

Report on Corporate Governance

In compliance with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, your Company submits the Annual Report on Corporate Governance.

I. Compliance of Mandatory Requirements

A. Company's Philosophy on Corporate Governance

The Company believes that good corporate governance consists of a combination of business practices which result in enhancement of the value of the Company to the shareholders and simultaneously enable the Company to fulfill its obligations to other stakeholders such as customers, vendors, employees and financiers, and to the society in general. The Company further believes that such practices are founded upon the core values of transparency, empowerment, accountability, independent monitoring and environmental consciousness. The Company makes its best endeavors to uphold and nurture these core values in all aspects of its operations.

B. Board of Directors

(i) Composition of Board, Directorship and Committee Membership in other Companies as at March 31, 2009

Sl. No.	Directors	Executive/Non-Executive/Independent	No. of Directorships held (excluding **)	Committee Memberships# (excluding**)	
				As Chairman/Chairperson	As Member
1.	Mr. B. M. Khaitan	Non-Executive Chairman	6	–	1
2.	Mr. D. Khaitan	Vice-Chairman & Managing Director	7	–	1
3.	Mr. A. Khaitan	Non-Executive Director	7	1	1
4.	Mr. V. Bhandari	Independent Director	6	1	4
5.	Mr. S.R. Dasgupta	Non-Executive Director	2	–	–
6.	Mr. S. Goenka	Independent Director	11	2	1
7.	Mr. B. Mitter	Independent Director	3	1	5
8.	Mr. D. A. Nanda	Non-Executive Director	5	2	2
9.	Mr. P. H. Ravikumar	Independent Director	5	2	2
10.	Mr. S. Saha	Wholetime Director	1	1	1
11.	Mr. A. Saraf (Nominee of ICICI Bank Ltd.)	Independent Director	3	–	3
12.	Mr. V. Sridar	Independent Director	4	–	2

** Foreign Companies, Private Companies and Companies under Section 25 of the Companies Act, 1956.

Only the two committees viz. the Audit Committee and the Shareholders' Grievance Committee are considered for this purpose.

The Non-Executive Directors have no material pecuniary relationships or transactions with the Company in their personal capacity. The Company's Chairman is a Non-Executive Director and as at March 31, 2009, Independent Directors comprise one half of the Board strength.

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956 except Mr. B.M. Khaitan, Mr. D. Khaitan and Mr. A. Khaitan, who are father and brothers respectively.

(ii) **Changes in composition of the Board of Directors since last Report :**

Mr. A. Saraf was appointed a Nominee Director of ICICI Bank Ltd. in place of Mr. P. H. Ravikumar effective August 1, 2008.

Mr. P.H. Ravikumar and Mr. V. Sridar were appointed as Additional Directors effective August 1, 2008.

(iii) Attendance of Directors in Meetings held during Financial Year 2008-09

	Dates of Board Meeting					Total Present	Date of AGM
	6.5.08	11.7.08	30.7.08	24.10.08	28.1.09		30.7.08
Mr. B. M. Khaitan	P	A	P	P	P	4	A
Mr. D. Khaitan	P	P	P	P	P	5	P
Mr. A. Khaitan	A	A	P	P	P	3	A
Mr. B. Mitter	P	A	P	P	P	4	P
Mr. P. H. Ravikumar	P	P	P	P	P	5	P
Mr. S. Goenka	P	A	A	P	P	3	A
Mr. D. A. Nanda	A	P	P	A	P	3	P
Mr. V. Bhandari	A	P	P	A	A	2	P
Mr. S. R. Dasgupta	P	A	P	P	P	4	P
Mr. S. Saha	P	P	P	P	P	5	P
Mr. A. Saraf	N.A.	N.A.	N.A.	P	P	2	N.A.
Mr. V. Sridar	N.A.	N.A.	N.A.	P	P	2	N.A.

P - Attended

A - Leave of absence granted N.A. - Not Applicable

(iv) Code of Conduct

A Code of Conduct has been formulated for the Directors and senior management of the Company and the same is available on the Company's website. A declaration from the Vice Chairman & Managing Director, that all Board Members and senior management personnel have duly complied with the Code of Conduct for the financial year ended March 31, 2009 forms part of the Annual Report.

C. Audit Committee
(i) Terms of Reference

An Audit Committee of the Board was constituted on January 30, 2001. The terms of reference of the Audit Committee are as follows :

- a) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- b) Reviewing with management the annual financial statements before submission to the Board, focussing primarily on :-
 - Matters required to be included in the Directors' Responsibility Statement, as required for the Report of the Board of Directors.
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgement by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption
 - Compliance with accounting standards.
 - Compliance with stock exchange and legal requirements concerning financial statements.
 - Any related party transactions, i.e. transactions of the Company of material nature, with promoters or the management, their

subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.

- c) Reviewing with the management, the quarterly financial statements before submission to the Board.
- d) Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- e) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- f) Discussion with internal auditors any significant findings and follow up thereon.
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h) Discussion with external auditors before the audit commences on nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- i) Reviewing the Company's financial and risk management policies.
- j) To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders (in case of non-payment of declared dividends) and creditors.
- k) Reviewing the management discussion and analysis of financial condition and results of operations.
- l) Reviewing the management letters/letters of internal control weaknesses, if any.
- m) Reviewing with management the statement of utilisation/application of funds raised through issues.

- n) Reviewing the internal audit reports relating to internal control weaknesses.
- o) Recommending appointment, removal and terms of remuneration of Internal Auditor.
- (ii) **Composition, Names of Members and Chairman**
- a. During the year ended March 31, 2009, the Audit Committee comprised of Mr. P.H. Ravikumar, an Independent Director, as the Chairman, Mr. B. Mitter, Mr. S. Goenka and Mr. V. Sridar, all Independent Directors as Members.
- b. Mrs. T. Punwani, Senior General Manager Legal and Company Secretary acts as the Secretary of the Audit Committee.
- c. Invitees : (being entitled to attend as per relevant provisions of applicable Laws/Rules and/or when felt necessary):-
- (a) The Statutory Auditors and the Cost Auditor
- (b) The Internal Auditor
- (c) Director in charge of Finance & Chief Financial Officer.
- d. Mr. V. Sridar was appointed as a Member of the Committee effective October 25, 2008.
- (iii) The Annual Accounts for the year ended March 31, 2009 were duly reviewed by the Audit Committee at its Meeting held on April 27, 2009 prior to adoption by the Board.
- (iv) During the year ended March 31, 2009, 4 Meetings of the Audit Committee were held, the dates being 6.5.08, 30.7.08, 24.10.08 and 28.1.09
- (v) The attendance of the members of the Audit Committee were as follows :

Members	No. of Meetings attended
Mr. P. H. Ravikumar	4
Mr. S. Goenka	2
Mr. B. Mitter	4
Mr. V. Sridar	1

D. Subsidiary Company

There is no subsidiary of the Company.

Name of Director	Salary (Rs.)	Value of Perquisite & Allowance (Rs.)	Contribution to Retiral Funds (Rs.)#	Total (Rs.)	Tenure as per service contract	Notice Period
Mr. D. Khaitan	84,00,000	81,92,090	22,68,000	1,88,60,090	31.05.2011	3 months
Mr. S. Saha	48,00,000	67,75,617	12,96,000	1,28,71,617	21.03.2011	1 month
TOTAL :	1,32,00,000	1,49,67,707	35,64,000	3,17,31,707		

Excluding contribution to Gratuity Fund.
(Central Government approval for the payment of above has been received).

E. Remuneration Committee

(i) Terms of Reference

The terms of reference of the Remuneration Committee , which was constituted on April 9, 2002, are as follows :

- a. to determine and recommend to the Board of Directors the remuneration package of the Managing Director and Wholetime Directors including periodical revisions therein
- b. to approve, in the event of loss or inadequate profits in any year, the minimum remuneration payable to the Managing Director and Wholetime Directors within the limits and subject to the parameters prescribed in Schedule XIII to the Companies Act, 1956 and approvals as may be necessary.

(ii) Composition, Names of Members and Chairman

The Remuneration Committee of the Board as on March 31, 2009, comprises of Mr. B. Mitter, an Independent Director, as the Chairman, Mr. P.H. Ravikumar and Mr. S. Goenka, all Independent Directors as Members.

(iii) During the year ended March 31, 2009, 1 Meeting of the Committee was held, on 6.5.08.

(iv) As at March 31, 2009, attendance of Members was as follows :-

Members	No. of Meetings attended
Mr. B. Mitter	1
Mr. S. Goenka	1
Mr. P. H. Ravikumar	1

(v) The Company does not have any Employee Stock Option Scheme.

Remuneration Policy :

The remuneration of the Managing Director and Wholetime Directors and Non-Executive Directors is determined by the Board within the statutory limits subject to shareholders' approval and on the basis of recommendation of the Remuneration Committee.

(i) The details of Remuneration paid to Wholetime Directors for the year ended March 31, 2009 are as under (Note below) :

- (ii) The details of remuneration paid to Non-Executive Directors during the year and the number of shares held by the Non-Executive Directors as on 31.3.09 are as follows :-

Name of Director	Sitting Fees paid for Board Meetings (Rs.)	Sitting Fees paid for Committee Meetings (Rs.)	Number of Shares Held as on 31.3.09
Mr. B. M. Khaitan	80,000	Nil	35,897
Mr. V. Bhandari	40,000	Nil	Nil
Mr. S. Goenka	60,000	60,000	Nil
Mr. P. H. Ravikumar	1,00,000	1,00,000	500
Mr. S. R. Dasgupta	80,000	Nil	12,722
Mr. A. Khaitan	60,000	Nil	7,266
Mr. B. Mitter	80,000	1,40,000	Nil
Mr. D. A. Nanda	60,000	Nil	Nil
Mr. A. Saraf*	40,000	Nil	Nil
Mr. V. Sridar	40,000	20,000	Nil
TOTAL :	6,40,000	3,20,000	56,385

* Paid to ICICI Bank Limited

With effect from 28.4.2005, the sitting fees payable to the Non-Executive Directors for each Meeting of the Board or any Committee thereof attended by them have been enhanced to Rs. 20,000 from Rs. 10,000 previously.

F. Management

- (i) Management Discussion and Analysis as approved by the Audit Committee has been given as part of the Annual Report.
- (ii) There were no material financial and commercial transactions where senior management of the Company had personal interest that may have a potential conflict with the interest of the Company at large.

G. Shareholders

- (i) The Shareholders'/Investors' Grievance Committee of the Board was constituted on January 30, 2001 and as on March 31, 2009, comprises of Mr. B. Mitter, Independent Director as Chairman and Mr. S. Saha, Wholetime Director.
- (ii) The terms of reference of the Committee are to look into redressal

of investors' complaints relating to transfer of shares/debentures, issue of dividend/interest warrants, repayment of deposits, non-receipt of dividend/interest warrants and notices/annual reports, and other investor grievances.

- (iii) Meetings of the Committee were held on 21.4.08 and 15.10.08
- (iv) As at March 31, 2009, attendance of Members was as follows :-

Members	No. of Meetings attended
Mr. B. Mitter	2
Mr. S. Saha	2

- (v) Mrs. T. Punwani, Senior General Manager Legal & Company Secretary is the 'Compliance Officer' of the Company for the requirements under the Listing Agreements with Stock Exchanges.
- (vi) Shareholders' Complaints and Redressal as on 31.3.2009 :

Type of Grievances and Category	Dividend Warrant not received	F.D. Interest Warrants not received	F.D. Refund Order not received	Shares not Dematerialised	Non-Receipt of Share Certificates	Annual Report not received	Total
Complaints received during the year	10	Nil	Nil	Nil	5	4	19
Complaints Attended to/ Redressed	10	Nil	Nil	Nil	5	4	19

- (vii) Number of pending Share Transfers : Nil

- (viii) The Board has delegated the power of share transfer to a committee. The committee attends to share transfer formalities, once a fortnight.

(ix) Details of Directors seeking appointment or re-appointment at the ensuing Annual General Meeting are given as hereunder :

	Seeking re-appointment	Seeking re-appointment	Seeking re-appointment	Seeking re-appointment	Seeking re-appointment
Name of Director	Mr. B. M. Khaitan	Mr. A. Khaitan	Mr. S.R. Dasgupta	Mr. P.H. Ravikumar	Mr. V. Sridar
Date of appointment	23.11.1994	23.11.1994	11.5.2007	1.8.2008	1.8.2008
Brief resume and expertise in specific functional area	Given in the Notice of the AGM	Given in the Notice of the AGM	Given in the Notice of the AGM	Given in the Notice of the AGM	Given in the Notice of the AGM
List of other Directorships held	-Do-	-Do-	-Do-	-Do-	-Do-
Chairman/Member of the Committees of the Board of Companies in which he is a Director	-Do-	-Do-	-Do-	-Do-	-Do-
Shareholding in the Company in case of non-executive director	-Do-	-Do-	-Do-	-Do-	-Do-

H. General Body Meetings

(i) Details of Annual General Meetings (AGMs)

AGMs	Date of AGMs	Location	Time	Special Resolutions Passed
AGM (73rd)	30.07.2008	Rang Manch, Swabhumi, Kolkata	10.30 a.m.	Yes
AGM (72nd)	27.07.2007	Rang Manch, Swabhumi, Kolkata	10.30 a.m.	Yes
AGM (71st)	21.07.2006	Rang Manch, Swabhumi, Kolkata	10.30 a.m.	Yes

(ii) For the year ended March 31, 2008, there were no Special Resolutions which were put through postal ballot.

(iii) In the Notice of the forthcoming 74th Annual General Meeting there are no items of business (Special Resolutions) which require to be conducted through postal ballot.

I. Disclosures

(i) Related party transactions have been disclosed under Note 27 in Schedule 18 to the Accounts for the year under review. A Statement in summary form of transactions with related parties in the ordinary course of business are placed periodically before the Audit Committee. The pricing of all the transactions with the related parties were on an arms length basis. The Company did not have any significant related party transactions, which may have potential conflict with the interest of the Company.

(ii) While preparation of financial statements during the period under review, no accounting treatment which was different from that prescribed in the Accounting Standard was followed.

(iii) Company has laid down adequate procedures to inform the Board about the risk assessment and risk minimization procedures.

(iv) The Company has complied with all the requirements of the listing agreements with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties have been imposed or stricture has been issued by SEBI, Stock Exchanges or any Statutory Authorities on matters relating to Capital Markets during the last three years.

J. Means of Communication

(i) Financial Results

Quarterly, half-yearly and annual results in the forms prescribed by Clause 41 of the Stock Exchange Listing Agreements are published in prominent dailies such as Business Standard/Financial Express (English) and Pratidin/Aajkal (Bengali) newspapers and also displayed on the Company's website : www.evereadyindustries.com as well as the EDIFAR website of SEBI.

(ii) Other Information

General Information on the Company, official news releases and presentations to analysts and institutional investors are also posted on the Company's website.

K. CEO/CFO Certification

The Company is duly placing a certificate to the Board from the CEO and CFO in accordance with the provisions of Clause 49(V) of the Listing Agreement. The aforesaid certificate duly signed by the CEO and CFO in respect of the financial year ended March 31, 2009 has been placed before the Board in the meeting held on April 27, 2009.

L. General Shareholders' Information
1. Annual General Meeting :

Date	Time	Venue
July 24, 2009	10.30 a.m.	Rang Manch, Swabhumi, The Heritage Plaza 89C, Moulana Abul Kalam Azad Sarani, Kolkata - 700 054

2. Financial Calendar (tentative) for the year 2009-2010

Publication of Unaudited results for the quarter ending June 2009	: In the month of July 2009
Publication of Unaudited results for the half-year ending September 2009	: In the month of October 2009
Publication of Unaudited results for the quarter ending December 2009	: In the month of January 2010
Publication of audited accounts for the year ending March 2010	: In the month of May 2010
Annual General Meeting for the year ending March 2010	: In the month of July 2010

3. Dates of Book Closure

: The Register of Members of the Company will remain closed from July 14, 2009 to July 24, 2009 (both days inclusive) for the purpose of the Annual General Meeting of the Company.

4. Listing on Stock Exchanges

- : • The Calcutta Stock Exchange Association Ltd.
7, Lyons Range, Kolkata – 700 001.
- Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
- National Stock Exchange of India Ltd.
Exchange Plaza, Bandra - Kurla Complex, Bandra (E),
Mumbai – 400 051.

The shares of the Company can be traded on all the recognised Stock Exchanges in India. The Annual Listing Fees for 2008-2009 have been paid to all the three Stock Exchanges within the scheduled dates.

Global Depository Receipts (GDRs) issued by the Company in the international market have been listed on the Luxembourg Stock Exchange.

5. Stock Code

The Calcutta Stock Exchange Association Ltd.	: 10000029
Bombay Stock Exchange Ltd.	: 531508
National Stock Exchange of India Ltd	: EVEREADY

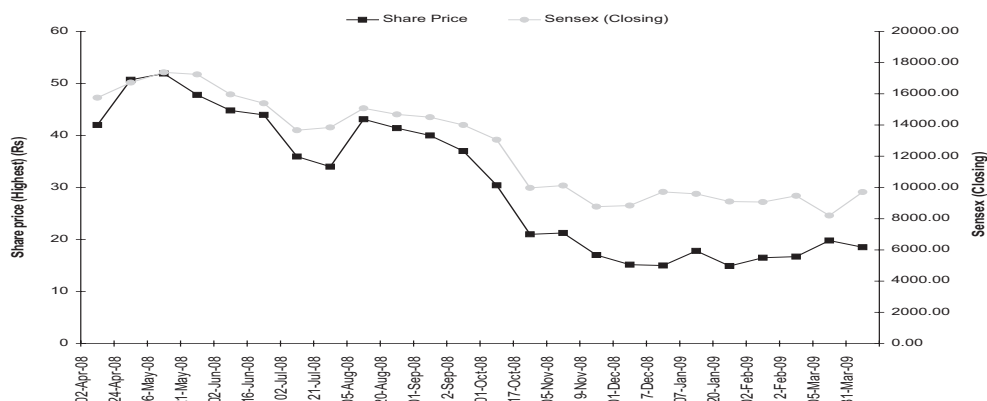
6. Stock Market Price Data :

Amount (Rs.)

Month	Bombay Stock Exchange Ltd.		National Stock Exchange of India Ltd.	
	High	Low	High	Low
2008 April	50.70	38.00	51.60	38.00
May	51.90	42.00	52.00	41.80
June	44.80	34.00	44.80	32.15
July	42.10	30.25	42.50	30.10
August	43.10	36.50	45.50	36.40
September	40.00	28.00	39.95	28.00
October	30.40	15.05	29.80	14.60
November	21.25	12.55	21.25	13.50
December	15.15	11.51	17.00	11.85
2009 January	17.80	12.81	17.85	13.00
February	16.70	14.20	16.45	14.20
March	19.80	14.10	20.10	14.40

7. Performance in comparison with BSE Sensex (Share price as on BSE) :

Share Price Performance (April 2008 - March 2009)



8. Registrar and Transfer Agents :

Pursuant to Regulation 53A of the Securities and Exchange Board of India (Depositories & Participants) Regulations, 1996, the Company has appointed the following SEBI registered Agency as the Common Registrar & Share Transfer Agent of the Company for both the Physical and Dematerialised segment with effect from November 1, 2003 :-

Maheshwari Datamatics Private Limited

6, Mangoe Lane, Kolkata – 700 001 • Phone No. (033) 2243 5809, 2243 5029, Fax No. (033) 2248 4787

9. Share Transfer System for Physical Shares :

The Directors' Share & Debenture Transfer Committee of the Company generally meets fortnightly for approving share transfers and for other related activities. The average time taken for processing of Share transfers including despatch of share certificate is about three weeks. The time taken to process dematerialisation requests is about 12 to 14 days.

10. Distribution of Shareholding as on March 31, 2009 :

According to category of Holding :

Category	No. of Shares held	Percentage of shareholding
A. Promoters Holding	2,91,97,704	40.17
Sub-Total	2,91,97,704	40.17
B. Non-Promoters Holding		
1. Institutional Investors		
a. Mutual Funds and UTI	73,27,288	10.08
b. Banks, FIs, Insurance Companies etc. (Central/State Government Institutions / Non-government Institutions)	46,68,312	6.42
c. FIs	1,06,76,251	14.69
Sub-Total	2,26,71,851	31.19
2. Others		
a. Private Corporate Bodies	44,43,604	6.11
b. Indian Public	1,57,11,789	21.61
c. NRIs/OCBs	6,62,312	0.91
d. Any other (Please specify)	–	–
Sub-Total	2,08,17,605	28.63
GRAND TOTAL	7,26,87,260	100.00

According to number of Ordinary Shares held :

	No. of Ordinary Shares held	No. of Shareholders	% of Shareholders
1 to 50	4,39,134	21,376	35.09
51 to100	13,12,202	15,110	24.81
101 to 150	6,71,462	5,121	8.41
151 to 250	14,10,432	6,965	11.44
251 to 500	26,04,547	6,797	11.16
501 to 5000	69,93,505	5,113	8.40
5001 and above	5,92,55,978	422	0.69
TOTAL	7,26,87,260	60,904	100.00

11. Dematerialisation of shareholding and liquidity :

The Company has entered into Agreement with both the Depositories registered under the Depositories Act, 1996, i.e. National Securities Depository Ltd. (NSDL), Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 and Central Depository Services (India) Ltd. (CDSL), Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai – 400 001 to facilitate holding and trading in shares of the Company in dematerialised form in accordance with the provisions of the Depositories Act, 1996.

Scripts of the Company have been mandated by SEBI for settlement only in dematerialised form by all investors effective March 21, 2000. Mention may be made that 96.40% of the total shares of the Company has since been dematerialised.

ISIN No. for the Company's ordinary shares in Demat Form : INE 128AO1029

12. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity :

Nil

13. Insider Trading :

The Code of Insider Procedure & Conduct and Code of Corporate Disclosure Practices as suggested under the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended by the Notification of 20th February, 2002 has been approved by the Board on 28th June, 2002 and is effective.

14. Plant Location :

Battery Manufacturing Units

National Carbon Plant

5, Rustomji Parsee Road, Cossipore, Kolkata – 700 002.

National Carbon Plant,

C1, Taratola Road, Kolkata – 700 088

National Carbon Plant,

1075, Tiruvottiyur High Road, Chennai – 600 019

National Carbon Plant,

Industrial Area, Moula Ali, Hyderabad – 500 040

National Carbon Plant,

B-1, Sector - 80, Phase II, Noida, Gautam Budh Nagar, U.P. – 201 305

National Carbon Plant

Plot No. 6, Sector 12, IIE SIDCUL, Haridwar – 249 403

Powercell Division

7/1A, KIADB Industrial Area, Somanahalli, Dist. Mandya

Maddur – 571428, Karnataka

Plastic Processing Unit

Plastics Processing Plant,

B-2, Sector – 80, Phase II, Noida,

Gautam Budh Nagar, U.P. – 201305

Flashlight Manufacturing Units

The Eveready Flashlight Plant,

Mill Road, Aishbag, Lucknow – 226 004

Flashlight Unit

E-32, Selaqui Industrial Area,

Vikas Nagar, Dehra Dun, Uttaranchal.

Metals & Alloys Manufacturing Units

Metals & Ores Plant

P-4, Transport Depot Road

Kolkata – 700 088

Metals & Ores Plant

123/2 & 3, Ponneri Road

Vaikadu Village, Manali New Town

Chennai – 600 103.

Packet Tea Unit

Chuapara, Dist. Jalpaiguri, West Bengal.

15. Whom and where to contact for Share and related services :

Any assistance regarding share transfers and transmissions, change of address, non-receipt of dividends, duplicate/missing Share Certificates, demat and other matters, and for redressal of all share-related complaints and grievances please write to or contact the Registrar & Share Transfer Agent or the Share Department of the Company at the addresses given below :

Maheshwari Datamatics Private Ltd.

6, Mangoe Lane, Kolkata – 700 001
Phone No.: (033) 2243-5809, 2243-5029
Fax No. : (033) 2248-4787

Share Department**Eveready Industries India Ltd.**

Jeevan Deep, 1 Middleton Street, Kolkata-700 071
Phone No. : (033) 2288-3950, 2288-2147
Fax No. : (033) 2288-4059

II. Compliance of Non-Mandatory Requirements

(i) **Chairman of the Board :** During the year under review, no expenses were incurred in connection with the office of the Chairman.

(ii) **Remuneration Committee :**

The Company has a Remuneration Committee comprising of Mr. B. Mitter, Mr. P. H. Ravikumar and Mr. S. Goenka as Members as

stated in item No. E of Section I above.

(iii) **Shareholder Rights :**

Half-yearly results including summary of the significant events are presently not being sent to the Shareholders of the Company.

(iv) **Audit Qualifications :**

Nil.

(v) **Training of Board Members :**

There was no Directors' Training Programme during the year under review.

(vi) **Mechanism for evaluating Non-Executive Board Members :**

There is no mechanism for evaluating Non-Executive Board Members at present. All Non-Executive Board Members have the requisite qualifications and expertise in their respective functional area.

(vii) **Whistle Blower Policy :**

There is no Whistle Blower Policy at present.

For and on behalf of the Board

Kolkata
27th April, 2009

B. M. Khaitan
Chairman

Auditors' Certificate**Regarding Compliance of Conditions of Corporate Governance**

To the Members of

EVEREADY INDUSTRIES INDIA LIMITED

1. We have examined the compliance of conditions of corporate governance by **Eveready Industries India Limited** ("the Company") for the year ended 31st March, 2009, as stipulated in clause 49 of the Listing Agreement of the Company with the stock exchanges.
2. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. 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 with the conditions of corporate governance as stipulated in the above mentioned listing agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Kolkata
27th April, 2009

For **Deloitte Haskins & Sells**

Chartered Accountants

K. Rajasekhar

Partner

Membership No. : 23341

CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

This is to state that the Company had duly adopted a Code of Conduct in the meeting of the Board of Directors held on 18th January, 2005. After adoption of the Code of Conduct, the same was circulated to all the Board Members and senior management personnel for compliance. The Code of Conduct has also been posted on the website of the Company. The Company has since received declarations from all the Board Members and senior management personnel affirming compliance of the Code of Conduct of the Company in respect of the financial year ended March 31, 2009. The same has been duly noted by the Board in its meeting held on 27th April, 2009.

Kolkata
27th April, 2009

D. Khaitan
Executive Vice-Chairman & Managing Director

CERTIFICATE AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

As required by Clause 49 of the Listing Agreement with the Stock Exchange we hereby certify that :

1. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2009 and that to the best of our knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief no transaction entered into by the Company during the year ended March 31, 2009 which are fraudulent, illegal, or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Wherever there are deficiencies in the design or operations of such internal controls of which we are aware, the same is disclosed to the auditors and the audit committee and steps have been taken or proposed to be taken to rectify the deficiencies.

Kolkata
27th April, 2009

D. Khaitan
Executive Vice-Chairman & Managing Director

S. Saha
Director

Annexure to the Directors' Report

Information in accordance with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, and forming part of the Directors' Report for the year ended March 31, 2009.

A. Conservation of Energy

Energy conservation continued to be an area of priority. Continued efforts in this area resulted in a saving of 1.5% energy compared to the previous year.

The Company continued to harness non-conventional energy and 1.7 million units of electricity was generated through wind and solar energy, thereby meeting part of the energy requirements of manufacturing operations.

B. Technology Absorption / Modernisation

Research & Development

1. Specific areas in which the Company carried out R&D :
 - a) Central Battery testing facility was accredited with NABL certification for testing batteries as per BIS and IEC standards.
 - b) A cost effective alternate material source for Carbon rods was developed and approved.
 - c) Reduction of lead content in AA and D size battery for producing environmentally friendly battery.
 - d) Use of cheaper local source manganese ore for cost effective cathodic mix formulation.
 - e) Project sponsored to develop an alternate cost effective anodic alloy is extended by another year due to the complexity of the work involved.
 - f) Evaluation of alternate source of alkaline and rechargeable batteries.
2. Benefits derived as a result of above R&D :
 - a) With NABL accreditation of the testing laboratory, the test certificates issued by the laboratory are well recognized and accepted across the globe.
 - b) Reduction in raw material cost.
3. Expenditure on R&D :

	Rs. Lakhs	
	Year ended 31.03.2009	Year ended 31.03.2008
a. Capital	-	15.00
b. Recurring	122.31	108.56
c. Total	122.31	123.56
d. Total R&D Expenditure as % of Turnover	0.14%	0.15%

Technology Absorption, Adaptation & Innovation

The technologies developed and adopted in the units were absorbed by all the unit locations.