limited Dufflaghur Investments Limited Queens Park Property Co. Limited Cosepa Fiscal Industries Limited	NIL
Memberships/ Chairmanships of other Public Companies (includes only Audit and Shareholders'/ Investors' Grievance Committees)	Member of Audit Committee and Remuneration Committee of Williamson Financial Services Limited Chairman of Shareholders' Grievance Committee of Williamson Financial Services Limited. Member of Remuneration Committee of The Standard Batteries Limited Member of Audit Committee and Shareholders' Grievance Committee of Asian Hotels (East) Limited	NIL
Number of shares held	NIL	1165

\* Chairman of the Committee

## DIRECTORS' REPORT

To the members of  
THE STANDARD BATTERIES LIMITED

### 64th ANNUAL REPORT

Your Directors are pleased to present herewith the 64th Annual Report of the Company consisting of the Audited Accounts for the financial year 31st March, 2011 together with the Directors' Report and Auditors' Report thereon.

### FINANCIAL RESULTS

	(Rs. in 000)	
	2010-11	2009-10
Sales & Service	2600	1537
Other Income	9340	6205
	11940	7742
Less : Expenses	7319	7367
Profit & (loss) before taxation	4621	375
Provision for taxation (Fringe Benefit Tax)	—	—
Prior Period expenses	—	(2628)
Extraordinary Item [ Net ]	—	12096
Profit (loss) for the year	4621	9843
ss): Balance in Profit & Loss Account b/f	(112537)	(122380)
Less: General Reserve	39804	39804
Balance of Profit/(Loss) carried to Balance Sheet	(68112)	(72733)

### DIVIDEND:

Your Directors regret their inability to recommend any Dividend for the year under review.

### ANALYSIS OF RESULTS 2010-11:

Turnover during the year under review amounted to Rs.26.00 lakhs and the profit after extraordinary item is Rs.46.21 lakhs.

### CHANGE IN THE FACE VALUE OF EQUITY SHARES.

Members at the 63rd Annual General Meeting approved the conversion of Two equity shares of Rs.0.50 Paise into One Equity share of Rs.1.00 each and accordingly, the Company intimated the Registrar of Companies, Maharashtra, Mumbai and all three Stock Exchanges where the Company's shares are listed. The Company has received approval from Stock Exchanges.

### CHANGE IN OBJECT CLAUSE OF THE COMPANY:

Members by Postal Ballot approved addition of new Objects allowing the Company to commence financing business. Result of which has been declared on 13th April, 2011 and the Company has filed the Form 23 with altered Objects Clause with the Office of Registrar of Companies, Maharashtra, Mumbai and also informed the Stock Exchanges where the Company's shares are listed. The

Company has received approval from Registrar of Companies, Maharashtra, Mumbai for alteration of Object Clause. Necessary application will be made to Reserve Bank of India for Registering the Company as a NBFC company.

### LABOUR OUTSTANDING / DISPUTE:

As mentioned in the Director's Report last year a majority of workmen have collected their dues as per Memorandum of settlement dated 23-10-2000 and the remaining (76 workmen) are yet to collect their balance dues.

### DIRECTORS:

In terms of Article 149 to 151 of Article of Association of the Company, Mr. R. S. Jhawar retires by rotation but being eligible, offer himself for re-election

Mr. F. J. Guzdar has been re-appointed by the Board of Directors as a Whole-time Director for a further period of one year w.e.f 1st April 2011 subject to approval of shareholders of the Company at the ensuing Annual General Meeting.

### DEPOSITS:

The Company has not accepted any public deposit during the financial year and, as such, has no outstanding as on 31.03.2011.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS:

Since the Company has sold its Industrial undertakings to Exide Industries Ltd., effective February 1998, the above particulars are no more relevant.

### PARTICULARS OF EMPLOYEES:

No employee is covered under the provision of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended and, as such, there is nil information to submit.

### AUDITORS:

M/s. B. K. Khare & Co., Chartered Accountants, Mumbai, the existing Auditors of the Company retire at the forthcoming Annual General Meeting and are eligible for re appointment.

As the Financial Institution, Nationalised Bank and General Insurance Companies hold more than 25% of the subscribed share capital of the Company, the appointment of M/s. B. K. Khare & Company as Auditors of the Company require the passing of a special resolution pursuant to Section 224A of the Companies Act, 1956 which will be proposed at the forthcoming Annual General Meeting.

### CORPORATE GOVERNANCE:

A separate report on corporate Governance is enclosed as a part of Annual Report of the Company. A certificate of practising company secretary regarding compliance of Corporate Governance as stipulated under Clause 49 of the listing agreement is annexed to the Report on Corporate Governance.

### SECRETARIAL COMPLIANCE CERTIFICATE:

Secretarial Compliance Certificate pursuant to section 383 A issued by M/s R. N. Shah & Associates, Company Secretaries is annexed herewith

## DIRECTORS' RESPONSIBILITY STATEMENT

Directors hereby confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the period;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

## AUDITOR'S OBSERVATIONS:

The observations of the Auditors are clarified in the appropriate notes to the Accounts.

## ACKNOWLEDGEMENTS:

The Directors wish to thank the Government of India and various State Government Authorities, Public Financial Institutions, the Bankers, Auditors and Solicitors of the Company for the guidance, advice and assistance rendered by them from time to time. The Directors also thank the shareholders for their continued support to the Company.

For and on behalf of the Board of Directors

R. S. Jhawar  
DIRECTOR

Mumbai,

Dated : 30th May, 2011.

## REPORT ON CORPORATE GOVERNANCE:

### CORPORATE GOVERNANCE PHILOSOPHY:

The Management of The Standard Batteries Ltd. have always believed that Corporate Governance is the process which will be useful for Directing and Managing the affairs of the Company with the ultimate objective of realising long term shareholder value whilst taking into account the interest of other stakeholders.

### 1. BOARD OF DIRECTORS

#### A. Composition.

The business of the Company is managed by the Whole-time Director subject to the superintendence and direction of the Board of Directors. The Composition of the Board of Directors of the Company is in conformity with the code of Corporate Governance under the Listing Agreement. Details of the Board of Directors of your Company as on 31.03.2011 are given below:

Sr. No.	Name of the Director	Executive/ Non-Executive/ Independent	No. of other Directorships held (excluding**)	Committee Membership #		Attendance	
				As Chairman	As Member	Board Meeting	Last AGM
1	Mr. T. R. Swaminathan	Non-Executive Chairman	3	4	2	3	NO
2	Mr. R. S. Jhawar	Non-Executive	7	1	4	4	YES
3	Mr. Supriya Mukherjee	Non-Executive	1	0	2	0	NO
4	Mr. F.J. Guzdar	Executive	0	0	0	5	YES
5	Mr.S.L.Mundra (LIC Nominee)	Non-Executive	0	0	0	5	YES

\*\* Foreign companies and companies under section 25 of the Companies Act, 1956 are not considered.

# Only three committees i.e. Audit committee, Shareholders/ Investors grievances committee and Remuneration Committee are considered for this purpose.

B. Five Board Meetings were held during the financial year 2010-2011. They were held on 21.06.2010, 30.07.2010, 24.09.2010, 06.12.2010 & 14.02.2011.

### 2. Audit Committee:

#### A. Composition:

The Audit Committee consist of

1. Mr. T. R. Swaminathan - Chairman
2. Mr. F.J. Guzdar – Whole time Director
3. Mr. S. L. Mundra (LIC Nominee)

The Audit Committee has been reconstituted on 14.02.2011 and Mr. R. S. Jhawar has been appointed member of the Committee in addition to the existing members.

### B. Brief description of terms of reference.

The broad terms of reference of the Audit Committee are as under:

- To investigate any activity within its terms of reference.
- To seek information from any employee
- To obtain outside legal or other professional advices.
- To seek attendance of outsiders with relevant expertise, if considered necessary.
- Review of Company's financial reporting process.
- Review of half yearly and annual financial statement, before submission to the Board.
- Review with External Auditors, on areas of concern.
- Review the adequacy of internal control systems.
- To review whistle blower policy & code of ethics and conducts.

Date of Audit Committee Meetings held and attended by the Members	T. R. Swaminathan	F. J. Guzdar	S. L. Mundra
21.06.2010	Present	Present	Present
30.07.2010	Present	Present	Present
24.09.2010	Absent	Present	Present
06.12.2010	Present	Present	Present
14.02.2011	Absent	Present	Present

### 3. REMUNERATION COMMITTEE:

#### A. Composition.

The Remuneration Committee comprises of independent Directors, R. S. JHAWAR – Chairman, Mr. S. L. MUNDRA and Mr. T. R. SWAMINATHAN, as member, with the following terms of reference:

- i) to determine and recommend to the Board of Directors the remuneration package of the Wholetime Director including periodical revisions therein,
- ii) to approve, in the event of loss or inadequate profits in any year, the minimum remuneration payable to the Wholetime Director within the limits and subject to the parameters prescribed in Schedule XIII to the Companies Act, 1956.
- iii) To recommend sitting fees / remuneration payable to the non-executive Directors.

One Meeting was held on 14th February, 2011 and Mr. R. S. Jhawar and Mr. S. L. Mundra were present in the Meeting.

**Stock option scheme:** The Company does not have any Employee Stock Option Scheme.



## B. Remuneration Policy.

The remuneration of the Wholetime Director is determined by the Board within the statutory limits on the basis of recommendation of the Remuneration Committee, subject to shareholders' approval and Central Government approvals, if required.

The Details of Remuneration paid to the Wholetime Director for the period ended 31st March, 2011 is as follows:

(Rs. in Lakhs)

Name of the Wholetime Director	Salary	Perquisites	Contribution to Retirement Funds	Total	Tenure as per service contract	Notice period
Mr. F.J.Guzdar	6.00	1.75	--	7.75	One year	3 months

The details of remuneration paid to Non-Executive Directors during the year are as follows:

(in Rs.)

Name of the Director	Sitting Fees paid for Board meetings	Sitting Fees paid for Audit Committee meetings	Sitting Fees paid for Remuneration Committee meeting.
Mr. T. R. Swaminathan	1500/-	1500/-	Nil
Mr. R. S. Jhawar	2000/-	Nil	500/-
Mr. Supriya Mukherjee	Nil	Nil	Nil
Mr. F. J. Guzdar	Nil	Nil	Nil
Mr. S.L. Mundra (LIC Nominee)	2500/-	2500/-	500/-

The agreement with the Wholetime Director is for a period of one year, notice period is of 3 months and Service Contract is from 1st April, 2011 to March, 2012.

## 4. Committee for the shareholders.

### SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE

The shareholders' and investors' grievance committee comprises of

Mr. T.R.Swaminathan

Mr. F.J.Guzdar

Mr. F. J. Guzdar, Whole-time Director is the Compliance Officer.

The Committee looks into redressal of investor's grievances, various matters relating to the transfer and transmission of shares, issue of duplicate share certificates, approving of split and consolidation requests non-receipt of annual report, and other matters relating to transfer and registration of shares complaints of investors routed by SEBI/Stock Exchanges, amounts transferable to Investor Education and Protection Fund, Secretarial Audit, as well as matters such as transfer,

transmission, dematerialization and rematerialisation of shares. In addition, the committee also looks into matters which can facilitate better investor services and relations.

The power to approve share transfer/transmission as well as the dematerialization and/or rematerialisation is with the Share Transfer Committee. All physical transfers as well as the requests for dematerialization/rematerialisation are processed in fortnightly cycles.

All valid requests for share transfers received during the year have been acted upon and there were no shares pending for transfer as on March, 31, 2011.

a.	No of complaints received from Stock Exchange/ SEBI/ Investors	Nil
b.	No. of complaints resolved/ no action taken	Nil
c.	No. of pending share transfers as on 31-03-2011	Nil

## 5. DISCLOSURE REGARDING APOINTMENT OR RE- APPOINTMENT OF DIRECTORS:

According to the Articles of Association of the Company one third Directors at each Annual General meeting (AGM) and if eligible, offer themselves for re-appointment, Mr. R. S. Jhawar, Director will retire at the ensuing AGM and have offered himself for re-appointment.

Mr. R. S. Jhawar (72) is B.Com, LLB, FCA, ACMA.

Shareholding in the Company: Nil

Mr. F. J. Guzdar (73) is PGDM

Mr. F. J. Guzdar is also proposed to be re-appointed as Wholetime Director for period of one year w. e. f 1st April, 2011.

Shareholding in the Company: 1165 (0.0225%) equity shares of Rs.1.00 each.

## 6. GENERAL BODY MEETING.

### A. Annual General Meeting :

The Annual General Meeting of the shareholders of the Company for the last 3 years were held as under :

Year	Location	Date	Time
2009-10	Otters Club, Bandra (w), Mumbai.	24.09.10	11.30 a.m.
2008-09	Otters Club, Bandra (w), Mumbai.	25.09.09.	11.00 a.m.
2007-08	Otters Club, Bandra (w), Mumbai.	16.09.08	11.00 a.m.

One Special Resolution was passed through by Postal Ballot for alteration of Object Clause of Memorandum of Association, during 2010-2011 and the result of which was declared on 13th April, 2011. The Company filed form 23 with the Office of Registrar of Companies, Maharashtra, Mumbai along with the altered Memorandum of Association and the same has been approved by them.