



#### **Directors**

Mr. N. Gopalaratnam (Chairman)  
Dr. G.A. Pathanjali (Managing Director)  
Mr. T. R. Sivaraman (Director - Finance)  
Mr. R. Vaidyanathan  
Mr. A.L. Somayaji  
Cmde R.P. Prem Kumar, VSM, (Retd.)  
Mr. M. Natarajan  
RAdm. S. Mohapatra  
Mrs. T. V. Rajalakshmi  
Mr. Raj Kumar (Nominee of LIC)

#### **Audit Committee**

Mr. A.L. Somayaji (Chairman)  
Cmde R.P. Prem Kumar, VSM, (Retd.)  
Mrs. T. V. Rajalakshmi  
Mr. Raj Kumar (Nominee of LIC)

#### **Nomination cum Remuneration Committee**

Mr. A.L. Somayaji (Chairman)  
Cmde R.P. Prem Kumar, VSM, (Retd.)  
Mr. Raj Kumar (Nominee of LIC)

#### **Stakeholders Relationship Committee**

Mr. N. Gopalaratnam (Chairman)  
Dr. G.A. Pathanjali  
Mr. R. Vaidyanathan

#### **Secretary**

Mr. S.V. Raju

#### **Auditors**

M/s. R. Subramanian and Company  
Chartered Accountants  
No.6, (Old No.36) Krishnaswamy Avenue,  
Luz, Mylapore,  
Chennai - 600 004.

#### **Internal Auditors**

M/s. Maharaj N.R. Suresh & Co.,  
Chartered Accountants  
No.9, (Old No.5) II Lane, II Main Road,  
Trustpuram, Kodambakkam,  
Chennai - 600 024.

#### **Bankers**

UCO Bank  
Canara Bank  
Indian Bank

#### **Registered Office**

"Esvin House",  
13, Old Mahabalipuram Road,  
Perungudi,  
Chennai - 600 096.  
Phone : 91- 44 - 24960335 / 39279318  
Email : investor@highenergytld.com  
Web : www.highenergy.co.in

#### **Corporate Identity Number**

L36999TN1961PLC004606

#### **Plant**

Pakkudi Road, Mathur - 622 515  
Pudukkottai District.  
Phone : 91- 431 - 2660323 / 2660324  
Email : info@highenergytld.com

#### **Registrar & Transfer Agent**

M/s. Cameo Corporate Services Ltd.,  
"Subramanian Buildings", 5th Floor,  
No.1, Club House Road,  
Chennai - 600 002.

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## NOTICE TO THE SHAREHOLDERS

**N**otice is hereby given that the 54<sup>th</sup> Annual General Meeting of HIGH ENERGY BATTERIES (INDIA) LIMITED will be held at 11.00 A.M on Saturday, the 25<sup>th</sup> July 2015 at **New Woodlands Hotel Pvt. Ltd., No.72-75, Dr. Radhakrishnan Road, Mylapore, Chennai 600 004**, to transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March 2015 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. R. Vaidyanathan (holding DIN 00015156) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:  
  
“RESOLVED that pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the company do hereby ratify the appointment of auditors made by the shareholders at the 53<sup>rd</sup> AGM as under:  
  
i) M/s R.Subramanian and Company, Chennai (ICAI Registration No.004137S) to hold office till the conclusion of 56<sup>th</sup> Annual General Meeting subject to ratification by members at the 55<sup>th</sup> Annual General Meeting.  
  
ii) The Board of Directors be and are hereby authorized to fix their remuneration on the recommendation of Audit committee each year.”

### SPECIAL BUSINESS – ORDINARY RESOLUTIONS

#### Remuneration of Cost Auditor

4. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Company do hereby confirm and ratify in terms of Section 148 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder the remuneration as approved by the Board of Directors for Mr. S. Hariharan, Practising Cost Accountant (Membership No.20864), for conducting the audit of cost records of the company for the financial year 2015-16 at ₹30,000/- together with Service Tax, if any, plus reimbursement of out of pocket expenses for purpose of such audit”.

(By Order of the Board)  
for HIGH ENERGY BATTERIES (INDIA) LIMITED

**S.V. RAJU**  
Secretary

Chennai  
May 30, 2015

## NOTICE TO THE SHAREHOLDERS

### NOTES

1. **A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on poll instead of himself and such proxy need not be a member of the Company.**
2. Proxies in order to be effective, must be received at the Registered Office of the Company not later than 48 hours before the meeting i.e. 11.00 A.M. 23<sup>rd</sup> July 2015.
3. The Register of Members and the Share Transfer books of the Company will remain closed from Monday, 20<sup>th</sup> July, 2015 to Saturday, 25<sup>th</sup> July, 2015 (both days inclusive).
4. Members holding shares in Physical Form are requested to notify promptly any change in their address to the Registrar and Share Transfer Agent of the Company, M/s. Cameo Corporate Services Limited, Chennai - 600 002 by quoting their Membership Number, besides changes, if any, in dividend mandates given by them. Members holding shares in Electronic Form may communicate the above information to their respective Depository Participants.
5. Members holding shares in Demat form are requested to bring in their DP ID Number (Client ID Number) for ease of identification and recording of attendance at the meeting.
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to Special Business at the meeting, is annexed hereto:

### 7. Voting facilities

#### a) Remote e-Voting

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules 2014 as amended on 19<sup>th</sup> March 2015, the company provides facility for its members to exercise their voting right by electronic means.

#### b) Voting at AGM

The company also offers the facility for voting through polling paper at the meeting.

#### c) Voting option

Please note that a shareholder can vote only under any one of the two options mentioned above.

#### d) Voting instructions

Process and manner of voting instructions are given below:-

### (A) Remote e-Voting

Remote e-Voting facility

1. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended on 19<sup>th</sup> March 2015, the company is pleased to provide to its members the facility to exercise their right to vote at the 54<sup>th</sup> Annual General Meeting (AGM) on resolutions proposed to be considered thereat by electronic means. For this purpose, "remote e-Voting" (hereinafter mentioned 'e-Voting') facility is offered whereby a member can cast his vote using an electronic system from a place of his choice other than the venue of AGM.



## NOTICE TO THE SHAREHOLDERS

2. The e-Voting facility is offered through e-Voting services provided by Central Depository Services (India) Limited (CDSL).
3. E-Voting commences on Tuesday, the 21st July 2015 (10.00 AM) and ends on Friday, the 24<sup>th</sup> July 2015 (5.00 PM). The e-Voting portal will be blocked by CDSL for voting thereafter.

### Manner of e-Voting

4. Instructions for e-Voting for members receiving an email from CDSL pursuant to their email IDs having been registered with the company/ Depository Participants:
  - (i) User ID and password are required for e-Voting. If you are holding shares in Demat form and logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used. Else, follow clause (v) to (vii) for login.
  - (ii) Launch the internet browser during the voting period. Type the URL in the address bar [www.evotingindia.com](http://www.evotingindia.com). Home screen opens.
  - (iii) Click on "Shareholders" tab to cast your vote.
  - (iv) Now, select the Electronic Voting Sequence Number - "EVSN" along with "**COMPANY NAME**" from the drop down menu and click on "SUBMIT"
  - (v) Now, fill up the following details in the appropriate boxes:

### USER ID

**For Members holding shares in Demat Form**

For NSDL : 8 Character DP ID  
followed by 8 Digits Client ID

For CDSL : 16 digits beneficiary ID

### For Members holding shares in Physical Form

Folio Number registered with the Company.

### PAN\*

Enter your 10 digit alpha-numeric \*PAN (case sensitive) issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders).

### DOB#

Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

### DIVIDEND BANK DETAILS#

Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- \* Members who have not updated their PAN with the Company/Depository Participant are requested to use **the first two letters of their name in block letters and the sequence number (8 digits) printed in the address slip in the PAN field**. Eg. if your name is Ramesh Kumar and sequence number 00001234 then enter RA00001234 in the PAN field.
- # Please enter any one of the details in order to login.
- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly to the voting screen. However, members holding

## NOTICE TO THE SHAREHOLDERS

shares in demat form will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & \*). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (viii) Select EVSN (Electronic Voting Sequence Number) **150611002** of High Energy Batteries (India) Limited.
  - (ix) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
  - (xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
5. In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:

Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- 6. E-voting cannot be exercised by a proxy. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- 7. During the voting period, security holders can login any number of times till they have voted on all the resolutions. They can also decide to vote only on some of the resolutions.

### HELP CENTRE

- 8. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- 9. Person responsible to address the grievances connected with the facility for e-Voting:
 

Name	: Mr A R Vasudevan
Designation	: Manager
Address	: CDSL, BSE Investor Service Centre No.4 Vijaya Towers, 3 <sup>rd</sup> Floor Kodambakkam High Road Chennai 600 034
Email ID	: <a href="mailto:vasudevan@cdslindia.com">vasudevan@cdslindia.com</a>
Phone No.	: 93819 95000

### (B) Voting at AGM

- 1. The company also offers the facility for voting through polling paper at the meeting. The members as on the cut-off



## NOTICE TO THE SHAREHOLDERS

date attending the AGM are entitled to exercise their voting right at the meeting in case they have not already cast their vote by e-Voting.

2. Members who have cast their vote by e-Voting are also entitled to attend the AGM but they cannot cast their vote at the AGM.
3. The Chairman will fix the time for voting at the meeting. Shareholders present in person or by proxy can vote at the meeting.

### (C) General Instructions

1. The cut-off date for the purpose of e-voting has been fixed as Saturday, the 18<sup>th</sup> day of July 2015. Members holding shares as on this cut-off date should endeavour to cast their vote in any one of the two modes.
2. In case of persons who have acquired shares and become members of the company after the despatch of AGM Notice, the company would be despatching the 54<sup>th</sup> Annual Report for 2014-15 to them as and when they become members. In addition, the Annual Report is available on the company's website. They may follow the same procedure for voting.
3. Voting rights of shareholders shall be in proportion to their shareholding in the company as on the cut-off date of 18<sup>th</sup> July 2015.
4. In case a shareholder by inadvertence or otherwise has voted under more than one option, his voting by only one mode through remote e-voting, or voting at the meeting will be considered in that seriatim.

5. Mr. A.S. Kalyanaraman, Practising Chartered Accountant (Membership No. 201149) has been appointed as the Scrutinizer.

6. The Scrutinizer will after the conclusion of voting at the AGM:

- (i) First count the votes cast at the meeting through polling paper.
- (ii) Then unblock the votes cast through e-Voting.
- (iii) All the above will be done in the presence of two witnesses not in the employment of the company.
- (iv) Make a consolidated Scrutinizer's report (integrating the votes cast at the meeting and through e-Voting) of the total votes cast in favour or against, if any, to the Chairman.
- (v) The Scrutinizer's report as above would be made soon after the conclusion of AGM and in any event not later than three days from the conclusion of the meeting.

### 7. Voting Results

- (i) The Chairman or a person authorized by him in writing shall declare the result of the voting based on the Scrutinizer's report.
- (ii) The results declared along with the scrutinizer's report will be placed on the company's website [www.highenergy.co.in](http://www.highenergy.co.in) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the result is declared and also communicated to BSE.
- (iii) Subject to receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of AGM.

**EXPLANATORY STATEMENT**

**(As required under Section 102 of the Companies Act, 2013)**

**ITEM NO.4**

The Company is engaged in two business segments, viz. Aerospace, Naval & Power System Batteries and Lead Acid Storage Batteries. The company is maintaining cost accounting records and getting them audited under provisions of Section 148 of the Companies Act, 2013.

While the remuneration for the audit of cost records is determined by the Board of Directors, it will have to be ratified by the shareholders at the following General Meeting.

Pursuant to the above, the Board of Directors have appointed Mr. S. Hariharan, Practising Cost Accountant (Membership No.20864) for the audit of cost records of the company for the financial year 2015-16 pertaining to both the segments and determined the remuneration

of ₹30,000/- plus out of pocket expenses incurred by him for this purpose based on the recommendations of the Board of Directors. It is now placed for the approval of Shareholders in accordance with Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

Copies of relevant resolutions passed by the Board is available for inspection of the members on any working day of the Company between 11.00 A.M. and 1.00 P.M.

No Director, Key Managerial Personnel or relative of them is concerned or interested, financially or otherwise, in this business.

(By Order of the Board)  
for HIGH ENERGY BATTERIES (INDIA) LIMITED

**S.V. RAJU**  
Secretary

Chennai  
May 30, 2015

**Reappointment of Director :**

Details on Director seeking reappointment are furnished hereunder:-

Name of Director	Date of Birth	Date of First appointment	Expertise in specific functional areas	Qualification	Directorships in other companies	Committee/ Executive positions held in other companies
Mr. R. Vaidyanathan	13.02.1938	27.09.1961	Land Lord Associated with Seshasayee Group of Companies for more than five decades.	B.Sc.,	The Mayavaram Financial Chit Corporation Ltd.	-





## BOARD'S REPORT

**Y**our Board hereby present their 54<sup>th</sup> Annual Report and the Audited Accounts for the year ended 31<sup>st</sup> March, 2015.

### OPERATING RESULTS

The Company's financial performance under review is summarised below:

Particulars	₹ in Lakhs)			
	For the year Ended			
	2014 - 2015		2013 - 2014	
Sales (Net of Excise Duty and VAT / Sales Tax)		3228.30		3054.27
Profit / (Loss) before Finance Cost, Depreciation and Tax		341.33		(244.90)
<b>Less:</b>				
1. Finance Cost	616.91		582.38	
2. Depreciation	153.69	770.60	150.49	732.87
PROFIT / (LOSS) BEFORE TAX		(429.27)		(977.77)
<b>Less:</b>				
Provision for Taxation				
Current Tax	-		-	
Deferred Tax	(148.13)	(148.13)	(355.23)	(355.23)
<b>NET PROFIT / (LOSS)</b>		(281.14)		(622.54)

The Company has achieved a turnover of ₹3228.30 Lakhs against last year's turnover of ₹3054.27 Lakhs.

The Impasse of non receipt of Export orders and delayed receipt of indigenous orders for the Aerospace, Naval and Power System Battery division continued during the year under review. This coupled with lower orders and delayed collections in the Lead Acid Battery Division led to lower turnover and losses.

The efforts made by the Company to sell a portion of the surplus land materialized only during the end of year. Thus, the company ended the year with a loss before tax of ₹429.27

Lakhs as against ₹977.77 Lakhs in the previous year. The loss after tax works out to ₹281.14 Lakhs as against ₹622.54 Lakhs in the previous year.

### DIVIDEND

As the Company has incurred loss, the Directors regret their inability to recommend any Dividend for the year under review.

### PERFORMANCE HIGHLIGHTS

#### SILVER ZINC BATTERIES

The Company has achieved a turnover of ₹ 2213.84 Lakhs during the year as against ₹ 2171.93 Lakhs achieved during the previous year. The inordinate delay in receipt of orders from the Government Departments despite completion of negotiation meetings in the first half of the year led to lower turnover. The orders from DRDO Laboratories also could not be supplied as planned due to various delays / procedural formalities in the testing during development phase. Export orders from various countries did not materialize for various reasons including non release of budget allocations. Lower turnover and consequent losses impacted the cash flow and resulted in lower production and despatch.

#### NICKEL CADMIUM BATTERIES

As the company got some major orders for Aircraft Batteries in this division during the year, the turnover achieved stood at ₹414.08 Lakhs as against ₹130.94 Lakhs during the previous year.

#### LEAD ACID BATTERIES

The company could achieve a turnover of only ₹600.38 Lakhs against the turnover of ₹751.40 Lakhs during the previous year. Absence of major Private Label customers, intense competition from established players, poor collections and debtors led to lower turnover and consequently substantial losses in the Lead Acid Battery Division.

However, the company has developed and type tested batteries for Solar, Inverter, UPS

**BOARD'S REPORT (Continued)**

applications. This will contribute to higher turnover in future.

**EXPORT**

The company could achieve a turnover of ₹817.86 Lakhs as compared to ₹120.85 Lakhs achieved during the last year. Due to slow down of the global economy, the company's efforts to obtain orders from various countries did not bear fruits. The repeat order from OEM, the receipt of which was anticipated in the year under review also did not materialize on account of non completion of trials of the original equipment.

**CURRENT YEAR - 2015-16**

The Company is having reasonable orders from DRDO Laboratories. The type approvals of number of batteries for DRDO have already been completed and expected to be despatched during the current year. The Company has also taken further efforts to get the finalized orders from other customers. These regular orders along with the orders on hand will help the company to achieve a higher turnover as compared to the earlier year.

The Company continues to identify new markets and customers from overseas buyers to get both repeat and new orders in the current year.

The market for Lead Acid Batteries has become highly competitive and with aggressive marketing strategies of existing major players, the company continues to suffer with low volume of production and sales and consequent losses. The Company is exploring avenues to identify major Private Label customers to augment the volume of production and sales to curtail losses.

**FINANCE**

The lower turnover coupled with continuous losses severely impacted the cash flow of the company. This has resulted in adhoc / additional borrowings from banks to manage the working capital. Further, the delay in collection of debtors from the Lead Acid Battery Division added to the cash flow constraints.

Realising the above situation and in order to

infuse funds to the operations, the Company contemplated to sell a portion of the surplus land. However, this got completed only during the end of the year.

During the current year, the company will be getting advances from the customers for new orders and will be able to manage the cash flow without further borrowings.

**ISO SYSTEMS**

The company continues to be certified both under ISO 9001:2008 and ISO 14001:2004 (Revised) Systems.

**RESEARCH AND DEVELOPMENT**

The Company is now concentrating on various Silver Zinc Batteries for Missile applications and development of advanced batteries with enhanced life and performance are in progress. For Naval applications, the company is working on development cum supply orders involving Sea Water Activated Batteries both for Lightweight and Heavyweight Torpedoes.

Development and Qualification of Battery for Air Force version of BrahMos Missile is in progress.

**CORPORATE GOVERNANCE**

Though the compliance with the provisions of Corporate Governance is not mandatory to the company, utmost importance has been given to good Corporate Governance in all its activities. A report on Corporate Governance is provided in **Annexure 1** to this report.

Section 134(3) of the Companies Act, 2013 requires the Board's report to include several additional contents and disclosures compared to the earlier law. The applicable contents and disclosure have accordingly been made in the Corporate Governance report at the appropriate places which forms an integral part of this report.

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT-9 is given in **Annexure 2**.