

# **HIGH ENERGY BATTERIES (INDIA) LIMITED**



**Sixtieth Annual Report**

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**2020-2021**



**Sea Water Battery for Anti-Underwater Application**

**Directors**

Mr.N.Gopalaratnam (Chairman)  
Dr. G. A. Pathanjali (Managing Director)  
Mr. M.Ignatius, Director(Operations)  
Mr. A. L. Somayaji  
Cmde. R.P. Prem Kumar, VSM (Retd.)  
Mr. M. Natarajan  
Mrs. Lalitha Lakshmanan  
Dr. Vijayamohan K Pillai  
Mrs. Jayashree Ajit Shankar(Nominee of LIC)

**Audit Committee**

Mr. A. L. Somayaji (Chairman)  
Cmde. R. P. Prem Kumar  
Mr. M. Natarajan  
Mrs. Lalitha Lakshmanan

**Nomination and Remuneration Committee**

Mr. A. L. Somayaji (Chairman)  
Cmde. R. P. Prem Kumar  
Mrs. Lalitha Lakshmanan

**Stakeholders Relationship Committee**

Mr. N. Gopalaratnam (Chairman)  
Dr. G. A. Pathanjali  
Mrs. Lalitha Lakshmanan

**Secretary**

Mr. S. V. Raju

**Chief Financial Officer**

Mr. R. Swaminathan

**Statutory Auditor**

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

**Internal Auditor**

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

**Secretarial Auditor**

M/s. B.K. Sundaram & Associates  
Practicing Company Secretaries  
30, Pandamangalam Agraharam,  
Woriur, Trichy – 620 003

**Banks**

UCO Bank  
Indian Bank  
Canara Bank

**Registered Office**

“Esvin House”,  
13, Old Mahabalipuram Road,  
Perungudi, Chennai – 600 096  
Phone: 91-44-24960335 / 39279318/  
43063545  
Email: hebcnn@highenergy.co.in  
Web: www.highenergy.co.in

**Email ID for Investor Grievance**

investor@highenergyltd.com

**Corporate Identity Number**

L36999TN1961PLC004606

**Plant**

Pakkudi Road, Mathur - 622 515  
Pudukkottai District  
Phone: 0431- 2660323/ 2660324  
04339 - 250444  
Email: info@highenergyltd.com

**Registrar & Transfer Agent**

M/s. Cameo Corporate Services Ltd  
“Subramanian Building”, 5<sup>th</sup> Floor,  
No. 1, Club House Road,  
Chennai – 600 002.  
Phone: (044) 28460390  
Email: investor@cameoindia.com



**CONTENTS**

	Page
Notice	3
Board's Report	18
Corporate Governance Report	24
Secretarial Audit Report	50
Auditors' Report	53
Balance Sheet	63
Statement of Profit and Loss	64
Cash Flow Statement	66
Notes on Financial Statements	68

**HIGH ENERGY BATTERIES (INDIA) LIMITED**

CIN: L36999TN1961PLC004606

Regd. Office: "Esvin House", 13, Old Mahabalipuram Road, Perungudi, Chennai-600 096.

Phone: 044 - 24960335 / 39279318 / 43063545 Fax : 044 -24961785,

Email: hebcnn@highenergy.co.in, Web: www.highenergy.co.in

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the **60th Annual General Meeting of HIGH ENERGY BATTERIES (INDIA) LIMITED will be held on Saturday, the 7th August, 2021, at 11.00 A.M. through Video Conference (VC) / Other Audio Visual Means (OAVM)** to transact the following business:

**ORDINARY BUSINESS**

**1. Adoption of Financial Statements**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

"RESOLVED that the Audited Financial Statements for the year ended 31st March 2021 and the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted."

**2. Dividend Declaration**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

"RESOLVED that a dividend of Rs.10/- (Rs. Ten only) plus a Diamond Jubilee Special Dividend of Rs.5/- (Rs. Five only) totalling to a Dividend of Rs.15/- (Rupees Fifteen only) per Equity Share of the face value of Rs. 10/- (Rs. Ten only) be and is hereby declared for the Financial Year 2020 – 2021."

**3. Reappointment of retiring Director**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**.

"RESOLVED that Mr N Gopalaratnam (DIN: 00001945), who retires by rotation, be and is hereby reappointed as a Director of the Company, liable to retire by rotation."

**SPECIAL BUSINESS**

**4. Reappointment of Mrs Lalitha Lakshmanan as an Independent Director**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs Lalitha Lakshmanan (DIN: 07140032), Independent Director of the Company, who has submitted a declaration that she meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Woman Director of the Company for a second term of five consecutive years with effect from 1st April, 2021 to 31st March 2026, not liable to retire by rotation."

**NOTICE TO THE SHAREHOLDERS**

**5. Approval of request received from Mrs. Shyamala Vaidyanathan (Registered nominee for the shares held by Late Mr. R. Vaidyanathan), for reclassification of 2500 Equity Shares held by her husband from “Promoter category” to “Public category”.**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

“RESOLVED THAT pursuant to the provisions of Regulations 31A (2), 3(a),3(b),6(a) & 6(c) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015,(including amendments made thereto or any other applicable provisions of Listing Regulations) and other applicable laws, and based on the request of Mrs. Shyamala Vaidyanathan, [Registered Nominee for the 2,500 Equity shares, constituting 0.14% of the paid-up capital of the company, held by the promoter Mr. R. Vaidyanathan (deceased)], for reclassifying the said shares from “Promoter category” to “Public category” and based on the declarations given by the said registered nominee Mrs. Shyamala Vaidyanathan, pursuant to the stipulations made in the SEBI Regulations stated supra, approval be and is hereby accorded to re-classify the said 2,500 Equity Shares under “Public Category” and to delete the same from “Promoter Category” subject to the approval of the shareholders and with the approval of the Stock Exchange”.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors be and are hereby fully and absolutely authorized to do all such acts, deeds, things etc., as may be necessary, proper or expedient and also to settle any questions, difficulties or doubts that may arise in this regard without any further approval of shareholders.”

**6. Remuneration to Non – Executive Directors**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

“RESOLVED THAT pursuant to Section 197, Schedule V to the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the company be and is hereby accorded for payment of remuneration to Non Executive Directors of the Company, exclusive of the sitting fees, for a period of three financial years from FY 2020 - 2021 to FY 2022 - 2023.

RESOLVED FURTHER THAT remuneration for all the non executive directors shall in aggregate not to exceed the limits specified in Section 197 / Schedule V of the Companies Act, 2013, whichever is higher as may be amended from time to time.

RESOLVED FURTHER THAT the remuneration will be divisible among the directors in such manner and proportion as the Board of directors may decide as deemed fit.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to the resolution”.

(By order of the Board)

For **HIGH ENERGY BATTERIES (INDIA) LIMITED**

**S.V. RAJU**  
Secretary

Chennai  
31<sup>st</sup> May 2021

**NOTICE TO THE SHAREHOLDERS**

**NOTES:**

**1. AGM through Video Conference (VC)/ Other Audio Visual Means (OAVM)**

In view of the outbreak of Covid-19 pandemic and consequent restrictions and requirements like social distancing, the Ministry of Corporate Affairs ("MCA") allowed companies to hold their Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") during the calendar year 2020. Considering continuing threat of Covid-19, MCA vide its Circular No.02/2021 dated 13.01.2021 has allowed companies to hold their AGMs thro VC/OAVM till end of 2021.

Accordingly, the 60<sup>th</sup> AGM of the Company will be held through VC/ OAVM (e-AGM) and the shareholders can attend and participate in the e-AGM through VC/OAVM only. The deemed venue of the e-AGM will be the registered office of the company.

**2. Quorum/ Proxy form / Attendance slip**

A shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a shareholder of the company. However, as this AGM is being held through VC/ OAVM, physical attendance of shareholders is dispensed with. Accordingly, the facility for appointment of proxies by the shareholders is not applicable for this e-AGM. Hence the proxy form and attendance slip are not being annexed to this Notice and the resultant requirement for submission of proxy forms does not arise.

The presence of shareholders through VC/ OAVM will be reckoned for the purpose of quorum under section 103 of the Act.

Corporate shareholders entitled to appoint authorized representatives are requested to

send a duly certified copy of Board Resolution authorizing their representative(s) to attend and vote at the e-AGM, pursuant to Section 113 of the Companies Act, 2013.

**3. Explanatory Statement**

Statement pursuant to Section 102(1) of the Act in respect of the Special Business and Regulation 17(1A) of the Listing Regulations in respect of Special Resolutions to be transacted at the meeting is annexed hereto.

**4. Mailing of AGM Notice & Annual Report**

In compliance with relevant MCA/ SEBI circulars, the Notice of 60<sup>th</sup> AGM and Annual Report for the FY 2020 - 2021 are being sent in electronic mode to shareholders whose email address is registered with the Depository Participants (DP) or the Registrar & Transfer Agent (RTA). Shareholders holding shares in physical / demat form who have not registered their email address with the Company can get the same registered as per the procedure given below (Refer SI No.9).

The AGM Notice and Annual Report are available on the website of the Company [www.highenergy.co.in](http://www.highenergy.co.in), and on the website of the Stock Exchange ie BSE Ltd - [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting System during the AGM) [www.evotingindia.com](http://www.evotingindia.com).

**5. Particulars of Directors**

Particulars of Directors seeking re-appointment pursuant to Regulation 36 (3) of the Listing Regulations are given in Appendix-A that forms part of this Notice.

**6. Dividend**

The dividend to be paid to shareholders whose names appear in the Register of Members of the company in case of physical holding and to the beneficial owners of shares recorded with the Depositories in the case of demat holding

**NOTICE TO THE SHAREHOLDERS**

as per details to be furnished by National Securities Depository Ltd/ Central Depository Services (India) Ltd for the purpose, as on Saturday, 7th August, 2021.

**7. Book Closure**

The Register of Members and the Share Transfer books of the Company will remain closed from Thursday, the 29<sup>th</sup> July, 2021 to Saturday, the 7<sup>th</sup> August, 2021 (both days inclusive).

**8. Attending e-AGM**

For the purpose of conducting the e-AGM, the Company has appointed Central Depository Services Limited (CDSL), to provide VC / OAVM facility.

**9. Procedure for obtaining the Annual Report, AGM Notice and e-Voting instructions by the shareholders whose email addresses are not registered with the DPs/ RTA**

Shareholders are advised to register/ update their email address and mobile number immediately, in case they have not done so earlier:

- In case of shares held in demat mode, with their respective DPs.
- In case of shares held in physical mode, by accessing the link <https://investors.cameoindia.com> or by email to the RTA at [investor@cameoindia.com](mailto:investor@cameoindia.com) with details of Folio number and attaching a self-attested copy of PAN card.
- After due verification, the Company/ RTA will send login credentials for attending the AGM and voting to the registered email address.
- Any person who becomes a shareholder of the company after despatch of the AGM Notice and holding shares as on the cut-off date may obtain the user Id and password in the manner provided in the AGM Notice.

**10. Inspection of documents**

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred in notice will be available for inspection in electronic mode. Shareholders can send an email for the purpose to [hebcnn@highenergy.co.in](mailto:hebcnn@highenergy.co.in)

**Procedure for participation in the 60th AGM through VC/ OAVM**

1. The Company has engaged CDSL to provide VC/ OAVM facility to its shareholders for participation in the e-AGM.
2. Shareholders will be able to attend the e-AGM by using their e-Voting login credentials.
3. Facility to join the meeting will open 30 minutes before the scheduled time of the e-AGM and will be kept open throughout the proceedings of the e-AGM.
4. Shareholders desiring to express their views/ ask questions during the meeting may register themselves as a speaker. Request for this may be made to [hebcnn@highenergy.co.in](mailto:hebcnn@highenergy.co.in) on or before Wednesday, the 4th August, 2021 (5.00 PM).
5. Only those shareholders who have registered themselves as a speaker will be allowed to express their views or ask questions at the e-AGM. The company reserves the right to restrict the number of questions and number of speakers depending upon the availability of time for conduct of the e-AGM.
6. Shareholders who do not wish to speak during the AGM but have queries or views may send the same in advance to the company in the same manner stated above. Their queries will be replied suitably by the company through email.





**NOTICE TO THE SHAREHOLDERS**

7. Shareholders are advised to quote their Name, DP ID / Client ID/ Folio No. in all their communications.
8. Recorded transcript of the e-AGM will be uploaded on the website of the Company as soon as possible.

**Help Centre**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL or in physical mode</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no: 1800 1020 990 and 1800 22 44 30

You may also refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under ‘help’ section.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022- 23058542/43.

**Voting Process & Instructions**

**A) 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, the company is pleased to provide to its members the facility to exercise their right to vote at the 60th Annual General Meeting (AGM) on resolutions proposed to be considered thereat by electronic means. For this purpose, “Remote e-Voting” facility is offered whereby a member can cast his vote using an electronic system from a place of his choice.

2. The Remote e-Voting facility is offered through e-Voting services provided by Central Depository Services (India) Limited (CDSL).
3. Remote e-voting commences on Wednesday, the 4th August, 2021 (9.00 A.M.) and ends on Friday, the 6th August, 2021 (5.00 P.M.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, the 31st July, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**(B) Login for Remote e-Voting / joining the meeting**

1. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
2. In order to increase the efficiency of the voting process, all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants, will be able to cast their vote without having to register again with the E-voting Service Providers (ESPs).



**NOTICE TO THE SHAREHOLDERS**

3. Pursuant to said SEBI Circular, Login for e-Voting and joining virtual meetings for shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Shareholders (user) who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a>. Then click on Login icon and select New System Myeasi.</li> <li>2) After successful login, the user will see the e-Voting Menu. On clicking the e-voting menu, he/ she will see the holdings along with links of the respective e-Voting service provider which is CDSL in our case. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility –                         <ol style="list-style-type: none"> <li>(a) Please visit the e-Services website of NSDL <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>(b) Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open.</li> <li>(c) Enter your User ID and Password.</li> <li>(d) After successful authentication, you will see e-Voting services.</li> <li>(e) Click on “Access to e-Voting” under e-Voting services and you will see e-Voting page.</li> <li>(f) Click on company name or e-Voting service provider name.</li> <li>(g) You will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> </li> </ol>



**NOTICE TO THE SHAREHOLDERS**

Type of shareholders	Login Method
	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Alternatively, the user can directly visit the e-Voting website of NSDL <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>. (a) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. (b) A new screen will open. Enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. (c) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. (d) Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and e-voting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**Login method for e-Voting and joining virtual meetings for Physical shareholders and Non Individual Shareholders.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID



**NOTICE TO THE SHAREHOLDERS**

- a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  * Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  * If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details field.

7. After entering these details appropriately, click on “SUBMIT” tab.
8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. 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.
9. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Select EVSN (Electronic Voting Sequence Number) **210705006** of High Energy Batteries (India) Limited.
11. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

## NOTICE TO THE SHAREHOLDERS

13. 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.
  14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  15. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
  16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address hebcnn@highenergy.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### **Additional Facility for Non - Individual Shareholders and Custodians - Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

### **Voting at e-AGM**

1. Shareholders who could not vote through remote e-voting may avail the e-voting system provided at the e-AGM by CDSL. The procedure is the same as mentioned for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

## NOTICE TO THE SHAREHOLDERS

4. In case of joint holders attending the meeting, only the joint holder who is higher in the order of names will be entitled to vote at the e-AGM.
5. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

### General Instructions

1. The cut-off date for the purpose of e-voting has been fixed as Saturday, the 31st July, 2021. Members holding shares as on this cut-off date alone are entitled to vote under either mode.
2. In case of persons who have acquired shares and become members of the company after the despatch of e-AGM Notice, the company would be mailing the 60th Annual Report for 2020 - 2021 to their registered email address as and when they become shareholders. They may follow the same procedure for voting. In addition, the Annual Report is available on the company's website.
3. Voting rights of shareholders shall be in proportion to their shareholding in the company as on the cut-off date of Saturday, the 31st July, 2021.
4. In case a shareholder by inadvertence or otherwise has voted under both options, his voting by Remote e-Voting only will be considered.

5. Mr A S Kalyanaraman, Practicing Chartered Accountant (Membership No.201149) has been appointed as the Scrutinizer.
6. The Scrutinizer will after the conclusion of voting at the e-AGM:
  - (i) First unblock and count the votes cast at the e-AGM through e-voting.
  - (ii) Then unblock the votes cast through e-Voting
  - (iii) Both 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 Remote e-Voting) of the total votes cast in favour or against, if any, and submit 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.

### Voting Results

- (i) The Chairman or a person authorized by him in writing will authenticate 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 e-AGM.

**NOTICE TO THE SHAREHOLDERS**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item No.3: Reappointment of retiring Director**

Mr N Gopalaratnam [DIN:00001945], aged 74 years, has been associated with our company since 1991. He comes under the promoter category.

Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018 effective from 1st April 2019 requires that special resolution is to be passed by the shareholders for the appointment of a person or his continuance in the directorship of a company if he has attained the age of 75 years. Since Mr N Gopalaratnam would be attaining the age of 75 years during the proposed tenure, it is proposed to pass a special resolution for the current re-appointment.

Mr N Gopalaratnam, who is the present non-executive Chairman of the Company, associated with the company since 1991 is very active and under his stewardship, the Company has witnessed tremendous growth. In the opinion of the Board, he is suitable for being continued as a Director of the company despite attaining the age of 75 years. The Board accordingly recommends his re-appointment by special resolution for the consideration of shareholders.

Particulars required under Regulation 36(3) of the Listing Regulations are given in Appendix A that forms part of this Notice.

Except Mr N Gopalaratnam, no other director or Key Managerial Personnel of the company or their relatives are concerned or interested financially or otherwise, in this agenda item.

The Board recommends the Special Resolution set out in Agenda 3 of the Notice for approval of the shareholders.

**Item No.4: Reappointment of Mrs Lalitha Lakshmanan as an Independent Director**

Pursuant to the provisions of Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with rules thereunder, Mrs.Lalitha Lakshmanan was appointed as an independent director of the Company for a period of five years w.e.f. 30th July, 2016 up to 31st March, 2021. Since, Mrs Lalitha Lakshmanan has completed her initial term as an independent director of the Company on 31st March, 2021, she is eligible for re-appointment for one more term of five years.

Based on the outcome of performance evaluation of the Independent Directors and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company on 31st March, 2021, considered that her continued association would be of immense benefit to the company and it would be desirable to continue to avail her services. Accordingly, the Board has approved the re-appointment of Mrs Lalitha Lakshmanan for the second term of five consecutive years from 1st April, 2021 to 31st March, 2026. She would not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing for reappointment of Mrs Lalitha Lakshmanan as an Independent Director.

Mrs Lalitha Lakshmanan is not disqualified from being appointed as Director in terms of Section 164 of the Act and she has given her consent to act as Director.

The Company has received a declaration from Mrs Lalitha Lakshmanan confirming that she meets the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.





**NOTICE TO THE SHAREHOLDERS**

In the opinion of the Board, she fulfils the conditions specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent of the management.

Accordingly it is proposed to seek approval of the members to re-appoint Mrs Lalitha Lakshmanan as an Independent Director of the Company (not liable to retire by rotation), for a second term of five consecutive years from 1st April, 2021 to 31st March, 2026, by passing a Special Resolution pursuant to Section 149(10) of the Companies Act, 2013.

Brief profile / details of Independent Director Mrs Lalitha Lakshmanan seeking re-appointment pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and forms an integral part of this Notice.

A copy of the draft letter for re-appointment of Mrs Lalitha Lakshmanan setting out the terms and conditions are available for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. upto the date of AGM.

Except Mrs Lalitha Lakshmanan, no other director or Key Managerial Personnel of the company or their relatives are concerned or interested, personally and / or financially or otherwise, in this agenda item.

The Board accordingly recommends the Special Resolution set out in Agenda 4 of the Notice for approval of the Members.

**Item No.5: Approval of request received from Mrs. Shyamala Vaidyanathan (Registered nominee for the shares held by Late Mr. R. Vaidyanathan), for reclassification of 2500 Equity Shares held by her husband from “Promoter category” to “Public category”**

Mrs. V Shyamala, wife of Mr. R. Vaidyanathan, Promoter of the company, informed the company that Mr R. Vaidyanthan, Promoter and Former Director of the company passed away on 12.07.2020.

She further informed in the letter that her husband was holding 2500 shares in the company and she is the registered nominee of the shares and further stated that she is not interested to continue as Promoter in the company due to her advancing age, when the said shares are transmitted and registered in her name. She has therefore requested the company by her letter dated 27.05.2021 to reclassify the above said shares falling under the category of ‘Promoter’ of the Company as ‘Public’.

Mr R Vaidyanthan (deceased) held 2500 equity shares of the company constituting 0.14% of the Paid –up equity share capital of the company. Mrs. Shyamala Vaidyanathan, W/o Mr R Vaidyanthan, Registered Nominee for the 2,500 Equity shares, constituting 0.14% of the paid-up capital of the company, held by the promoter Mr. R. Vaidyanathan (deceased), has requested for reclassification of the said shares as ‘Public’ on the ground that she, consequent upon the transmission and registration of the said shares;

- (i) will not individually or collectively hold more than 10% of the paid-up equity share capital of the company, as the holding is only 0.14% of the equity share capital of the company
- (ii) will not exercise directly or indirectly any control over the company
- (iii) will not in any way connected with the Management of the affairs of the company
- (iv) will neither have any representation on the Board of Directors of the company, nor hold any Key Managerial Personnel position in the company.
- (v) will not have any special rights through formal or informal agreements
- (vi) is not a willful defaulter of any guidelines of RBI.
- (vii) is not a fugitive economic offender.

Mrs Shyamala Vaidyanathan is a senior citizen, leading independent life and is not directly or indirectly connected with the company.



**NOTICE TO THE SHAREHOLDERS**

As per SEBI (LODR) Regulations, 31A(6)(c) - In case of death of a promoter / person belonging to the promoter group, such person shall automatically cease to be included as a promoter / person belonging to the promoter group and in Regulation 31(6)(a) - In case of transmission, immediately on such event the recipient of such shares shall be classified as a Promoter / person belonging to the promoter group.

In view of the above provision and based on the letter received from Mrs Shyamala Vaidyanathan, the matter was discussed by the Board of Directors of the company at their meeting held on 31.05.2021 and the Board decided to reclassify the said 2500 shares from the category of 'Promoter' to 'Public', subject to the approval of the shareholders in the General meeting and with the approval of Stock Exchange.

Accordingly it is proposed to seek approval of the Members to reclassify the said 2500 shares from the category of 'Promoter' to 'Public' and to authorise the Board to take necessary further steps such as making necessary application to BSE to get approval from them.

Documents relating to this agenda item are available for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. upto the date of AGM.

No Director, Key Managerial Personnel of the company or their relatives are concerned or interested, personally and / or financially or otherwise, in this agenda item.

The Board accordingly recommends the Resolution set out in Agenda 5 of the Notice for approval of the Members.

**Item No.6: Remuneration to Non Executive Directors**

Non Executive directors (including Nominee director) play a vital role in running of the company by giving necessary Technical, Legal, Financial

and Administrative suggestions. They are devoting considerable time and efforts to discharge the role as Non Executive directors. The company has received many valuable suggestions towards the improvement and Profitable operations.

Considering the effective participation and valuable guidance of the Non Executive directors of the Company, the Board in its meeting held on 31.05.2021 decided to seek authorization from the shareholders for suitable remuneration to the Non Executive directors including Nominee director of the Company for a period of three financial years from FY 2020 – 2021 to FY 2022 – 2023, subject to the approval of the members.

The remuneration payable to Non Executive Directors will be exclusive of the Sitting fee paid to the Non Executive directors, shall be in accordance with Section 197/Schedule V of the Companies Act, 2013 and other applicable provisions, if any and requires approval of the members by way of ordinary resolution.

Accordingly, it is now proposed to seek authorization of shareholders by way of an Ordinary Resolution for the payment of remuneration to Non Executive directors of the Company for a period of three years.

All Directors (Other than the Managing Director & Director (Operations) and none of the Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in this item of business. Hence the Board refrains from recommending this resolution and places it for the consideration and approval of the shareholders.

(By order of the Board)

For **HIGH ENERGY BATTERIES (INDIA) LIMITED,**

**S.V. RAJU**

Secretary

Chennai

31<sup>st</sup> May, 2021

**APPENDIX - A**

**Details of Directors seeking reappointment at the 60th Annual General Meeting**

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	Mr N Gopalaratnam
Director Identification Number (DIN)	00001945
Date of Birth	15.04.1947
Nationality	Indian
Date of Initial Appointment	06.06.1991
Qualification	B.Sc.,(Physics), B.E.(MechEngg)
Experience (including Expertise in specific functional areas)	Long and Varied experience in Management of Projects, Operations and overall management of diverse industries engaged in Pulp, Paper, Sugar and Batteries.
Terms and conditions of reappointment	Proposed to be re-appointed as Non Executive Director, liable to retire by rotation
Details of shares held in company	10200 Equity Shares
Directorship in other listed companies	Chairman 1. M/s. Seshasayee Paper and Boards Limited 2. M/s. Ponni Sugars (Erode)Limited
Committee position held in other listed companies	Chairman 1. CSR Committee, M/s. Seshasayee Paper and Boards Limited 2. Stakeholders Relationship Committee and CSR Committee, M/s. Ponni Sugars (Erode)Limited
	Member 1. Audit Committee & Stakeholders Relationship Committee, M/s. Seshasayee Paper and Boards Limited 2. Nomination and Remuneration Committee, M/s.Ponni Sugars (Erode)Limited
No.of Board Meetings attended during the Financial Year	Held : 5
	Attended : 5
Relationship with other Directors, Manager and key Managerial Personnel	Nil



**APPENDIX - A**

Name of the Director	Mrs Lalitha Lakshmanan
Director Identification Number (DIN)	07140032
Date of Birth	22.06.1953
Nationality	Indian
Date of Initial Appointment	28.05.2016
Qualification	Master Degree holder in Bank Management
Experience (including Expertise in specific functional areas)	Expertise and Exposure in Finance, Banking and Commercial matters
Terms and conditions of reappointment	Proposed to be reappointed as an Independent Director for a Second term of five consecutive years
Details of shares held in company	Nil
Directorship in other listed companies	Nil
Committee position held in other listed companies	Nil
No.of Board Meetings attended during the Financial Year	Held : 5
	Attended : 5
Relationship with other Directors, Manager and key Managerial Personnel	Nil

**BOARD'S REPORT**

Your Board hereby presents the 60<sup>th</sup> Annual Report and the Audited Accounts for the year ended 31<sup>st</sup> March 2021.

**OPERATING RESULTS**

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

(₹ in lakhs)

Particulars	For the year ended			
	2020-21		2019-20	
<b>Sales</b> (Net of GST)	7752.75		6116.51	
Other Operating Income	30.72	7783.47	32.71	6149.22
Other Income		11.94		16.80
<b>Total Income</b>		<b>7795.41</b>		<b>6166.02</b>
<b>Profit / (Loss) before Finance Cost, Depreciation and Tax</b>		<b>3023.74</b>		<b>1563.42</b>
Less:				
Finance Cost	512.49		566.35	
Depreciation	112.43	624.92	115.98	682.33
<b>Profit / Loss before Tax</b>		<b>2398.82</b>		<b>881.09</b>
Less:				
Provision for Taxation :				
Current Tax	133.52		-	
Deferred Tax	432.37	565.89	320.90	320.90
<b>Net Profit / (Loss)</b>		<b>1832.93</b>		<b>560.19</b>
Other Comprehensive Income		(14.99)		(46.49)
<b>Total Comprehensive Income</b>		<b>1817.94</b>		<b>513.70</b>

The Company recorded a higher turnover of ₹ 7752.75 lakhs in the year, as compared to ₹ 6116.51 lakhs, during the previous year (an increase of 26.75%). With good order position, the Company could improve the turnover and record a Net Profit of ₹ 1832.93 lakhs, compared to ₹ 560.19 lakhs, in the previous year.

The Company had to overcome many delays impacting material availability, production planning, Battery assembly, customer testing and evaluation, Inspection clearance, due to Covid-19 pandemic.

**DIVIDEND**

Your Directors recommend a dividend of ₹ 10/- plus a Diamond Jubilee Special Dividend of ₹ 5/- totalling to a Dividend of ₹ 15/- (Rupees Fifteen only) per equity share of ₹ 10 each for the financial year ended 31<sup>st</sup> March 2021, absorbing a sum of ₹ 268.92 lakhs, subject to the approval of shareholders at the ensuing Annual General Meeting.

**BOARD'S REPORT (Continued)**

**PERFORMANCE REVIEW**

**SILVER ZINC BATTERIES**

The Company achieved a turnover of ₹ 7548.49 lakhs through Silver Zinc Battery supplies during the year, as against ₹ 6032.18 lakhs, during the previous year.

This was made possible by the regular inflow of Orders from Defence establishments, uninterrupted production, completion of inspection and testing without undue delays. Performance could have been better, but for the lock-down imposed in April and May 2020.

**NICKEL CADMIUM BATTERIES**

During the year, the turnover of Nickel Cadmium Division was ₹ 204.26 lakhs, as against ₹ 81.35 lakhs during the previous year. This was possible in view of timely placement of orders by Air(HQ).

**LEAD ACID BATTERIES (LAB)**

As reported earlier, Lead Acid Battery division operations have been suspended temporarily since April 2019, due to extensive competition in the market resulting in non-remunerative prices. However, the Company is striving for revival of the plant keeping in mind the sustainability of the operations.

**EXPORTS**

During the year, the export turnover was ₹ 32.36 lakhs as compared ₹ 24.00 lakhs last year.

Our efforts to procure export orders were not successful, due to Covid situation prevailing all over the world. The newly developed battery systems are mostly for Indian Defence and are in our regular production. However, the Company is having a good scope for development of new products for export market. All efforts are being made to secure orders for regular as well as for development of new products particularly for Aircraft batteries.

**COVID -19 - IMPACT**

Consequent to Covid-19 pandemic, the Central Government proclaimed a nationwide lockdown since 24<sup>th</sup> March 2020 and the Tamil Nadu State Government also followed suit. Hence the company had to suspend its operations and resumed operations from 20<sup>th</sup> May 2020, upon partial relaxation of Lock down norms.

Owing to the lock down, the company had to face difficulties due to supply chain disruptions in the domestic market and in arrival of imported materials from overseas suppliers which continues till date resulting in loss of production, withholding of dispatch in the last quarter of the previous Financial year and the first Quarter of the current financial year which in turn affected the turnover and profit leading to Working Capital Constraints.

On resumption of normal activities from the Second Quarter of the financial year 2020 - 21 and with the Special Working Capital Assistance to MSME under Covid-19 rehabilitation made available by the banks, the company could accomplish the highest ever turnover and profit in the history of the company.

However, the onset of the Second Wave of the pandemic resulting in lock downs in various States from March 2021 led to the temporary closure of testing labs in Hyderabad, Bangalore and Visakhapatnam and thus affected the inspection and testing of our batteries and inventory holdings. Further new orders to be received from Ministry of Defence for FY 2021- 22 are also getting delayed because of lockdown imposed in New Delhi, Mumbai, Visakhapatnam & Hyderabad.

Pursuant to the lock down restrictions announced by the Government of Tamil Nadu from 10<sup>th</sup> May, the company being part of Defence related industry catering to essential services, operates with less than 50 % of employee strength.

The company expects to make up for the shortfall at least in part, once the normal operations are restored. The company will assess the impact of the pandemic on a continuous basis.



**BOARD'S REPORT (Continued)**

**FINANCE**

Current year the Company's Financial position is comfortable due to our improved operations, supplemented by the support provided by bankers in terms of working capital enhancement, timely Covid loan support and reduction in interest rates. The Company was also able to repay major portion of its earlier borrowings.

**ISO 9001 / ISO 14001 ACCREDITATION**

Our Quality Management Systems (QMS) ISO 9001:2015 and Environmental Management Systems (EMS) ISO 14001:2015, continue to be accredited for both Aerospace, Naval Battery Division and Lead Acid Battery Divisions.

**OHSAS 45001 CERTIFICATION**

During the year the Company secured re-certification of ISO 45001: 2018 certification pertaining to Occupational Health and Safety (OHSAS) Management System for Aerospace, Naval Battery Division and Lead Acid Battery Division.

**RESEARCH AND DEVELOPMENT**

**Underwater propulsion Battery**

– As mentioned in our earlier report the Development of high power, high energy underwater propulsion Battery is completed. After proto evaluation, the performance of the battery is being evaluated for dynamic and climatic environmental test conditions, at customer's end.

**Vanadium based flow battery**

– The Company through an MOU with IIT (M) is working on the development of Vanadium based flow battery. The development is in progress and cells are under evaluation. The project is expected to be completed during this year.

**Lithium Battery**

– An R & D programme for Lithium Battery pack assembly is initiated at Laboratory scale and necessary related equipment are being procured for the training of personnel.

**DEPOSITORY SYSTEM**

As on March 31, 2021, Shares of 3696 Shareholders are held in Demat form and 1763287 shares were dematerialised, representing 98.36% of the total Equity Share Capital.

**CURRENT YEAR (2021- 22)**

With the orders on hand and the expected flow of orders, the Company expects to repeat the previous year's good performance. Current year will also witness the productionisation of major battery from the development mode, pursued over the last two years.

**CORPORATE GOVERNANCE**

Compliance with the provisions of Corporate Governance is not mandatory to the Company. The Company however voluntarily takes steps to comply with the provisions of Corporate Governance and the Report on the above is enclosed as **Annexure - 1**.

Section 134(3) of the Companies Act, 2013, requires the Board's Report to include several additional contents and disclosures which are included in the Corporate Governance Report at the appropriate places which forms an integral part of this Report.

**EXTRACT OF ANNUAL RETURN**

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

A copy of annual return for FY 2020-21 will be placed on the website of the company [www.highenergy.co.in](http://www.highenergy.co.in), after conclusion of the 60th AGM.



**BOARD'S REPORT (Continued)**

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, your Board confirms that:

- (a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed;
- (b) 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 of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a 'going concern' basis.
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company did not give any loan or provided any Security or Guarantee or make investment, covered under Section 186 of the Companies Act, 2013, during the year.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY**

Since the Company remains outside the purview of Section 188(1) read with Rule 15 of Companies (Meeting of Board and its Power) Rules, 2014, the reporting requirements thereunder are not applicable.

**MATERIAL CHANGES AND COMMITMENTS**

There was no change in the nature of business of the Company during the year.

There are no material changes and commitments in the business operations of the Company since the close of the financial year as on 31<sup>st</sup> March 2021 to the date of this Report.

**CONSERVATION OF ENERGY**

Information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is given in **Annexure - 3**.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Section 135 of the Companies Act, 2013 has imposed CSR mandate on companies having minimum threshold limit on either of net worth or turnover or net profit, as prescribed. The Company has made a profit of ₹ 1832.93 Lakhs and the Company has to spend ₹ 1.92 Lakhs towards CSR activity, based on the net profit worked as per the above section. The Company need not form a CSR committee and the Board can authorise the expenditure.

**PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is furnished in **Annexure - 4**.

**BOARD'S REPORT (Continued)**

**CLASSIFICATION OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSME)**

The Company comes under MSME classification, since 1<sup>st</sup> July 2020. Further the Company has also utilized the benefits arising out of this reclassification.

**ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO FINANCIAL STATEMENTS**

- (i) The Company has laid down adequate systems and well drawn procedures for ensuring internal financial controls. It has appointed an external audit firm as Internal Auditors for periodically checking and monitoring the internal control measures.
- (ii) Internal Auditors are present at the Audit Committee meetings where internal audit reports are discussed alongside of management comments and the final observations of the Internal Auditor.
- (iii) The Board of Directors have put in place budgetary control and monitoring measures for ensuring the orderly and efficient conduct of the business of the Company, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

**INDIAN ACCOUNTING STANDARDS (IND AS)**

The Financial Statements of the current year are prepared under IndAS which was adopted since Financial Year 2017–18.

**CASH FLOW STATEMENT**

As required under Regulation 53 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Cash Flow Statement is attached to the Balance Sheet.

**INDUSTRIAL RELATIONS**

Relations between the Management and Employees were cordial throughout the year under review. The Management has taken necessary steps to follow the guidelines issued by the Government to prevent the spreading of Covid-19.

**DIRECTORS**

In accordance with Article 106 of the Articles of Association of the Company, Mr N Gopalaratnam, Non Executive, Non Independent Chairman, retires by rotation at this meeting and being eligible offers himself for reappointment.

Necessary resolution is placed before the members for their approval.

On the recommendation of the Nomination and Remuneration, the Board of Directors on 31<sup>st</sup> March 2021, reappointed Mrs Lalitha Lakshmanan as an Independent Director of the Company for a second term of five consecutive years from 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2026, not liable to retire by rotation.

Necessary resolution is placed before the members for their approval.

Mr R Vaidyanathan, our Promoter and founder Director who resigned from the Board on 03.11.2018 due to his advancing age, passed away on 12.07.2020. The Board wishes to place on record his valuable contribution for the development and growth of the Company.

**AUDITORS**

M/s. Maharaj N R Suresh and Co LLP, Chartered Accountants, Chennai (Firm Registration No. 001931S / S000020) was appointed as Statutory Auditors by the shareholders in the 56<sup>th</sup> Annual General Meeting for a period of five years





**BOARD'S REPORT (Continued)**

till the conclusion of the 61<sup>st</sup> Annual General Meeting of the Company on such remuneration to be fixed by the Board of Directors on the recommendation of Audit Committee from time to time. The requirement for annual ratification at AGM had been dispensed with by the Companies (Amendment) Act, 2017.

Particulars of Statutory Auditors, Internal auditor and the Secretarial Auditor are given in the Corporate Governance Report that forms an integral part of this Report. Secretarial Audit Report, as required by Section 204(1) of the Companies Act, 2013, is attached as **Annexure-5**.

**ACKNOWLEDGEMENT**

Your Directors wish to express their sincere thanks to:

- (i) all the valued customers viz., Defence Services, VSSC, NSTL, RCI, ASL, DRDO Laboratories and Ministry of Defence (MOD), BDL, BrahMos (BAPL), HAL, ADE, ADA and other defence based organizations such as DGONA, CVRDE, MGO, Air(HQ), HQMC for the whole-hearted support and encouragement, towards indigenous sourcing of Batteries for strategic applications;

- (ii) all our valued inspection cum certifying agencies such as CEMILAC, DGAQA, DGNAI, MSQAA, SSQAG, R&QA for their timely and meticulous Quality Assurance / Product acceptance;
- (iii) education Institutions viz., NIIT, IIT, etc for their co-operation to our R & D progress;
- (iv) the Overseas customers, who have reposed utmost faith and confidence in our products;
- (v) the Consortium of Bankers viz., UCO Bank, Indian Bank and Canara Bank for extending timely financial support for the continued positive performance of the Company;
- (vi) the Employees at all levels of the company for their co-operation and improved performance;
- (vii) to all suppliers, service providers and Shareholders for their continued trust and support.

(For Board of Directors)

Chennai  
31<sup>st</sup> May 2021

**N GOPALARATNAM**  
Chairman

**ANNEXURE - 1 TO BOARD'S REPORT**

**REPORT ON CORPORATE GOVERNANCE**

**Applicability of Code of Corporate Governance**

As per the SEBI Notification dated 2<sup>nd</sup> September, 2015 the compliance with the provisions of corporate governance is not mandatory to the Company. However the company has given necessary importance to good Corporate Governance in all activities.

**Board of Directors**

The Board comprises of Non-Executive, Executive and Independent Directors. The Board

consists of 9 Directors comprising of one Non-Executive, Non independent Chairman, two Executive Directors, five Independent Directors and one Nominee Director as on 31<sup>st</sup> March 2021. No Director holds membership of more than 10 Committees of Board nor is Chairman of more than 5 such Committees. No Director is a relative of any other Director. The age of every Director, including Independent Directors, is above 21.

**Number of Board Meetings and Directors' Attendance Record**

Name of Director / DIN	Date of Initial Appointment	Category	No. of Equity Shares held	Attendance at Board Meetings during 2020-21		As on 31 <sup>st</sup> March 2021 (Including HEB)			Attendance at last AGM (29.08.20)
				No. of Meetings	%	No. of Directorships	Committee Position		
							As Chairman	As Member	
Mr. N Gopalaratnam (DIN: 00001945)	06.06.1991	Promoter, Non-Executive Chairman	10200	5	100	5	4	3	YES
Dr. G.A. Pathanjali (DIN:05297665)	30.05.2012	Managing Director	100	5	100	1	-	1	YES
Mr. Ignatius (DIN:08463140)	01.06.2019	Director (Operations)	Nil	5	100	1	-	-	YES
Mr. A.L Somayaji (DIN:00049772)	23.03.2002	Independent	Nil	5	100	3	2	2	YES
Commodore R.P Prem Kumar (Retd.) (DIN:00049513)	08.06.2002	Independent	Nil	5	100	1	-	2	YES
Mr. M Natarajan (DIN:06954693)	30.09.2014	Independent	Nil	5	100	2	-	1	YES
Mrs. LalithaLakshmanan (DIN:07140032)	28.05.2016	Independent	Nil	5	100	1	-	3	YES
Dr. Vijayamohan K Pillai (DIN:07308120)	22.03.2019	Independent	Nil	4	80	1	-	-	YES
Mrs. Jayashree Ajit Shankar (DIN:08397093)	22.03.2019	Nominee of Life Insurance Corporation of India	Nil	5	100	1	-	-	YES

**ANNEXURE - 1 TO BOARD'S REPORT**

**Directorship in other listed entitles as on 31.03.2021**

Sl. No	Name of Director	Name of the other listed entity	Category
1	Mr. N Gopalaratnam	a) Seshasayee Papers and Boards Ltd b) Ponni Sugars (Erode) Limited	Executive Chairman Non Executive Chairman - Non Independent
2	Mr. A L Somayaji	c) Seshasayee Papers and Boards Ltd	Independent Director

**Board Meetings**

During the year 2020-21, 5 Board Meetings were held on 27.06.2020, 28.08.2020, 07.11.2020, 06.02.2021 and 20.03.2021 through Video Conference (VC) duly complying with Rule 3 of the Companies (Meeting of Board and its Powers) Rule, 2014, having regard to the Covid-19 pandemic and consequent social distancing norms.

**Independent Directors Meeting**

The Independent Directors met on 20.03.2021 in the financial year 2020-21 and assessed the performance of the Company and other directors and advised the board accordingly.

The Independent directors have renewed their registration in the databank maintained by Indian Institute of Corporate Affairs (IICA). Out of 5 Independent Directors, four Independent directors are exempted from undertaking the online proficiency test conducted by IICA. Mr A L Somayaji and Cmde R P Prem Kumar are already exempted from the Online Proficiency Self Assessment Test.

According to the new amendment published by Independent Director's Databank on 18.12.2020, Mr M Natarajan and Mrs Lalitha Lakshmanan are exempted from the Online Proficiency Self Assessment Test. Dr Vijayamohanan K Pillai is required to take the Online proficiency self assessment test before 24.02.2022 ie within a period of two years from the date of inclusion of his name in the data bank.

All the Independent directors have given the declaration affirming that they meet the criteria of independence as provided in Section 149 (6) of the Act and have complied with relevant provisions of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, (i) all the Independent Directors fulfill the conditions for being appointed as Independent Director as specified in the Act and Listing Regulations (ii) they possess the integrity and expertise and have the experience required for their role as independent director of the company, (iii) the Board has taken note that four independent directors have been issued the exemption certificate by IICA from passing the online proficiency test.

**Audit Committee Meeting**

The Audit Committee comprises of four Independent Directors. The Chairman of the Committee is a Non Executive Independent Director. The Committee is entrusted with the responsibility of supervising the Company's internal controls and financial reporting process. The Committee met 5 times during the year on 27.06.2020, 28.08.2020, 07.11.2020, 06.02.2021 and 20.03.2021 through Video Conference (VC). Details of its composition and attendance are given hereunder: -

**ANNEXURE - 1 TO BOARD'S REPORT**

Name of Member	Status	Attendance at Meetings	
		No.	%
Mr. A L Somayaji	Chairman	5	100
Cmde. R P Prem Kumar	Member	5	100
Mr. M Natarajan	Member	5	100
Mrs. Lalitha Lakshmanan	Member	5	100

**Stakeholders Relationship Committee**

The Committee's role and responsibilities are to expeditiously process transfers, transpositions, transmissions, sub-divisions and consolidations of securities complying with SEBI Regulations and Listing requirements and redressal of Investors' grievances. To ensure speedy processing of regular securities transactions pertaining to small Investors, the Board has delegated powers to the Managing Director and the Secretary.

The Committee comprises of 3 Directors. The Chairman of the Committee is a Non Executive Director. The Committee met 4 times during the previous year on 27.06.2020, 28.08.2020, 07.11.2020 and 06.02.2021 through Video Conference (VC). Details of its composition and attendance are given hereunder: -

Name of Member	Status	Attendance at Meetings	
		No.	%
Mr. N Gopalaratnam	Chairman	4	100
Dr. G.A. Pathanjali	Member	4	100
Mrs. Lalitha Lakshmanan	Member	4	100

**Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises of 3 Non-Executive Directors. The Chairman of the Committee is an Independent director. The Nomination and Remuneration

Committee is vested with all the necessary powers and authority to ensure the criteria for;

- appointment of Executive, Non-Executive and Independent Directors to the Board.
- Determining qualifications, positive attributes and independence of Directors.
- Recommending to the Board a remuneration policy for directors, key managerial personnel of management.
- formulation of criteria for evaluation of independent directors and the board.
- Identifying candidates who are qualified to become Directors and who may be appointed in senior management as KMP in accordance with the criteria laid down and recommend to the Board regarding their appointment and removal.

The Committee met 3 times during the previous year on 27.06.2020, 20.03.2021 and 31.03.2021 through Video Conference (VC) / Other Audio Visual Means (OAVM) .

Details of its composition and attendance are given hereunder:-

Name of Member	Status	Attendance at Meetings	
		No.	%
Mr. A L Somayaji	Chairman	3	100
Cmde R P Prem Kumar	Member	3	100
Mrs. Lalitha Lakshmanan	Member	3	100

**Board/ Committee Meetings Minutes**

The minutes of the meetings are prepared by the Secretary of the Company. After approval by the Chairman of the Meeting, it is circulated to all directors/members. These are placed at the succeeding Meeting for confirmation and record.

**Circular Resolution**

Circular resolution is made in exceptional and emergent cases that are recorded at the

**ANNEXURE - 1 TO BOARD'S REPORT**

succeeding Board/Committee Meetings. During the year, two circular resolutions were passed. First Circular resolution was passed on 27.07.2020 for fixing the date of AGM and approving the Notice for convening the 59<sup>th</sup> AGM of the company through Video Conferencing or Other Audio Visual Means (VC/OAVM). The second Circular resolution was passed on 31.03.2021 for approving the re-appointment of Mrs Lalitha Lakshmanan as an Independent Director for a Second term of five consecutive years based on the recommendation of the Nomination and Remuneration Committee Meeting held on 31.03.2021.

**Governance Process & Policies**

**(i) Policy on Director's Appointment & Remuneration**

The Board on the recommendations of the Nomination-cum-Remuneration Committee meeting held on 26<sup>th</sup> March 2015 had approved a Nomination and Remuneration Policy. It inter alia deals with the manner of selection of Board of Directors, Managing Director and their remuneration. This policy is framed as per Section 178(3) of the Companies Act, 2013.

**1. Criteria for selection of Non Executive Directors**

- (a) The Committee will identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as director.
- (b) Directors would be chosen from diverse fields of expertise drawn from industry, management, finance and other disciplines.
- (c) In case of appointment of independent directors, the Committee will satisfy itself with regard to the independent nature of the directors vis-à-vis the company conforming in entirety to the conditions specified under Section 149 of the Companies Act, 2013 read

with Schedule IV thereto and the Rules made thereunder and the Listing Agreement.

- (d) The Committee will ensure that the candidate identified for appointment as a director is not disqualified in any manner under Section 164 of the Companies Act, 2013.
- (e) In the case of reappointment of non-independent directors, the Board will take into consideration the performance evaluation of the director and his engagement level.

**2. Remuneration Policy**

The remuneration policy aims at attracting and retaining suitable talent and devising a remuneration package commensurate with competition, size of the company, its nature of business and considered appropriate to the respective role and responsibilities.

The remuneration policy seeks to ensure that performance is recognized and achievements are rewarded. Remuneration package is transparent, fair and simple to administer, besides being legal and tax compliant.

The policy has been uploaded on the Company's website.

**3. Remuneration of Directors & Key Managerial Personnel (KMP)**

The Nomination and Remuneration Committee recommends the remuneration of directors and KMP which is approved by the Board of Directors and wherever necessary further approved by the shareholders through ordinary or special resolution as applicable.

The Managing Director and the Director (Operations) are the Executive directors entitled for managerial remuneration.

On the recommendation of the Nomination and Remuneration Committee, the Board in its Meeting held on 31.05.2021 approved the payment of a special allowance of ₹ 24 lakhs

**ANNEXURE - 1 TO BOARD'S REPORT**

to Managing Director for the FY 2020-21, in addition to the salary and perquisites due to inadequacy of profits as per the resolution approved by the members at the Annual General Meeting held on 29.08.2020.

Based on the recommendation of the Nomination and Remuneration Committee, the Board in its Meeting held on 31.05.2021 approved the payment of a special allowance of ₹ 15 lakhs to Director (Operations) for the FY 2020-21, in addition to the salary and perquisites due to inadequacy of profits as per the resolution approved by members at the AGM held on 03.08.2019.

The Board in its Meeting held on 31.05.2021, on the basis of recommendation of the Nomination and Remuneration committee approved the payment of incentive of ₹10 lakhs to CFO and ₹ 5 lakhs to the Company Secretary for the FY 2020 – 21.

Mr S.V. Raju, Company Secretary and Mr R Swaminathan, Chief Financial Officer (CFO) are the other Key Managerial Personnel.

No Director or his / her relative holds an office or place of profit in the Company. Other than direct or indirect equity holding and sitting fee, there is no pecuniary relationship or transaction between the company and its non-executive directors. No Stock option has been issued by the company to Executive directors.

Remuneration particulars of all the Directors and Key Managerial Personnel are given in Note No.39 of the financial statements.

Non-Executive Directors are paid a sitting fee of ₹5000/- per meeting of Board and Committee Meetings. The details of remuneration paid to Non-Executive Directors during the year by way of sitting fee for attending the Board / Committee Meetings are as under: -

(in ₹)

Director	Sitting Fee for		Total
	Board Meeting	Committee Meeting*	
Mr. N Gopalaratnam	25000	20000	45000
Mr. A L Somayaji	25000	40000	65000
Cmdr R P Prem Kumar	25000	40000	65000
Mr. M Natarajan	25000	25000	50000
Mrs. Lalitha Lakshmanan	25000	60000	85000
Dr Vijayamohanan K Pillai	20000	-	20000
Mrs. Jayashree Ajit Shankar -Nominee of LIC	25000	-	25000
<b>Total</b>	<b>170000</b>	<b>185000</b>	<b>355000</b>

\* Stakeholders Relationship Committee, Audit Committee and Nomination and Remuneration Committee.

**(ii) Performance Evaluation**

The Board of Directors in March 2015 on the recommendations of the Nomination and Remuneration Committee approved the Board evaluation framework.

Further, the Board of Directors in its meeting held on 20.03.2021 carried out the evaluation process on the recommendation of Nomination and Remuneration Committee. It has laid down specific criteria for performance evaluation covering:

- Subject of Evaluation
- Evaluation of Board process
- Frequency of Board Evaluation
- Responsibility of Board Evaluation
- Review of Board Evaluation
- Evaluation of Committees
- Individual Evaluation of Board members and the Chairperson
- Individual Evaluation of Independent Directors

**ANNEXURE - 1 TO BOARD'S REPORT**

The Board Evaluation is internally done on an annual basis. Templates incorporating specific attributes are used. Commonly agreed comments and remarks are recorded against each attribute.

The Nomination and Remuneration Committee during the year evaluated the performance of all directors at its meeting held on 20.03.2021 through Video Conference.

The director whose performance is being evaluated did not participate during that part of the meeting. The Committee has expressed overall satisfaction on such evaluation.

The Board at its meeting held on 20.03.2021 evaluated the performance of each of the Independent Directors(excluding the Independent Director being evaluated) and recorded its overall satisfaction and decided in terms of Para VIII (2) of Schedule IV to the Act that Independent Directors be continued in their respective offices.

Further the Board evaluated the functioning of each of the 3 Committees and evaluated its own performance on the basis of the criteria approved by the Nomination and Remuneration Committee.

There was no specific observation made during Board evaluation.

The Independent Directors in their exclusive meeting on 20.03.2021 did the evaluation on the performance of Chairperson, Managing Director, non-independent directors and the Board as a whole. They have expressed overall satisfaction on such evaluation. All the independent directors directors were present present at the meeting.

**(iii) Insider Trading**

In deference to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board formulated the:

- i. Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information (Reg 8); and
- ii. Minimum Standards for Code of Conduct to Regulate, Monitor and report Trading by Insiders (Reg 9).

These have been intimated to the Stock Exchange and uploaded in the company's website.

These codes apply to all directors and designated persons. It is hereby affirmed that all directors and designated persons have complied with the codes as applicable during FY 2020 - 21 and a confirmation to this effect has been obtained from them.

The trading window shall remain closed during the period when designated persons in terms of the Regulations can reasonably be expected to have possession of unpublished price sensitive information. In any event, the trading window shall remain closed from the end of every quarter till 48 hours after declaration of financial results. Intimation of this given to stock exchange.

The company is maintaining a structured digital database containing the details of persons/ entities with whom unpublished price sensitive information is shared. This database is maintained with adequate controls and checks such as time stamping and audit trails to ensure that the database cannot be tampered.

**(iv) Code of Conduct**

The Board has formulated a Code of Conduct for Directors and Key Managerial Personnel of the Company which is posted on its website. All the Directors and Key Management Personnel had complied with the Code and a confirmation to this effect was obtained from them individually for FY 2020-21.



**ANNEXURE - 1 TO BOARD'S REPORT**

Further, the Key Managerial personnel have declared to the Board that no material, financial or commercial transactions were entered into by them during FY 2020-21, where they have personal interest that may have a potential conflict with the interest of the Company at large.

**(v) Related Party Transactions**

The Board has formulated the policy on Related Party Transactions (RPTs). It further fixed the materiality threshold under this policy at 10% of its turnover as per the last audited financial statements. Transactions with a related party individually or taken together in a financial year crossing this 10% threshold would be considered material.

This policy has been uploaded on the company's website.

**(vi) Risk Management**

The company has a robust risk management framework to identify and evaluate business risks and opportunities. It seeks to create transparency, minimize adverse impact on the business objective and enhance the company's competitive advantage. It aims at ensuring that the executive management controls the risk through a properly defined framework.

The company has laid down appropriate procedures to inform the Board about the risk assessment and minimization procedures. The Board periodically revisits and reviews the overall risk management plan for making desired changes in response to the dynamics of the business. The company is not currently required to constitute a Risk Management Committee.

**(vii) Whistle Blower Policy**

In deference to Section 177 (9) of the Act read with relevant Rule 7 of the Companies

(Meetings of Board and its Powers) Rules, 2014, the Company has established a vigil mechanism overseen by the Audit Committee. This policy has been uploaded on the Company's website.

No complaint under this facility was received in FY 2020-21.

**(viii) Policy for Prevention of Sexual Harassment at Workplace**

The company has in place a Policy for Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received on sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. This policy has been uploaded on the Company's website.

No complaint on sexual harassment was received during FY 2020-21.

**(ix) Document preservation**

Pursuant to Regulation 9 of the listing Regulations, the company has formed a policy for preservation of records, in conformity with applicable laws. This policy covers all corporate records of the company whether in paper or digital form and applies to all departments and business functions of the company. This policy has been uploaded on the Company's website.

**Other Compliances**

***Quarterly Financial Results***

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Quarterly Financial Results are approved by the Board on the recommendations of



## ANNEXURE - 1 TO BOARD'S REPORT

the Audit Committee. These are filed with Bombay Stock Exchange (BSE) through online, after the conclusion of the Board Meeting and the abstract of the results are published in leading dailies, as required, within the stipulated time. These are also immediately posted on the company's website.

### **Accounting Treatment**

In the preparation of Financial Statements, no accounting treatment different from that prescribed in any Accounting Standard has been followed.

### **Cost Audit**

Since the Company does not come under the threshold limit as specified under Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable.

### **Secretarial Standards & Secretarial Audit**

Pursuant to Section 118 (10) of the Companies Act, 2013 every company shall observe secretarial standards with respect to General and Board meetings specified by the Institute of Company Secretaries of India. The company has complied with all applicable Secretarial Standards during the year.

Pursuant to Section 204(1) of the companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed Mr. B Kalyanasundaram a Practicing Company Secretary (Membership No. A672, C.P.No.2209) to undertake the secretarial audit of the company for FY 2020 -2021. The Secretarial Audit Report was placed before the Board on 31<sup>st</sup> May 2021 and there is no qualification therein. It is annexed to Board's Report.

### **Internal Auditor**

Pursuant to Section 138(1) of the Companies Act, 2013, the company has appointed M/s R Subramanian and Company LLP (Firm Regn.No.004137S/S200041), Chennai to conduct

internal audit of the functions and activities of the company for FY 2020 - 21. The Internal Auditor reports directly to the Audit Committee.

### **CEO/ CFO certification**

CEO certification by Dr G A Pathanjali, Managing Director and CFO certification by Mr. R Swaminathan, Chief Financial Officer as required under Regulation 17 (8) of the Listing Regulations were placed before the Board at its meeting on 31 May, 2021.

### **Review of Directors' Responsibility Statement**

The Board in its Report had confirmed that the annual accounts for the year ended 31<sup>st</sup> March 2021 have been prepared as per applicable accounting standards and policies and that sufficient care was taken for maintaining adequate accounting records.

### **Subsidiary Companies**

The Company has no subsidiary.

### **Deposits**

The company has not accepted deposits from the public.

### **Disclosures**

- (i) No strictures / penalties had been imposed on the company by the Stock Exchanges or SEBI or any statutory authority on any matters related to the capital market during the last 3 years.
- (ii) No significant and material orders were passed by the Regulators, Courts or Tribunals impacting the going concern status and the Company's operations in future.

### **MEANS OF COMMUNICATION**

#### **Intimation of Board meeting**

The Company intimates Stock Exchange the Notice of Board Meeting to consider financial results. The results are furnished to Stock Exchange immediately on conclusion of Board

**ANNEXURE - 1 TO BOARD'S REPORT**

Meeting and concurrently uploaded in company's website.

**Audited / Unaudited Financial Results**

Period	Date of Approval by the Board	Date of Publication	Newspaper
Quarter ended 30 <sup>th</sup> June, 2020(*)	28.08.2020	29.08.2020	Business Standard and Makkal Kural
Quarter ended 30 <sup>th</sup> September, 2020(*)	07.11.2020	09.11.2020	
Quarter ended 31 <sup>st</sup> December, 2020(*)	06.02.2021	08.02.2021	
Year ended 31 <sup>st</sup> March, 2021(**)	31.05.2021	01.06.2021	

\*Unaudited      \*\*Audited

The Company will continue to publish extract of Quarterly/Half yearly financial results in the newspapers as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Full format of the Financial Results are made available on the Stock Exchange Website ([www.bseindia.com](http://www.bseindia.com)) and the Company's Website [www.highenergy.co.in](http://www.highenergy.co.in). upon approval by the Board of Directors.

**Others**

Management Discussion and Analysis Report has been made a part of the Annual Report and covered in the Board's Report.

The Company operates in two segments viz;

(a) Aerospace, Naval & Power System Batteries and

(b) Lead Acid Storage Batteries

Segment-wise reporting is done as per standard.

**General Shareholder Information**

**Details for 60<sup>th</sup> AGM**

Date and Time	Saturday, the 7 <sup>th</sup> August, 2021, 11.00 A.M.
Mode	Video Conference (VC) / Other Audio Visual Means(OAVM)
Book Closure	Thursday, the 29 <sup>th</sup> July, 2021 to Saturday, the 7 <sup>th</sup> August, 2021 (both days inclusive)
Cut-off date for e-voting	Saturday, the 31 <sup>st</sup> July, 2021

**Listing**

Name & Address	BSE Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001 Ph:022-2272 1233 /2272 1234 Fax:022-2272 2082 E-mail: <a href="mailto:corp.relations@bseindia.com">corp.relations@bseindia.com</a> Web Site: <a href="http://www.bseindia.com">www.bseindia.com</a>
Listed from	May 1962
Stock Code	504176

The Listing Fee for the financial year 2021-22 had been paid to the above Stock Exchange.

**Dematerialisation**

The Equity Shares of the Company are traded in compulsory demat form and are available for trading under both the Depository Systems in India, namely, NSDL and CDSL. Its International Securities Identification Number (ISIN) is **INE783E01015**. Shareholders are advised to convert their holdings from physical mode to demat mode considering overall merits of the depository system and total prohibition on transfer of shares in physical mode from 01.04.2019. Transposition and Transmission are however exempted from this amendment. No request for

**ANNEXURE - 1 TO BOARD'S REPORT**

Transfer of shares in physical mode was received during FY 2020 - 21.

The details of dematerialised and physical holding as on 31<sup>st</sup> March 2021 are furnished hereunder

Mode of holding	Shareholders		Equity Shares	
	No.	%	No.	%
Physical	181	4.67	29481	1.64
Demat	3696	95.33	1763287	98.36
<b>Total</b>	<b>3877</b>	<b>100.00</b>	<b>1792768</b>	<b>100.00</b>

**Registrar and Share Transfer Agent**

For Physical and Demat Segments:

Cameo Corporate Services Ltd.  
"Subramanian Building", 5<sup>th</sup> Floor  
1, Club House Road, Chennai 600 002  
Phone : 044-28460390(5 Lines),  
Fax : 044-28460129  
E-mail :investor@cameoindia.com

Shareholders holding shares in electronic form shall address their correspondence to their respective Depository Participants.

**Nomination facility**

Shareholders holding shares in physical form and desirous of making a nomination in terms of Section 72 of the Companies Act, 2013 are requested to submit to the Registrar and Transfer Agent in the Form No.SH.13 prescribed under Rule 19 the Companies (Share Capital and Debentures) Rules, 2014 which can be had on request or downloaded from Company / MCA website. In the case of Demat holding shareholders shall submit the same to their Depository Participants.

**Investor Correspondence**

As regards transfers, change of address or status, dividend mandate and other share related queries, investors shall communicate with –

(a) respective Depository Participants, in case of demat holding

(b) the Registrar & Transfer Agent, in case of physical holding

All queries on Annual Report, dividend and other clarifications may be addressed to the Registered office of the Company at:

ESVIN House,  
13, Old Mahabalipuram Road  
Perungudi, Chennai 600 096  
Phone: 91-44-24960335 / 39279318 / 43063545  
Fax: 044-24961785  
Email: hebcnn@highenergy.co.in  
Website: www.highenergy.co.in

**Exclusive email ID for investor benefit**

Pursuant to SEBI's directive and Regulation 46(2)(i) of Listing Regulations, the Company has created an exclusive Email ID investor@highenergyltd.com for redressal of investor grievances.

**Credit Rating**

Details of Credit Rating obtained from M/s. Brickwork Ratings India Pvt Ltd., for facilities availed from Bank.

Facility	Amount (₹ Crores)	Rating
Long term Fund based Bank Facilities	30.45	BWR BB +/- stable (upgrade)
Short term Non-Fund Based Bank Facilities	42.50	BWR A4+

**Compliance Officer**

Mr. S V Raju, Secretary of the Company is the Compliance Officer under SEBI (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 and under Chapter III read with Regulation 6(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**ANNEXURE - 1 TO BOARD'S REPORT**

**Transaction in Shares**

Powers are delegated to the Managing Director and Secretary to deal with regular transactions in securities of small investors, while other cases are decided by the Stakeholders Relationship Committee. Investor requests are attended to within 7-15 days from the date of receipt.

A summary of such approved transactions is placed at every Board Meeting / Stakeholders Relationship Committee Meetings. The Company obtains from a Company Secretary in practice half-yearly Certificate of Compliance with the Share Transfer formalities as required under Regulation 40 (9) of the Listing Regulations and files a copy of the said certificate with the Stock Exchange.

**Particulars of complaints received during 2020-21**

Complaints from	Received	Redressed
Shareholders/Investors	Nil	Nil
Depositories/Depository Participants	Nil	Nil
SEBI	Nil	Nil
Department of Company Affairs/ Registrar of Companies	Nil	Nil
Stock Exchanges	Nil	Nil
Total	Nil	Nil

**Share Quotes**

High, low in prices and volume of trading during each month in the last financial year are as follows: (as reported by "Bombay Stock Exchange Limited").

Month	High	Low	Close	Volume
	₹	₹	₹	No of Shares
April 2020	250.00	185.00	213.10	4481
May 2020	227.60	180.20	196.00	3658
June 2020	269.40	196.00	211.95	20134
July 2020	295.00	203.00	243.40	36839
August 2020	364.90	235.20	292.35	73564
September 2020	449.00	284.00	402.75	57664
October 2020	425.00	342.00	365.00	24413
November 2020	578.00	347.15	517.50	99483
December 2020	677.40	482.10	633.05	61219
January 2021	739.00	592.00	659.95	61235
February 2021	1039.35	640.00	956.40	104527
March 2021	995.80	726.90	820.10	76314
<b>Total</b>				<b>623531</b>

**SCORES**

SEBI requires all listed companies to process Investor complaints in a centralized web based complaint system called "SEBI Complaints Redressal System" (SCORES). All complaints received from shareholders of listed companies are posted in this system. Listed companies are advised to view the complaint and submit Action Taken Report (ATR) with supporting documents in SCORES.

During the year, there were no complaints against our company posted on the SCORES site.

## ANNEXURE - 1 TO BOARD'S REPORT

### Reconciliation of Share Capital Audit

Reports/Certificates to Stock Exchange

Description	Frequency	For the Quarter ended	Furnished on
Reconciliation of Share Capital Audit Report to Stock Exchange on reconciliation of the total admitted Capital with NSDL/ CDSL and the total issued & Listed Capital	Quarterly	30.06.2020	27.07.2020
		30.09.2020	28.10.2020
		31.12.2020	25.01.2021
		31.03.2021	26.04.2021

### Distribution of Shareholding as on 31.03.2021

Slab	No. of Shareholders		No. of Equity Shares	
	Total	%	Total	%
1 – 1000	3767	97.16	245544	13.70
1001 – 5000	73	1.88	149087	8.32
5001 – 10000	17	0.44	141598	7.90
10001 – 20000	6	0.16	75836	4.23
20001 – 30000	2	0.05	48102	2.68
30001 – 40000	3	0.08	109375	6.10
40001 – 50000	2	0.05	99754	5.56
50001 – 100000	4	0.10	348143	19.42
Above 100000	3	0.08	575329	32.09
<b>Total</b>	<b>3877</b>	<b>100.00</b>	<b>1792768</b>	<b>100.00</b>

### Shareholding Pattern:

Category	No. of Share holders	Percent (%)	No. of Equity Shares	Percent (%)
		%	Total	%
Promoters	11	0.28	734527	40.97
FIs and Banks	2	0.05	127055	7.09
Bodies Corporate	26	0.67	37248	2.08

Clearing Members	35	0.90	2435	0.14
Hindu Undivided Families	127	3.28	37450	2.09
IEPF	1	0.03	35396	1.97
NRI -Non-Promoter	58	1.50	18481	1.03
Public	3617	93.29	800176	44.63
<b>Total</b>	<b>3877</b>	<b>100.00</b>	<b>1792768</b>	<b>100.00</b>

Note: Out of above, Non Resident Indians/Overseas Corporate Bodies hold 98481 shares constituting 5.49%.

### Plant Location :

Pakkudi Road,  
Mathur Industrial Estate, Mathur 622 515,  
Pudukkottai District, Tamilnadu, India  
Phone: 0431- 2660323, 2660324 ; 04339-250444  
Fax: 04339-250516,  
Email: info@highenergyltd.com,  
Website: www.highenergy.co.in  
No. of Employees : 109

### Particulars of past 3 AGMs

AGM	Year	Venue	Date	Time
57th	2017-18	New Woodlands Hotel Pvt. Ltd. 72-75,	28.07.2018	11.00 A.M.
58th	2018-19	Dr. Radhakrishnan Road, Mylapore, Chennai 600 004		
59th	2019-20	Video Conference/ Other Audio Visual Means. (Deemed venue: Registered office of the company)	29.08.2020	11.00 A.M.

No Extraordinary General Meeting was convened during the year.

### Postal Ballot

No special resolution was passed by Postal Ballot in FY 2020 - 21.

**ANNEXURE - 1 TO BOARD'S REPORT**

**Dividend for 2020 – 2021**

Dividend, if declared at the Annual General Meeting, will be paid by 13th August 2021, subject to there being no constraints due to ongoing pandemic, to the members whose names appear on the Register of Members on 7th August 2021 or as per their mandates. In respect of shares held in demat mode, dividend will be paid to the beneficial owners of shares recorded with the Depositories as on that date as per details to be furnished by NSDL / CDSL for the purpose.

Members are therefore advised to update their Bank details with their Depositories (in case of demat holding) or with our RTA (for physical holding).

**Tax on dividend**

Dividend income is taxable in the hands of shareholders w.e.f. 1st April 2020 and the company is required to deduct tax at source (TDS) for the same at the prescribed rates. The company has already sent an email to shareholders advising TDS rates in force for different categories based on documents furnished by shareholders.

Shareholders are requested to complete and/ or update their residential status, PAN and other details with (i) their Depository Participants (DPs) in the case of demat holding; and (ii) with the RTA for physical holding.

There will be no TDS from dividend payable to a resident individual shareholder, if the total dividend to be received during FY 2021-22 does not exceed Rs.5000/-.

A resident individual shareholder with PAN who is not liable for income tax can submit declaration in Form 15G/ 15H as applicable to avail the benefit of non-deduction of tax. In case their PAN is not registered, TDS would be at a higher rate of 20%. Non- resident shareholders can avail beneficial rates under applicable Tax Treaty subject to furnishing Form-10F and providing necessary documents.

Form 15G/15H should be scanned and uploaded at its dedicated link of our RTA – <https://investors.cameoindia.com> in order to enable the company to determine and deduct appropriate TDS.

**Transfer of shares to IEPF**

The Company in terms of Section 124(6) of the Act is required to transfer the underlying equity shares where dividend has not been paid or claimed by shareholders for seven consecutive years to the Investor Education and Protection Fund (IEPF) Suspense Account in accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016

Individual communication had been sent to the shareholders whose shares are liable to be transferred to IEPF Suspense account. Public Notice in respect of the same was published in Business Standard and Makkal Kural as required under the Rules.

Details of shares transferred to IEPF

For FY	No of holders	No of shares	Date of transfer to IEPF
2012 - 2013	180	35396	25.09.2020

**Claim from IEPF**

Shareholders may however note that both the unclaimed dividend and the shares transferred to IEPF Authority / Demat Account including all benefits accruing on such shares, if any, can be claimed back from IEPF Authority after following the due process prescribed by the Rules. Shareholders may contact the Registrar and Transfer Agent or the Company at its registered office for necessary guidance in this regard.

(For Board of Directors)

Chennai  
31<sup>st</sup> May 2021

**N GOPALARATNAM**  
Chairman

**ANNEXURE - 2 TO BOARD'S REPORT**

**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31<sup>st</sup> March 2021

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

**I. Registration and other details:**

i)	CIN	L36999TN1961PLC004606
ii)	Registration Date	27.09.1961
iii)	Name of the Company	HIGH ENERGY BATTERIES (INDIA) LIMITED
iv)	Category / Sub-Category of the Company	Public Limited Company – Limited by shares
v)	Address of the Registered office and contact details	“Esvin House”, 13, Old Mahabalipuram Road, Perungudi, Chennai 600 096 Tamil Nadu Phone: 044 24960335/39279318/43063545 Fax: 044-24961785 Email: hebcnn@highenergy.co.in Web: www.highenergy.co.in
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Cameo Corporate Services Limited, “Subramanian Building”, 5 <sup>th</sup> Floor No.1, Club House Road, Chennai 600 002. Phone: 044-28460390 Fax: 044-28460129 Email: investor@cameoindia.com Web: www.cameoindia.com

**II. Principal Business Activities of the Company**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated;

Sl. No.	Name and Description of Main Products / Services	NIC Code of the Product/ Service	% to total turnover of the company
1	Aerospace, Naval and Power System Batteries Silver Zinc, Silver Chloride Magnesium and Nickel Cadmium Batteries	27201	100.00
2	Lead Acid Storage Batteries	27201	-

**III. Particulars of Holding, Subsidiary and Associate Companies**

Sl. No.	Name and Address of the company	CIN	Holding /Subsidiary/ Associate	% of shares held	Applicable-Section
NIL					



## ANNEXURE - 2 TO BOARD'S REPORT

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

Sl. No.	Category of Shareholders	No. of shares held at the beginning of the year - 01.04.2020			No. of shares held at the end of the year - 31.03.2021			% change during the year	
		Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a)	Individual / HUF	14932	-	14932	0.83	14932	-	14932	0.83
(b)	Central Govt / State Govt(s)	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	639595	-	639595	35.68	639595	-	639595	35.68
(d)	Banks / FI	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1)</b>	<b>654527</b>	-	<b>654527</b>	<b>36.51</b>	<b>654527</b>	-	<b>654527</b>	<b>36.51</b>
<b>(2) Foreign</b>									
(a)	NRIs - Individuals	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	80000	-	80000	4.46	80000	-	80000	4.46
(c)	Institutions	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2)</b>	<b>80000</b>	-	<b>80000</b>	<b>4.46</b>	<b>80000</b>	-	<b>80000</b>	<b>4.46</b>
	<b>Total shareholding of Promoters (A)= (A)(1)+(A)(2)</b>	<b>734527</b>	-	<b>734527</b>	<b>40.97</b>	<b>734527</b>	-	<b>734527</b>	<b>40.97</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
(a)	Mutual Funds / UTI	-	-	-	-	-	-	-	-
(b)	Banks / FI	173730	0	173730	9.69	127055	-	127055	7.09
(c)	Central Govt / State Govt(s)	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-	-



## ANNEXURE - 2 TO BOARD'S REPORT

Sl. No.	Category of Shareholders	No. of shares held at the beginning of the year - 01.04.2020			No. of shares held at the end of the year - 31.03.2021			% change during the year	
		Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-	-
	<b>Sub- Total (B)(1)</b>	<b>173730</b>	-	<b>173730</b>	<b>9.69</b>	<b>127055</b>	-	<b>127055</b>	<b>7.09</b>
	<b>Non- Institutions</b>								
(a)	Bodies Corporate	27247	691	27938	1.56	36557	691	37248	2.08
(b)	Individuals								
i	Individual shareholders holding nominal share capital up to ₹ 1 lakh	403425	50802	454227	25.34	430390	28690	458980	25.60
ii	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	336939	-	336939	18.79	341196	-	341196	19.03
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-	-
(d)	Any other (specify)	-	-	-	-	-	-	-	-
	Non-Resident Indians	16980	200	17180	0.96	18281	200	18481	1.03
	Hindu Undivided Family	47623	-	47623	2.66	37450	-	37450	2.09
	Clearing Members	404	-	404	0.02	2435	-	2435	0.14
	Investor Education and Protection Fund (IEPF)	-	-	-	-	35396	-	35396	1.97
	Trusts	200		200	0.01	-	-	-	-0.01
	<b>Sub- Total (B)(2)</b>	<b>832818</b>	<b>51693</b>	<b>884511</b>	<b>49.34</b>	<b>901705</b>	<b>29481</b>	<b>931186</b>	<b>51.94</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>1006548</b>	<b>51693</b>	<b>1058241</b>	<b>59.03</b>	<b>1028760</b>	<b>29481</b>	<b>1058241</b>	<b>59.03</b>
<b>C</b>	<b>Shares held by Custodian for GDRs and ADRs</b>	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>1741075</b>	<b>51693</b>	<b>1792768</b>	<b>100.00</b>	<b>1763287</b>	<b>29481</b>	<b>1792768</b>	<b>100.00</b>



## ANNEXURE - 2 TO BOARD'S REPORT

### (ii) Shareholding of promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2020			Shareholding at the end of the year 31.03.2021			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	Seshasayee Paper and Boards Limited	282911	15.78	-	282911	15.78	-	0.00
2	Time Square Investments Private Ltd	165463	9.23	-	165463	9.23	-	0.00
3	Ponni Sugars (Erode) Limited	100000	5.58	-	100000	5.58	-	0.00
4	Synergy Investments Pte Ltd	80000	4.46	-	80000	4.46	-	0.00
5	Ultra Investments and Leasing Company Private Ltd	70200	3.91	-	70200	3.91	-	0.00
6	Dhanashree Investments Private Limited	21021	1.17	-	21021	1.17	-	0.00
7	N Gopalaratnam	10200	0.57	-	10200	0.57	-	0.00
8	R Vaidyanathan (Deceased)	2500	0.14	-	2500	0.14	-	0.00
9	S Sridharan	1932	0.11	-	1932	0.11	-	0.00
10	D Jayaraman	200	0.01	-	200	0.01	-	0.00
11	G A Pathanjali	100	0.01	-	100	0.01	-	0.00
	<b>Total</b>	<b>734527</b>	<b>40.97</b>	<b>-</b>	<b>734527</b>	<b>40.97</b>	<b>-</b>	<b>0.00</b>



**ANNEXURE - 2 TO BOARD'S REPORT**

**III. Change in Promoters' Shareholding**

Sl. No	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2020		Cumulative Shareholding during the year 31.03.2021	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Promoters' total holding				
	At the beginning of the year 01-Apr-2020	734527	40.97	-	-
	Purchase / Sale during the year	-	-	-	-
	At the end of the year 31-Mar-2021	-	-	734527	40.97

There is no change in the total Shareholding of Promoters during the year 2020 - 2021.

**IV. Shareholding Pattern of top ten Shareholders (other than Promoters and Directors):**

Sl. No	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2020		Cumulative Shareholding during the year 31.03.2021	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year 01-Apr-2020	173630	9.69		
	Sale 07-Aug-2020	-515	0.03	173115	9.66
	Sale 14-Aug-2020	-10005	0.56	163110	9.10
	Sale 21-Aug-2020	-6480	0.36	156630	8.74
	Sale 09-Oct-2020	-6156	0.34	150474	8.39
	Sale 16-Oct-2020	-5562	0.31	144912	8.08
	Sale 23-Oct-2020	-1529	0.09	143383	8.00
	Sale 30-Oct-2020	-1428	0.08	141955	7.92
	Sale 06-Nov-2020	-173	0.01	141782	7.91
	Sale 13-Nov-2020	-10215	0.57	131567	7.34
	Sale 20-Nov-2020	-4612	0.26	126955	7.08
	At the end of the Year 31-Mar-2021			126955	7.08
2	MINAL BHARAT PATEL				
	At the beginning of the year 01-Apr-2020	95253	5.31		
	Purchase 03-Apr-2020	4	0.00	95257	5.31
	Purchase 10-Apr-2020	133	0.01	95390	5.32
	Purchase 14-Aug-2020	5073	0.28	100463	5.60
	Purchase 21-Aug-2020	10428	0.58	110891	6.19
	Sale 30-Sep-2020	-5422	0.30	105469	5.88
	Sale 12-Feb-2021	-1000	0.06	104469	5.83
	Sale 19-Feb-2021	-10	0.00	104459	5.83
	Sale 26-Feb-2021	-6516	0.36	97943	5.46
	At the end of the Year 31-Mar-2021			97943	5.46

**ANNEXURE - 2 TO BOARD'S REPORT**

Sl. No	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2020		Cumulative Shareholding during the year 31.03.2021	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
3	SRIKANTH C At the beginning of the year 01-Apr-2020 At the end of the year 31-Mar-2021	49754	2.78	49754	2.78
4	BALRAM BHARWANI JT1 : POONAM BHARWANI At the beginning of the year 01-Apr-2020 Sale 11-Sep-2020 Sale 18-Sep-2020 Sale 30-Sep-2020 At the end of the Year 31-Mar-2021	40700 -350 -25 -40325	2.27 0.02 0.00 2.25	40350 40325 0 0	2.25 2.25 0.00 0.00
	HAVING SAME PAN BALRAM THAKURDAS BHARWANI JT1 : POONAM BALRAM BHARWANI At the beginning of the year 01-Apr-2020 Purchase 30-Sep-2020 Sale-13-Nov-2020 Sale-20-Nov-2020 Sale-27-Nov-2020 Sale-04-Dec-2020 Sale-18-Dec-2020 Sale-25-Dec-2020 Sale-31-Dec-2020 Sale-01-Jan-2021 Sale-08-Jan-2021 Sale-15-Jan-2021 Sale-05-Feb-2021 Sale-12-Feb-2021 Sale-19-Feb-2021 Sale-26-Feb-2021 At the end of the year 31-Mar-2021	0 40325 -425 -100 -50 -150 -50 -200 -250 -50 -50 -50 -50 -75 -125 -50	0.00 2.25 0.02 0.01 0.00 0.01 0.00 0.01 0.01 0.00 0.00 0.00 0.00 0.00 0.00 0.01 0.00	40325 39900 39800 39750 39600 39550 39350 39100 39050 39000 38950 38900 38825 38700 38650 38650	2.25 2.23 2.22 2.22 2.21 2.21 2.19 2.18 2.18 2.18 2.17 2.17 2.17 2.16 2.16 2.16
5	RUCHIT BHARAT PATEL JT1 : HARDIK BHARAT PATEL At the beginning of the year 01-Apr-2020 At the end of the year 31-Mar-2021	35329	1.97	25438 35329	1.42 1.97

**ANNEXURE - 2 TO BOARD'S REPORT**

Sl. No	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2020		Cumulative Shareholding during the year 31.03.2021	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
6	HARDIK B PATEL				
	At the beginning of the year 01-Apr-2020	25438	1.42		
	Purchase 10-Jul-2020	580	0.03	26018	1.45
	Purchase 17-Jul-2020	643	0.04	26661	1.49
	Purchase 24-Jul-2020	420	0.02	27081	1.51
	At the end of the Year 31-Mar-2021			27081	1.51
7	SATHYAMOORTHI DEVARAJULU				
	At the beginning of the year 01-Apr-2020	20000	1.12		
	Purchase 11-Sep-2020	10381	0.58	30381	1.69
	Purchase 18-Sep-2020	4537	0.25	34918	1.95
	Purchase 25-Sep-2020	2379	0.13	37297	2.08
	Purchase 09-Oct-2020	703	0.04	38000	2.12
	Purchase 16-Oct-2020	10511	0.59	48511	2.71
	Purchase 23-Oct-2020	56	0.00	48567	2.71
	Purchase 30-Oct-2020	433	0.02	40000	2.73
Purchase 18-Dec-2020	1000	0.06	50000	2.79	
	At the end of the Year 31-Mar-2021			50000	2.79
8	F L DADABHOY JT1 : P F DADABHOY				
	At the beginning of the year 01-Apr-2020	18000	1.00		
	Sale-13-Nov-2020	-1800	0.10	16200	0.90
	Sale-26-Mar-2021	-750	0.04	15450	0.86
	At the end of the Year 31-Mar-2021			15450	0.86
9	BHAVNA GOVINDBHAI DESAI				
	At the beginning of the year 01-Apr-2020	16000	0.89		
	Sale 12-Feb -2021	-2254	0.13	13746	0.77
	Sale 26-Feb-2021	-277	0.02	13469	0.75
	Sale 05-Mar-2021	-200	0.01	13269	0.74
	At the end of the Year 31-Mar-2021			13269	0.74
	HAVING SAME PAN BHAVNA GOVINDBHAI DESAI				
	At the beginning of the year 01-Apr-2020	2247	0.13		
	Sale 11-Sep-2020	-247	0.01	2000	0.11

**ANNEXURE - 2 TO BOARD'S REPORT**

Sl. No	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2020		Cumulative Shareholding during the year 31.03.2021	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 18-Sep-2020	-50	0.00	1950	0.11
	Sale 31-Dec-2020	-250	0.01	1700	0.09
	Sale 08-Jan-2021	-600	0.03	1100	0.06
	Sale 15-Jan-2021	-500	0.03	600	0.03
	Sale 22-Jan-2021	-500	0.03	100	0.01
	Sale 12-Feb -2021	-100	0.01	0.00	0.00
	At the end of the Year 31-Mar-2021			0.00	0.00
10	SITHARAMAN G JT1 : JANAKI S At the beginning of the year 01-Apr-2020 At the end of the Year 31-Mar-2021	13720	0.77	13720	0.77

**V. Shareholding of Directors and Key Managerial Personnel:**

Sl. No	Name	Shareholding at the beginning of the year 01.04.2020		Cumulative Shareholding during the year 31.03.2021	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	N GOPALARATNAM At the beginning of the year 01-Apr-2020 At the end of the year 31-Mar-2021	10200	0.57	10200	0.57
2	G A PATHANJALI At the beginning of the year 01-Apr-2020 At the end of the year 31-Mar-2021	100	0.01	100	0.01

**ANNEXURE - 2 TO BOARD'S REPORT**

**VI. Indebtedness:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2198.68	782.00	-	2980.68
ii) Interest due but not paid	-	307.11	-	307.11
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2198.68</b>	<b>1089.11</b>	<b>-</b>	<b>3287.79</b>
Change in Indebtedness during the financial year				
A. Principal				
- Addition	854.49	-	-	854.49
- Reduction	41.04	452.00	-	493.04
Change in Indebtedness during the financial year				
B. Interest				
- Addition	12.89	38.26	-	51.15
- Reduction	12.89	178.65	-	191.54
<b>Net Change</b>	<b>813.45</b>	<b>(592.39)</b>	<b>-</b>	<b>221.06</b>
Indebtedness at the end of the financial year				
i) Principal Amount	3012.13	330.00	-	3342.13
ii) Interest due but not paid	-	128.46	-	128.46
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3012.13</b>	<b>458.46</b>	<b>-</b>	<b>3470.59</b>

**VII. Remuneration Of Directors And Key Managerial Personnel:**

**A. Remuneration to Managing Director, Whole-time Director(s) and/or Manager**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (₹ in lakhs)
		Dr G A Pathanjali Managing Director	Mr M Ignatius Director (Operations)	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	26.52	20.04	46.56
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify - Special Allowance	24.00	15.00	39.00
5	Others – Retiral benefits	6.48	-	6.48
	<b>Total</b>	<b>57.00</b>	<b>35.04</b>	<b>92.04</b>
	Ceiling as per the Act	84.00	84.00	



**ANNEXURE - 2 TO BOARD'S REPORT**

**B. Remuneration to other directors**

Sl. No	Particulars of Remuneration	Name of Directors			Total Amount (in ₹ )
		Mr. A L Somayaji	Mr. M Natarajan	Mr. M Natarajan	
1	- Fee for attending Board Committee Meetings	65000	50000	50000	180000
	- Commission	-	-	-	-
	- Others Please specify	-	-	-	-
	<b>Total (1)</b>	<b>65000</b>	<b>50000</b>	<b>50000</b>	<b>180000</b>
2		<b>Dr. Vijayamohanan K Pillai</b>			
	- Fee for attending Board Committee Meetings	85000	20000	20000	105000
	- Commission	-	-	-	-
	- Others Please specify	-	-	-	-
<b>Total (2)</b>	<b>85000</b>	<b>20000</b>	<b>20000</b>	<b>105000</b>	
3		<b>Mrs. JayashreeAjit Shankar</b>			
	- Fee for attending Board Committee Meetings	45000	25000	25000	70000
	- Commission	-	-	-	-
	- Others Please specify	-	-	-	-
<b>Total (3)</b>	<b>45000</b>	<b>25000</b>	<b>25000</b>	<b>70000</b>	
<b>Total (B) = (1+2+3)</b>					<b>355000</b>
Overall ceiling as per the Act					(*)

(\*) Minimum Remuneration for Managing Director / Whole time Director  
Only Sitting Fee for others

**ANNEXURE - 2 TO BOARD'S REPORT**

**C. Remuneration to Key Managerial Personnel Other than MD / WTD / Manager**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total Amount (₹ in lakhs)
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10.08	20.66	30.74
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961.	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify - Incentive	5.00	10.00	15.00
5	Others, specify - Bonus	-	0.33	0.33
	<b>Total</b>	<b>15.08</b>	<b>30.99</b>	<b>46.07</b>

**VIII. Penalties/Punishment/Compounding Offences**

There were no penalties, punishments, compounding of offences against the Company, its Directors or other Officers in Default for Non-compliance / violation by the Company of any provisions of the Companies Act, 2013 during the year.

(For Board of Directors)

**N GOPALARATNAM**  
Chairman

Chennai  
31<sup>st</sup> May 2021

**ANNEXURE - 3 TO BOARD'S REPORT**

**Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**  
[Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

**A. CONSERVATION OF ENERGY**

Steps taken on conservation of energy:

- Timer provision for Air Conditioners and Dehumidifier.
- Switching over to LED bulbs from conventional tube lights.
- Reduction in heat loss in melting furnace by modifying internal structure.
- Modification in chiller plant (from water cooler to Air Cooler system).
- Switching over to CFL instead of Sodium Lamp for street lighting.

**B. TECHNOLOGY ABSORPTION**

**1 Research and Development (Totally in-house)**

- Development of Primary activated Reserve Type Silver Zinc Batteries for Aero Space applications.
- Design and Development of high power, Ag Zn Pile battery.
- Development and Production of PEM Fuel Cells.
- Research work on Ternary and low Pt Electro – catalyst for Fuel Cells.
- Research on Nano materials and Nano composites.
- Design and development of Vanadium based Flow Battery (VFB).
- Development work on Lithium Ion Battery (LIB)

**2 Benefits derived as a result of above R & D**

- The batteries developed have eliminated imports in their respective categories and thus they have saved substantial foreign exchange outgo.
- The batteries developed in-house were also exported and thus earned foreign exchange.

- Upgradation of technology to match or better the advancements reported from developed countries.
- Indigenization, Upgradation and self reliance in the critical field of batteries for strategic defense applications.
- “Make in India” concept fully implemented over four decades (Since 1979).

**3 Future Plan of Action**

To continue Research and Development in the areas mentioned in Para B1.

**4 Expenditure on R & D during the year**

(₹ in lakhs)

	As At 31.03.2021	As At 31.03.2020
Capital	-	-
Recurring	61.28	55.18
<b>Total</b>	<b>61.28</b>	<b>55.18</b>

**5 Technology Absorption and Adoption**

During the year under review, no overseas technology was acquired.

**6 Foreign Exchange Earnings and Outgo**

(₹ in lakhs)

	As At 31.03.2021	As At 31.03.2020
Earnings	33.26	25.64
Outgo	454.23	628.53

(For Board of Directors)

Chennai  
31<sup>st</sup> May 2021

**N GOPALARATNAM**  
Chairman

**ANNEXURE - 4 TO BOARD'S REPORT**

**Disclosure under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Statement of particulars of remuneration as per Rule 5(1)

Sl. No.	Description			
1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Managing Director (MD)	3.70:1	Note 1
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	MD	100%	Note 1 & 2
		Director (Operations)	75%	
		Company Secretary	50%	
		CFO	50%	
3	The percentage increase in the median remuneration of employees in the financial year	5.50%		
4	The number of permanent employees on the rolls of company	109		
5	Affirmation that the remuneration is as per the remuneration policy of the company	Yes. Remuneration is as per the remuneration policy of the company.		

**Notes:**

1. Non-Executive Directors were paid sitting fee only for attending the meetings of the Board and Committee thereof. Ratio of Remuneration and percentage increase are provided only for Executive Directors, since such data would not be meaningful in the case of non executive directors.
2. Remuneration is as per the remuneration policy of the company. MD remuneration is normally re-determined on reappointment once in 3 years, while the special allowance is determined annually.

(For Board of Directors)

Chennai  
31<sup>st</sup> May 2021

**N GOPALARATNAM**  
Chairman

**ANNEXURE - 5 TO BOARD'S REPORT**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2021**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

**The Members**

**M/s. High Energy Batteries (India) Limited**  
**“Esvin House”, 13, Old Mahabalipuram**  
**Road, Perungudi,**  
**Chennai - 600 096.**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. High Energy Batteries (India) Limited, Chennai - 600 096 (hereinafter called “the Company”).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by M/s. High Energy Batteries (India) Limited (the Company) and also the information provided electronically by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by “the Company” for the financial year ended on 31<sup>st</sup> March 2021, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (v) Other Laws applicable specifically to the Company:
  - a. The Batteries (Management and Handling) Rules, 2001
  - b. Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989
  - c. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
  - d. Environmental (Protection) Act, 1986

**ANNEXURE - 5 TO BOARD'S REPORT**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to the meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the year under report, the Company did not attract the provisions of:

- (i) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the

composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice with agenda items supported by detailed notes thereon is given to all Directors to schedule the Board Meetings and Committee meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meetings.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. But there were no dissenting views during the year under report.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

**We further report that** during the audit period the Company had no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc., referred to above.

**FOR B.K. SUNDARAM & ASSOCIATES**  
COMPANY SECRETARIES

**(B.KALYANASUNDARAM)**  
COMPANY SECRETARY  
ACS NO. A672. CP. NO. 2209  
UDIN: A000672C000395517

Place : Trichy  
Date : 31-05-2021

**Note:** This report has to be read along with the Annexure which forms an integral part of this report.

**ANNEXURE - 5 TO BOARD'S REPORT**

**ANNEXURE TO SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2021  
OF  
M/S. HIGH ENERGY BATTERIES (INDIA) LIMITED**

1. Maintenance of secretarial records with reference to the provisions of the Companies Act, 2013 & the Rules thereunder and the maintenance of records with reference to other applicable laws is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our audit.
2. The audit was conducted in accordance with applicable standards issued by the Institute of Company Secretaries of India. We have followed the audit practices and procedures as were appropriate to obtain reasonable assurance about the correctness of the contents of the records. We have sought and obtained all the information electronically and explanations which to the best of our knowledge and belief were necessary for

the purposes of our Secretarial Audit. The verifications were done on a random test basis to ensure that correctness of the facts reflected in the records.

3. We have obtained the Management representation about the compliance of Laws, Rules and Regulations and occurrence of events.

**FOR B.K. SUNDARAM & ASSOCIATES**  
COMPANY SECRETARIES

**(B.KALYANASUNDARAM)**  
COMPANY SECRETARY  
ACS NO. A672. CP. NO. 2209  
UDIN: A000672C000395517

Place : Trichy  
Date : 31-05-2021



**MAHARAJ N R SURESH AND CO LLP**  
Chartered Accountants

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
M/s. HIGH ENERGY BATTERIES (INDIA) LIMITED**

**Report on the audit of Financial Statements**

**Opinion**

We have audited the Standalone Financial Statements of **HIGH ENERGY BATTERIES (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and Notes to the Financial Statements, including a summary of the Significant Accounting Policies and other explanatory information hereinafter referred to as Financial Statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the Profit (Including Other Comprehensive Income), the changes in Equity, and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

Attention is invited to note no 45 of the financial statements which is extracted below :

"Consequent to Covid-19 pandemic, the Central Government proclaimed a nation-wide lockdown since 24<sup>th</sup> March 2020 and the Tamil Nadu State Government also followed suit. Hence the company had to suspend its operations and resumed operations from 20<sup>th</sup> May 2020, upon partial relaxation of Lock down norms.

Owing to the lock down, the company had to face difficulties due to supply chain disruptions in the domestic market and in arrival of imported materials from overseas suppliers which continues till date resulting in

loss of production, withholding of dispatch in the last quarter of the previous Financial year and the first Quarter of the current financial year which in turn affected the turnover and profit leading to Working Capital Constraints.

On resumption of normal activities from the Second Quarter of the financial year 2020-2021 and with the COVID-19 Emergency Credit Assistance to MSME made available by the banks, the company could accomplish the highest ever turnover and profit in the history of the company.

However, the onset of the Second Wave of the pandemic resulting in lock downs in various States from March 2021 led to the temporary closure of testing labs in Hyderabad, Bangalore and Visakhapatnam and consequently affected the inspection and testing of our batteries and inventory holdings.

Pursuant to the lock down restrictions announced by the Government of Tamil Nadu from 10<sup>th</sup> May 2021, the company being part of defence related industry catering to essential services operates with less than 50 % of employee strength.

The company expects to make up for the shortfall in production and sales at least in part once the normal operations are restored. The company will assess the impact of the pandemic on a continuous basis.

In the opinion of the management there is no adverse impact due to Covid 19 on the carrying value of PPE, Investments, Trade receivables and other assets and its ability to continue as a going concern.”

Our opinion on the Financial Statements is not modified in respect of the above matter.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of Financial Statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<b>Key Audit Matters</b>	<b>Response to Key Audit Matters &amp; Conclusion</b>
<p>1. As on 31<sup>st</sup> March 2021, the Inventories (Note no 6 carrying value ₹ 2883.12 Lakhs) are valued at lower of cost and net realizable value.</p> <p>We considered the value of Inventories as key audit matter considering the relative size of it in the financial statements.</p>	<p>We understood and tested the design and operating effectiveness of controls with respect to receipt, issues, year end physical verification and valuation of inventories.</p> <p>We applied standard audit procedures during physical verification including recheck of the physical stock of selected items.</p> <p>We have verified the cost calculation with the relevant record and also the orders from the customers for comparison of the selling prices with the cost.</p> <p>Based on the above audit procedures, we have concluded that the management’s determination of the value of Inventories is reasonable and in accordance with Ind AS 2 – Inventories.</p>



Key Audit Matters	Response to Key Audit Matters & Conclusion
<p>2. Note No.13 - Other current Assets - Material receivable from Customers as on 31.03.2021 ₹ 456.98 Lakhs being a significant account balance we have considered this as a key audit matter</p>	<p>We have verified the Contract with Customers.</p> <p>We have tested the internal control procedures for usage of materials on customer account and receipt of Materials from Customers.</p> <p>Based on the test checks and audit procedures applied by us we are satisfied on the Balance of Material Receivable from the customers.</p> <p>We have also verified the evidences for subsequent receipt of the materials.</p>
<p>3. Trade Receivable as on 31.03.2021 is ₹ 1823.23 Lakhs, is considered as a Key Audit Matter, being a significant account balance in the financial statements</p>	<p>We have tested the internal control procedures in the area of sales, dispatches.</p> <p>We have verified the sales amounts with the orders from customers, and documents relating to transfer of control to customers.</p> <p>We have also applied our alternate audit procedures such as verification of the internal and external evidence for dispatch of the goods for major items and subsequent bank receipts.</p> <p>Based on the audit procedures performed we are satisfied that the amount stated in the financial statements is in line with accepted accounting procedures and applicable accounting standards.</p>

**Information Other Than the Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the other information in the Annual Report, comprising of the Director’s report and its annexures, but does not include the standalone financial statements and our auditor’s report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management Responsibility and Those Charged with Governance for the Standalone Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Standalone Financial Statements that give

a true and fair view of the Financial Position, Financial Performance (including Other Comprehensive Income), Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting

and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in Internal Control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March 2021 from being appointed as a Director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

g) With respect to the other matters to be included in the Auditors’ Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.(Refer notes to financial statements).
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the company.

For M/s. **MAHARAJ N R SURESH AND CO LLP**  
Chartered Accountants  
Firm Regn. No. 001931S/S000020

**N R Suresh**  
Partner  
Membership No. 021661  
UDIN:21021661AAAAV7105

Place : Chennai  
Date : May 31, 2021

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON  
THE STANDALONE IND AS FINANCIAL STATEMENTS OF  
HIGH ENERGY BATTERIES (INDIA) LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).**

We have audited the Internal Financial Controls over Financial Reporting of **HIGH ENERGY BATTERIES (INDIA) LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s Management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company, considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls System over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s Internal Financial Controls System over Financial Reporting.



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Control over Financial Reporting includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of Internal Financial Controls over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over Financial Reporting to future periods are subject to the risk that the Internal Financial Control over Financial Reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at March 31, 2021, based on the Internal Control over Financial Reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI.

For M/s. **MAHARAJ N R SURESH AND CO LLP**  
Chartered Accountants  
Firm Regn. No. 001931S/S000020

**N R Suresh**  
Partner  
Membership No. 021661  
UDIN: 21021661AAAAV7105

Place : Chennai  
Date : May 31, 2021

**ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF HIGH ENERGY BATTERIES (INDIA) LIMITED**

The Annexure referred to in Paragraph 2 under the heading ‘Report on Other Legal and Regulatory Requirements’ of our Report of even date:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the Management at the year end and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) The Management has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed.
- (iii) The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the Register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013, in respect of investments, provided by the Company. The Company has not provided any loan, guarantee or security to any company covered under Section 185.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has prescribed maintenance of Cost Records under Sub-section (1) of Section 148 of the Companies Act, 2013 and such accounts and records have been made and maintained.
- (vii) According to the information and explanations given to us in respect of Statutory dues:
  - (a) The Company is regular in depositing undisputed Statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Duty of Customs, Cess, Goods and Service Tax and any other Statutory Dues to the appropriate authorities and there were no undisputed amounts payable which were in arrears as at 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable.
  - (b) There are no dues of Income Tax or Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax, Cess and Goods and Service Tax have not been deposited as on 31<sup>st</sup> March 2021 on account of disputes.
- (viii) The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government. The Company has not issued any Debentures.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. The term loans obtained from banks have been applied for the purpose for which they were raised.

- (x) The Company has not noticed or reported during the year any fraud by the Company or any fraud on the Company by its Officers or employees.
- (xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197, read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence complying with the provisions of the Nidhi Rules, 2014 does not arise.
- (xiii) All transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements, etc., as required by the applicable Accounting Standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The Company has not entered into any non-cash transactions with Directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For M/s. **MAHARAJ N R SURESH AND CO LLP**  
Chartered Accountants  
Firm Regn. No. 001931S/S000020

**N R Suresh**  
Partner  
Membership No. 021661  
UDIN: 21021661AAAAAV7105

Place : Chennai  
Date : May 31, 2021

## BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021

₹ in lakhs

Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
<b>I ASSETS</b>			
<b>1 Non Current Assets</b>			
a) Property Plant and Equipment	2	3073.76	3103.95
b) Intangible Assets	2(a)	8.88	-
c) Intangible Assets under Development	2(b)	3.60	14.20
d) Financial Assets			
(i) Investments	3	88.35	58.71
(ii) Loans	4	16.24	18.55
e) Other Non Current Assets	5	66.48	45.18
		<b>3257.31</b>	<b>3240.59</b>
<b>2 Current Assets</b>			
a) Inventories	6	2883.12	2797.94
b) Financial Assets			
(i) Trade Receivables	7	1823.23	918.35
(ii) Cash and Cash Equivalents	8	553.30	2.82
(iii) Bank Balances	9	101.11	91.14
(iv) Loans	10	21.77	16.30
(v) Others	11	0.62	0.04
c) Current Tax Assets (Net)	12	-	29.47
d) Other Current Assets	13	720.04	328.50
		<b>6103.19</b>	<b>4184.56</b>
<b>Total</b>		<b>9360.50</b>	<b>7425.15</b>
<b>EQUITY AND LIABILITIES</b>			
<b>II EQUITY</b>			
a) Equity Share Capital	14	179.28	179.28
b) Other Equity	15	4014.35	2196.40
		<b>4193.63</b>	<b>2375.68</b>
<b>III LIABILITIES</b>			
<b>Non Current liabilities</b>			
a) Financial Liabilities			
Borrowings	16	279.02	1033.52
b) Deferred Tax Liabilities (Net)	17	466.09	48.68
c) Provisions	18	38.50	33.46
d) Other Non Current Liabilities	19	65.43	149.16
		<b>849.04</b>	<b>1264.82</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	20	2790.68	2198.68
ii) Trade Payables			
(A) Total outstanding dues of Small Enterprises and Micro enterprises	21	91.35	209.33
(B) Total outstanding dues of creditors other than Small Enterprises and Micro enterprises	21	379.64	509.67
iii) Other Current Liabilities	22	634.54	137.52
b) Other Current Liabilities	23	213.85	685.99
c) Provisions	24	199.77	43.46
d) Current Tax Liabilities (Net)	25	8.00	-
		<b>4317.83</b>	<b>3784.65</b>
<b>Total</b>		<b>9360.50</b>	<b>7425.15</b>

Notes to Financial Statements 1 to 46

Vide our Report of even date  
For M/s. Maharaj N R Suresh and Co. LLP  
Chartered Accountants  
Firm Reg No: 001931S/S000020

**N.R. SURESH**  
Partner  
M.No: 021661  
UDIN: 21021661AAAAV7105

Chennai  
May 31, 2021

**N. GOPALARATNAM**  
Chairman  
**Dr. G.A. PATHANJALI**  
Managing Director

**M. IGNATIUS**  
Director (Operations)

**A. L. SOMAYAJI**  
**Cmde. R.P. PREM KUMAR, VSM (Retd.)**  
**M. NATARAJAN**

**R. SWAMINATHAN**  
Chief Financial Officer

**LALITHA LAKSHMANAN**  
**Dr. VIJAYAMOHANAN K PILLAI**  
**JAYASHREE AJIT SHANKAR**

Directors

**S.V. RAJU**  
Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

₹ in lakhs

S No	Particulars	Note No	Year ended 31.03.2021	Year ended 31.03.2020
<b>I</b>	<b>Revenue from Operations</b>			
	Revenue from Sale of Products	26a	7752.75	6116.51
	Other Operating Revenues	26b	30.72	32.71
<b>II</b>	<b>Other Income</b>	27	11.94	16.80
<b>III</b>	<b>Total Revenue (I+II)</b>		<b>7795.41</b>	<b>6166.02</b>
<b>IV</b>	<b>Expenses</b>			
	Cost of materials and components consumed	28	2780.80	2806.28
	Changes in Inventories	29	(136.87)	(282.41)
	Employee Benefits Expense	30	1215.27	1128.22
	Finance Cost	31	512.49	566.35
	Depreciation and Amortisation	2 & 2(a)	112.43	115.98
	Other Expenses	32	912.47	950.51
	<b>Total Expenses (IV)</b>		<b>5396.59</b>	<b>5284.93</b>
<b>V</b>	<b>Profit / (Loss) Before Exceptional Items and Tax (III-IV)</b>		2398.82	881.09
<b>VI</b>	<b>Exceptional Items</b>		-	-
<b>VII</b>	<b>Profit Before Tax</b>		<b>2398.82</b>	<b>881.09</b>
<b>VIII</b>	<b>Tax Expenses</b>	33		
	Current Tax		133.52	-
	Deferred Tax		432.37	320.90
	<b>Total Tax Expenses (VIII)</b>		<b>565.89</b>	<b>320.90</b>
<b>IX</b>	<b>Profit / (Loss) After Tax and Exceptional Item (VII-VIII)</b>		<b>1832.93</b>	<b>560.19</b>
<b>X</b>	<b>Other Comprehensive Income</b>			
	A. Items that will not be reclassified to Statement of Profit and Loss			
	(i) Remeasurement benefit of the defined benefit plans		(59.59)	(5.07)
	(ii) Income tax expense on remeasurement benefit of the defined benefit plans		14.96	1.16
	(iii) Net fair value gain/(loss) on investment in equity instruments through OCI		29.64	(42.58)
	(iv) Income Tax Expenses on gain on Fair valuation of investment in equity instruments through OCI		-	-
	<b>Other Comprehensive Income for the year</b>		<b>(14.99)</b>	<b>(46.49)</b>
	B. Items that will be reclassified to Statement of Profit and loss		-	-
	<b>Total Comprehensive income for the period (IX + X)</b>		<b>1817.94</b>	<b>513.70</b>
	<b>Earning per Equity Share (of Face Value ₹ 10 each)</b>			
	Basic	40	102.24	31.25
	Diluted	40	102.24	31.25
	<b>Notes to Financial Statements 1 to 46</b>			

Vide our Report of even date  
For M/s. Maharaj N R Suresh and Co. LLP  
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Director (Operations)

**R. SWAMINATHAN**  
Chief Financial Officer

**S.V. RAJU**  
Secretary

Chennai  
May 31, 2021

**STATEMENT OF CHANGES IN EQUITY**

**Equity Share Capital**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Balance at the beginning of the reporting year	179.28	179.28
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	179.28	179.28

**Statement of Changes in Equity**

₹ in lakhs

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Total
	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained Earnings		
<b>Balance as on 1<sup>st</sup> April, 2019</b>	<b>3.00</b>	<b>783.35</b>	<b>200.00</b>	<b>600.98</b>	<b>95.37</b>	<b>1682.70</b>
Add:						
Profit for the year 2019-20	-	-	-	560.19	-	560.19
Net gain/(loss) on remeasurement of defined benefit plans (Net of tax)	-	-	-	(3.91)	-	(3.91)
Net gain/(loss) on fair valuation of investments in equity shares	-	-	-	-	(42.58)	(42.58)
<b>Balance as on 31<sup>st</sup> March, 2020</b>	<b>3.00</b>	<b>783.35</b>	<b>200.00</b>	<b>1157.26</b>	<b>52.79</b>	<b>2196.40</b>
Add:						
Profit/(Loss) for the year 2020-21	-	-	-	1832.94	-	1832.94
Net gain/(loss) on remeasurement of defined benefit plans	-	-	-	(44.63)	-	(44.63)
Net gain/(loss) on fair valuation of investments in equity shares	-	-	-	-	29.64	29.64
Income Tax Expenses on Fair valuation of investment in equity instruments through OCI	-	-	-	-	-	-
Less:						
Dividend	-	-	-	-	-	-
Transfer to Reserves	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>3.00</b>	<b>783.35</b>	<b>200.00</b>	<b>2945.57</b>	<b>82.43</b>	<b>4014.35</b>

Vide our Report of even date  
For M/s. Maharaj N R Suresh and Co. LLP  
Chartered Accountants  
Firm Reg No: 001931S/S000020

**N.R. SURESH**  
Partner  
M.No: 021661  
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May 31, 2021

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Directors

**S.V. RAJU**  
Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

₹ in lakhs

Description	Refer Note No.	Year Ended 31.03.2021		Year Ended 31.03.2020	
<b>A. Cash flow from Operating Activities:</b>					
Profit before tax			2398.82		881.09
<b>Adjustments for:</b>					
Depreciation	2 & 2(a)	112.43		115.98	
Interest Paid	31	512.49		566.35	
Interest received	27	(9.03)		(8.93)	
Dividend	27	(2.08)		(2.07)	
Profit on sale of Assets	27	(0.08)	613.73	-	671.33
<b>Operating Profit before working capital changes</b>			<b>3012.55</b>		<b>1552.42</b>
<b>Adjustments for:</b>					
Trade and Other Receivables	7	(904.88)		743.92	
Inventories	6	(85.18)		(358.71)	
Other current assets	4,5,10,11 & 13	(607.08)		18.87	
Provisions	18 & 24	101.75		61.54	
Other liabilities	19	(83.73)		(24.32)	
Trade and other payables	21 to 23	(395.21)	(1974.33)	(852.38)	(411.08)
Cash generated from operations			<b>1038.22</b>		<b>1141.34</b>
Direct Tax paid net of refund			(113.76)		(20.74)
<b>Net cash from operating activities (A)</b>			<b>924.46</b>		<b>1120.60</b>
<b>B. Cash flow from Investing Activities:</b>					
Purchase / Acquisition of fixed assets	2 & 2(a)	(91.62)			(45.73)
Change in CWIP	2(b)	10.60			-
Sale of Fixed Assets		0.59			-
Interest received	27	9.03			8.93
Dividend received	27	2.08			2.07
<b>Net cash used in investing activities (B)</b>			<b>(69.32)</b>		<b>(34.73)</b>



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

₹ in lakhs

Description	Refer Note No.	Year Ended 31.03.2021	Year Ended 31.03.2020
<b>C. Cash flow from Financing Activities:</b>			
Long term bank deposit	9	(9.96)	(4.99)
Unsecured loan repaid during the year	16 & 22	(452.00)	85.83
Interest on Unsecured Loan Paid	16 & 22	(240.73)	-
Working Capital Loan	20	592.00	(659.33)
Term loan from Banks received during the year	16 & 22	262.49	-
Term loan from banks Repaid during the year	16 & 22	(41.04)	-
Interest Paid		-	-
Interest as per Statement of Profit & Loss	31	(512.49)	
Interest on Unsecured loan considered above		91.87	
Interest on Current Tax not paid		5.20	(566.35)
<b>Net cash used in financing activities ( C )</b>		<b>(304.66)</b>	<b>(1144.84)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>		<b>550.48</b>	<b>(58.97)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>2.82</b>	<b>61.79</b>
<b>Cash and cash equivalents at the end of the year</b>	8	<b>553.30</b>	<b>2.82</b>

Vide our Report of even date  
For M/s. Maharaj N R Suresh and Co. LLP  
Chartered Accountants  
Firm Reg No: 001931S/S000020

**N.R. SURESH**  
Partner  
M.No: 021661  
UDIN: 21021661AAAAAV7105

Chennai  
May 31,2021

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Directors

**S.V. RAJU**  
Secretary

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**Company Overview**

High Energy Batteries (India) Limited is a Public Limited Company. The Company is incorporated under The Companies Act, 1956 and is domiciled in India. Its Registered Office is located at 'Esvin House', No. 13, Old Mahabalipuram Road, Seevaram Village, Perungudi, Chennai – 600 096. The Company is a battery manufacturer with its factory located at Mathur, near Trichy. The batteries are manufactured for use in Indian Army, Navy, Air Force and Launch Vehicles and also manufactures commercial batteries for auto and standby VRLA Applications. The company's shares are listed in BSE Ltd. The Company is classified as Small since 01st July, 2020 vide MSME UDYAM Registration No.UDYAM-TN-02-0000445.

**A. Significant Accounting Policies and Key Accounting Estimates and Judgements**

**1. Significant Accounting Policies**

**1.1 Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

**1.2 Basis of Preparation and Compliance**

The financial statements are prepared in accordance with the historical cost convention except for certain items that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. The financial statements are prepared on a "going concern" basis using accrual concept except for the cash flow information.

Historical cost is generally based on fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS-2 inventories or value in use in Ind AS 36 – Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, as described hereunder:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 - Unobservable inputs for the asset or liability.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

Transactions and balances with values below the rounding off norm adopted by the company have been reflected as "--" in these financial statements.

**1.3 Current / Non-Current Classification**

An asset or liability is classified as current if it satisfies any of the following conditions:

- (i) the asset / liability is expected to be realized / settled in the Company's normal operating cycle;
- (ii) the asset is intended for sale or consumption;
- (iii) the asset / liability is held primarily for the purpose of trading;
- (iv) the asset / liability is expected to be realized / settled within twelve months after the reporting period;
- (v) the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period;
- (vi) in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

For the purpose of current / non-current classification, the Company has reckoned its normal operating cycle as twelve months based on the nature of products and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

Deferred tax assets and liabilities are classified as non-current.

**1.4 Recent Accounting Pronouncements**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

**Balance Sheet:**

- 1. Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- 2. Specified format for disclosure of shareholding of promoters.
- 3. Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- 4. If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

5. Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

**Statement of profit and loss:**

1. Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

**1.5 Property, Plant and Equipment (PPE)**

Property, plant and equipment are tangible items that:

- (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- (b) are expected to be used during more than one period.

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
  - (b) the cost of the item can be measured reliably.
- (i) An item of PPE that qualifies for recognition as an asset is measured on initial recognition at cost. Following initial recognition, PPEs are carried at its cost less accumulated depreciation and accumulated impairment losses.
  - (i)(a) For transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognized as of April 1, 2016 (transition date) measured as per the previous IGAAP as its deemed cost as on the transition date except land, which has been measured at fair value as deemed cost on the transition date.
  - (ii) The cost of an item of PPE comprises purchase price, taxes and duties net of input tax credit entitlement and other items directly attributable to the cost of bringing the asset to its working condition for its intended use. Trade discounts and rebates are deducted. Cost includes cost of replacing a part of a PPE if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of PPE if the recognition criteria are met.
  - (iii) The Company identifies and determines the cost of each part of an item of PPE separately, if the part has a cost which is significant to the total cost of that item of PPE and has useful life that is materially different from that of the remaining item.
  - (iv) Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of PPE are capitalized at cost. Costs in nature of repairs and maintenance are



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

recognized in the statement of Profit and Loss as and when incurred. All upgradation / enhancements are charged off as revenue expenditure unless they bring significant additional benefits. Borrowing Costs (net of interest earned on temporary investments of those borrowings) directly attributable to acquisition, construction or production of qualifying assets are capitalized as part of the cost of the assets till the asset is ready for its intended use.

(v) Capital advances and capital work-in-progress

Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets. Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work-in-progress. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Depreciation on these assets commences when the assets are ready for their intended use.

(vi) Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives and residual values are reviewed at the end of each reporting period and changes, if any, are treated as changes in accounting estimate. The useful lives are based on technical estimates and the management believes that the useful lives are realistic and fair approximation over the period of which the assets are likely to be used.

(vii) Estimated useful lives of the assets are as follows:

<b>Asset</b>	<b>Years</b>
Factory Buildings	30
Fences, Walls, Tube wells	5
Buildings (other than factory buildings)	10
Plant and Equipment – Main Plant	15
Plant and Equipment – Lead Acid Battery Plant	15-20
Computers	3
Servers	6
Furniture and Fixtures	10
Vehicles	8-10
Office Equipment	5

Assets costing ₹ 5,000/- and below are depreciated in full within the Financial Year.

The useful lives are based on the technical estimates made by the management which in the opinion of the management are realistic and fair approximation over the period over which assets are likely to be used.

**1.6 Intangible assets**

**a. Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life is reviewed annually with the effect of any changes in estimate being accounted for on a prospective basis.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**b. Useful lives of intangible assets**

Intangible assets are amortized equally over the estimated useful life not exceeding five years.

Estimated useful life of Computer Software is five years.

**1.7 De-recognition of tangible and intangible assets**

An item of tangible and intangible asset is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of tangible and intangible assets is determined as the difference between the sales proceeds if any and the carrying amount of the asset and is recognized in the statement of profit or loss.

**1.8 Impairment of tangible and intangible assets**

The Company annually reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

**1.9 Revenue Recognition**

**Revenue from contract with customers**

Effective from 1st April 2018, the company has applied **IND AS-115- Revenue from contracts with customers**. Application of the standard does not have any significant impact with revenue recognition and measurements.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**a. Revenue Recognition**

Revenue on sale of Goods is recognized at a point in time on transfer of control of the products to the customer in an amount that reflects the consideration the company expects to receive in exchange for those products pursuant to the contract with the Customer.

**Transfer of control**

In respect of Aerospace, Naval and power system batteries on issue of Inspection Note by the customer and delivery to the common carrier.

In respect of Lead Acid Batteries when the goods are delivered to the common carrier.

**Development-cum-supply contracts**

- a) Revenue is recognized over a period of time based on output method and mile stones achieved when the performance obligations in respect of the development work is distinct and independent from supply of goods.
- b) Revenue is recognized over a period of time under the input method and mile stones achieved where developmental work and the supplies are inter-related or inter-dependent.
- c) When substantial portion of the developmental work has not been completed, the amount of expenditure incurred on the development work such as employees benefit expenses, materials and other direct expenses are carried forward as '**Work in progress**'.

**Significant financing component**

Payment terms in Defense contracts are standardized and generally uniform across all customers. Typical payment terms are by way of advances, milestones achieved and 5%/10% payment on submission of BG or on the expiry of the warranty period.

The timing of the transfer of the goods is as specified by the customer in the contract. Advance from customers is for procuring specific materials having a long lead delivery time and specific to the products in nature and therefore the advances are not considered to have any significant financing component.

5% /10% payments are in the nature of retention towards performance warranty and do not carry any financing element and are moneys retained for reasons other than provision of finance. The retention moneys are payable on submission of bank guarantees and are classified as current.

**Contract Assets:**

Materials receivable from the customer in respect of products already supplied as per the terms of the contract is recognized and is disclosed as non-financial assets - other current assets.

**Contract liabilities** – Cash Advance from Customers are disclosed under Current/Non Current based on the delivery period as per the contract as amended from time to time.

Advances in the form of materials from Customer are secured by Bank Guarantees and are netted off against the Inventory carried as the advance is to be adjusted by supply of products and is disclosed in the notes to accounts.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**Impairment of Trade Receivables**

Receivables from Government Departments are generally treated as fully recoverable based on past experience. However, in respect of other customers, impairment on account of expected credit loss is assessed on a case to case basis in respect of dues outstanding for a significant period of time.

**b. Dividend and interest income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and using effective interest rate method.

**c. Insurance Claims**

Insurance claims are recognized on the basis of claims admitted /expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

**1.10 Government grants**

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Grants are recognized in the Statement of Profit and Loss on a systematic basis over the period in which the Company recognises as expense the related costs which the grants are intended to compensate. Specifically, Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

Grants that are receivable as compensation for expenses or losses incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Grants related to income are presented in the Statement of Profit and Loss as 'other income' or deducted in reporting the related expense. Receivables of such grants are disclosed under "Other Financial Assets".

**1.11 Inventories**

Inventories are valued at lower of cost and net realizable value. Materials and other items intended for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Cost includes taxes and duties, net of input tax credit entitlement. Cost of raw materials, consumables, stores and spares is determined



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

on weighted average basis and includes inward freight and other direct expenses. Net realizable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are periodically identified and provision is made where necessary.

**1.12 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in the Statement of profit or loss in the period in which they are incurred.

**1.13 Employee Benefits**

**(a) Short term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

**(b) Post-employment benefits**

**(i) Defined Contribution Plans**

Contribution to Provident Fund (Defined Contribution Plan) as per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 is recognised as expense in the Statement of Profit and Loss and remitted to the Provident Fund Commissioner. The contribution to the Superannuation Fund (Defined Contribution Plan) is recognised as expense and funded with Life Insurance Corporation of India.

**(ii) Defined Benefit Plans**

The company operates the Defined Benefit Gratuity Plan for employees. The cost of providing defined benefits is determined using the Projected Unit Credit Method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/(asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability/(asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

defined benefit liabilities / asset) are recognized in other comprehensive income and taken to retained earnings. Such re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

The entire liability towards gratuity is considered as current as the company will contribute this amount to the gratuity fund within the next twelve months.

**(c) Other Long-term Employee Benefits (Unfunded)**

Entitlement to annual leave is recognized when they accrue to employees. Annual leave can be availed or encashed either during service or on retirement subject to a restriction on the maximum days of accumulation of leave. The company determines the liability for such accumulated leave using the Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date.

**1.14 Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**1.15 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**1.16 Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**a. Classification of financial assets**

Debt instruments that meet the following conditions are subsequently measured at amortized cost. The debt instruments carried at amortised cost include Deposits, Loans and advances recoverable in cash.

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

**b. Effective interest method (EIR)**

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as FVTPL. Interest income is recognised in the Statement of profit or loss.

**c. Investments in equity instruments at FVTOCI**

The company has irrevocably designated to carry investment in equity instruments at Fair value through other comprehensive income. On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. On derecognition of such Financial Assets, cumulative gain or loss previously reported in OCI is not reclassified from Equity to statement of Profit and Loss. However, the company may transfer such cumulative gain or loss into retained earnings within equity.

The Company has equity investments which are not held for trading. The Company has elected the FVTOCI irrevocable option for these investments (see note 3). Fair value is determined in the manner described in note 1.2.

Dividends on these investments in equity instruments are recognised in the statement of profit or loss when the Company's right to receive same is established, it is probable that the economic benefits associated with the dividend will flow to the company, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**d. Impairment of Financial Assets**

In accordance with Ind AS 109, the Company uses “Expected Credit Loss” (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible defaults events over the life of the financial instrument).

For trade receivable, Company applies ‘simplified approach’ which requires expected lifetime losses to be recognized from initial recognition of the receivables.

For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk, if there is significant increase in credit risk full lifetime ECL is used.

**e. De-recognition of Financial Assets:**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109, A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Concomitantly, if the asset is one that is measured at:

- (a) Amortised cost, the gain or loss is recognized in the Statement of Profit and Loss.
- (b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**1.17 Financial liabilities and equity instruments**

**a. Classification as debt or equity**

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**b. Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company are recognised at the proceeds received, net of direct issue costs.

**c. Financial liabilities**

All financial liabilities are initially recognized at the value of respective contractual obligations.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

**d. Derecognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

**1.18 Foreign Currency Transactions**

**a. Initial Recognition**

On initial recognition, transactions in foreign currencies are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

**b. Measurement of foreign currency items at reporting date**

Foreign currency monetary items are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

**c. Recognition of exchange difference**

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

**1.19 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**1.20 Taxes on Income**

Taxes on income comprise of current tax and deferred tax.

**a. Current tax**

Current tax is the amount of income taxes payable in respect of taxable profit for a period.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

Taxable profit differs from 'profit before tax' as reported in the statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates and tax laws enacted during the reporting period together with any adjustment to tax in payable in respect of previous years.

**b. Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the accounting profit nor the taxable profit, deferred tax liabilities are not recognized.

Deferred tax assets are recognized for all deductible temporary differences to the extent it is probable that future taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

**c. Current and deferred tax for the year**

Current and deferred tax are recognised in the Statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**1.21 Events after reporting period**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size of nature are only disclosed.

**1.22 Segment Reporting**

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM) of the company. The CODM is responsible for allocating

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

resource and assessing performance of the operating segments of the company. The Managing Director is identified as the CODM.

Segment accounting policies are in line with the accounting policies of the company. In addition, the specific accounting policies have been followed for segment reporting as under:

The Company has identified two business segments viz. 1. Aerospace, Naval and Power System Batteries and 2. Lead Acid Batteries. Revenue and expenses have been identified to respective segments on the basis of operating activities of the enterprise. Revenue and expenses which relate to the enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as unallocable revenue and expenses.

Segment assets and liabilities represent assets and liabilities in respective segments. Other assets and liabilities that cannot be allocated to a segment on a reasonable basis have been disclosed as unallocable assets and liabilities.

Inter segment revenue / expenditure – Not Applicable.

Geographical segment – Not Applicable.

**1.23 Earnings Per Share (EPS)**

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**Key Accounting estimates and judgments**

**1.1 Use of Estimates**

The preparation of financial statements in conformity with IndAS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

**1.2 Key sources of estimation uncertainty**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumption concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

**a. Fair value measurement and valuation processes**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

**b. Useful life of Property, Plant and Equipments**

The Company reviews the estimated useful life of Property, Plant and Equipment at the end of each reporting period. During the current year, there has been no change in useful life considered for the assets.

**c. Actuarial valuation**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

**d. Claims, Provisions and Contingent Liabilities**

The Company has ongoing litigations with various tax and regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

### Note No.2 Property Plant and Equipment

₹ in lakhs

Description	Gross Carrying Value			Depreciation			Net Carrying Value		
	As at 01.04.2020	Additions during the year	Deletions/ Adjustment	As at 31.03.2021	As at 01.04.2020	Additions during the year	Deletions/ Adjustment	As at 31.03.2021	As at 31.03.2020
Land	1987.82	-	-	1987.82	-	-	-	-	1987.82
Building	359.56	8.53	-	368.09	60.18	16.13	-	76.31	291.78
Plant & Equipment	1172.54	49.82	0.07	1222.29	393.61	84.23	0.04	477.80	744.48
Electrical Installation	26.93	-	-	26.93	20.59	0.03	-	20.62	6.34
Office Equipment	20.39	6.08	0.56	25.91	8.34	2.29	0.26	10.37	15.54
Computers	11.81	16.21	-	28.02	2.48	5.46	-	7.94	20.08
Furniture & Fixtures	1.89	0.38	-	2.27	0.62	0.20	-	0.82	1.45
Vehicles	23.28	-	0.17	23.11	14.44	2.37	-	16.81	6.30
<b>TOTAL</b>	<b>3604.22</b>	<b>81.02</b>	<b>0.80</b>	<b>3684.44</b>	<b>500.26</b>	<b>110.71</b>	<b>0.30</b>	<b>610.67</b>	<b>3073.76</b>

(i) All the above assets are owned by the company.

(ii) Paripassu first charge on all Land & Building, Plant & Equipment and all other immovable fixed assets of the company in favour of Banks towards Term Loan and working capital assistance.

₹ in lakhs

Description	Gross Carrying Value			Depreciation			Net Carrying Value		
	As at 01.04.2019	Additions during the year	Deletions/ Adjustment	As at 31.03.2020	As at 01.04.2019	Additions during the year	Deletions/ Adjustment	As at 31.03.2020	As at 31.03.2019
Land	1987.82	-	-	1987.82	-	-	-	-	1987.82
Building	348.44	11.12	-	359.56	44.51	15.67	-	60.18	299.38
Plant & Equipment	1161.76	10.78	-	1172.54	303.82	89.79	-	393.61	778.92
Electrical Installation	26.93	-	-	26.93	18.87	1.72	-	20.59	6.34
Office Equipment	17.63	2.76	-	20.39	6.13	2.21	-	8.34	12.05
Computers	-	11.81	-	11.81	-	2.48	-	2.48	9.33
Furniture & Fixtures	1.07	0.82	-	1.89	0.42	0.20	-	0.62	1.27
Vehicles	14.83	8.45	-	23.28	10.53	3.91	-	14.44	8.84
<b>TOTAL</b>	<b>3558.48</b>	<b>45.74</b>	<b>-</b>	<b>3604.22</b>	<b>384.28</b>	<b>115.98</b>	<b>-</b>	<b>500.26</b>	<b>3103.95</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

### Note No.2 (a) Intangible Assets

₹ in lakhs

Description	Gross Carrying Value			Amortisation			Net Carrying Value		
	As at 01.04.2020	Additions during the year	Deletions/Adjustment	As at 31.03.2021	As at 01.04.2020	Additions during the year	Deletions/Adjustment	As at 31.03.2021	As at 31.03.2020
Computer Software	-	10.60	-	10.60	-	1.72	-	1.72	8.88
<b>TOTAL</b>	<b>-</b>	<b>10.60</b>	<b>-</b>	<b>10.60</b>	<b>-</b>	<b>1.72</b>	<b>-</b>	<b>1.72</b>	<b>8.88</b>

### Note No.2 (b) Intangible Assets under Development

₹ in lakhs

Description	Gross Carrying Value			Amortisation			Net Carrying Value		
	As at 01.04.2020	Additions during the year	Deletions/Adjustment	As at 31.03.2021	As at 01.04.2020	Additions during the year	Deletions/Adjustment	As at 31.03.2021	As at 31.03.2020
Intangible Assets under Development	14.20	-	10.60	3.60	-	-	-	-	14.20
<b>TOTAL</b>	<b>14.20</b>	<b>-</b>	<b>10.60</b>	<b>3.60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.20</b>

Description	Gross Carrying Value			Depreciation			Net Carrying Value		
	As at 01.04.2019	Additions during the year	Deletions/Adjustment	As at 31.03.2020	As at 01.04.2019	Additions during the year	Deletions/Adjustment	As at 31.03.2020	As at 31.03.2019
Intangible Assets under Development	14.20	-	-	14.20	-	-	-	-	14.20
<b>TOTAL</b>	<b>14.20</b>	<b>-</b>	<b>-</b>	<b>14.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.20</b>

Intangible Assets under Development represents the cost incurred for development of software.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**3 Investments**

₹ in lakhs

Particulars	No. of Shares	Face Value	As at 31.03.2021	As at 31.03.2020
<b>Non Current Investments</b>				
<b>A. Investments in Equity Instruments - at Fair Value through Other Comprehensive Income</b>				
<b>Quoted Equity Shares:</b>				
Ponni Sugars (Erode) Limited	382	10	0.56	0.52
Seshasayee Paper and Boards Limited	51645	2	83.28	53.68
<b>Unquoted Equity Shares:</b>				
SPB Projects and Consultancy Limited	45000	10	4.51	4.51
GPC Technologies Limited	1500	10	-	-
Esvin Advanced Technologies Limited	830	10	-	-
<b>Total</b>			<b>88.35</b>	<b>58.71</b>
Aggregate amount of Quoted investments - at Cost			1.33	1.33
Aggregate amount of Quoted Investments - at Market Value			83.84	54.20
Aggregate amount of Unquoted Investments - at Cost			4.74	4.74
Aggregate amount of Impairment in Value of Investments			0.23	0.23

**4 Loans**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Unsecured - Considered good</b>		
Security Deposit - Electricity	16.24	18.55
	<b>16.24</b>	<b>18.55</b>

**5 Other Non Current Assets**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Deposit - Export Credit Guarantee Corporation	1.98	1.10
Advance Income Tax (Net of provision)	56.60	44.08
VAT Receivable	7.90	-
<b>Total</b>	<b>66.48</b>	<b>45.18</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**6 Inventories**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Raw Materials and Components	1188.90	1236.60
Less: Provision for Impairment	37.18	33.12
	<b>1151.72</b>	<b>1203.48</b>
Work-in-progress	1568.20	1398.57
Less: Provision for Impairment	6.32	6.32
	<b>1561.88</b>	<b>1392.25</b>
Finished Goods	110.21	142.98
Less: Provision for Impairment	5.89	5.89
	<b>104.32</b>	<b>137.09</b>
Stores and Spares	52.13	56.15
Less: Provision for Impairment	9.03	8.36
	<b>43.10</b>	<b>47.79</b>
Loose Tools	22.10	17.33
<b>Less: Provision for Impairment</b>	-	-
	<b>22.10</b>	<b>17.33</b>
<b>Total</b>	<b>2883.12</b>	<b>2797.94</b>
<b>Details of Finished goods</b>		
Aero Space, Naval and Power System Batteries	101.07	128.25
Lead Acid Storage Batteries	3.25	8.84
Aero Space Nickel Cadmium Batteries	-	-
<b>Total</b>	<b>104.32</b>	<b>137.09</b>

**7 Trade Receivables**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Unsecured</b>		
a) Considered good	1823.23	918.35
b) With significant increase in Credit risk but considered good	-	-
c) Doubtful	1.80	3.94
	<b>1825.03</b>	<b>922.29</b>
Allowance for doubtful receivables	1.80	3.94
<b>Total</b>	<b>1823.23</b>	<b>918.35</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**8 Cash and Cash Equivalents**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Cash and Cash Equivalents</b>		
Balance with Banks	3.40	0.97
Cash in hand	1.90	1.85
In Deposit accounts with original maturity of less than 3 months	548.00	-
<b>Cash and Cash Equivalents</b>	<b>553.30</b>	<b>2.82</b>

**9 Bank Balances other than cash and cash equivalents**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Financial Assets - Bank Balances other than Cash and cash Equivalents</b>		
Fixed Deposits with Banks		
Deposits with original maturity for more than 12 months *	96.48	90.70
Margin money for Bank Guarantee for less than 12 months	4.63	-
Unpaid Dividend	-	0.44
<b>Other Bank Balances</b>	<b>101.11</b>	<b>91.14</b>

\*Deposits with banks held as a security by banks - ₹ 96.48 Lakhs (Previous year ₹ 90.70 Lakhs).  
Principal ₹ 50.00 Lakhs.

**10. Loans**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Unsecured and considered good</b>		
Telephone Deposits	0.28	0.28
Deposit - Others	4.77	4.01
Rental Deposit	11.36	12.01
Security Deposit - Electricity	5.36	-
<b>Total</b>	<b>21.77</b>	<b>16.30</b>

**11. Current Financial Assets - Others**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Interest Receivable	0.04	0.04
Duty Draw Back Receivable from Customs	0.58	-
<b>Total</b>	<b>0.62</b>	<b>0.04</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**12. Advance Income Tax (Net of provision)**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Unsecured Considered Good</b>		
Advance Income Tax (Net of provision)	-	29.47
<b>Total</b>	<b>-</b>	<b>29.47</b>

**13. Non Financial Assets - Other Current Assets**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Unsecured Considered Good</b>		
Advances to Sundry Creditors and Services	148.51	97.80
Prepaid Expenses and Insurance	113.19	145.96
Balance with GST	-	7.00
GST receivable	1.36	45.84
VAT Receivable	-	7.90
Material Receivable from Customers	456.98	24.00
<b>Total</b>	<b>720.04</b>	<b>328.50</b>

**14. Share Capital**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Authorised Capital</b>		
7500000 (31.03.2020 - 7500000) Equity Shares of ₹ 10 each	750.00	750.00
<b>Issued, Subscribed and Fully paid up shares</b>		
1792768 (31.03.2020 - 1792768) Equity shares of ₹ 10 each	179.28	179.28
<b>Total</b>	<b>179.28</b>	<b>179.28</b>

**a) Reconciliation of Shares outstanding at the beginning and at the end of the reporting period**  
**Equity shares**

₹ in lakhs

Particulars	As at 31.03.2021		As at 31.03.2020	
	Nos.	Value (₹)	Nos.	Value (₹)
At the beginning of the year	1792768	179.28	1792768	179.28
Issued during the year	-	-	-	-
Outstanding at the end of the year	1792768	179.28	1792768	179.28

**b Terms / rights attached to Equity Shares:**

The Equity shares of the company having par value of ₹ 10/- per share rank pari passu in all respects including voting rights, dividend entitlement and repayment of capital.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**c Details of Shareholders holding more than 5% of shares**

Name of Shareholder	As at 31.03.2021		As at 31.03.2020	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Seshasayee Paper and Boards Limited	282911	15.78	282911	15.78
Time Square Investments (P) Limited	165463	9.23	165463	9.23
Life Insurance Corporation of India	126955	7.08	173630	9.69
Ponni Sugars (Erode) Limited	100000	5.58	100000	5.58
Minal Bharat Patel	97943	5.46	95253	5.31

**d Capital Management**

The Company follows conservative capital management with the objective of maximising shareholders' value. For the purpose of company capital management, capital includes issued capital and all other equity reserves attributable to the share holders of the company. The Company has been funding its growth and working capital requirements through a balanced approach of internal accruals and external debt from the banks and long term loans from companies. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt component of the Company.

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Equity	4193.63	2375.68
Debt	3462.84	3232.19
Cash and Cash Equivalents	654.41	93.96
Net debt	2808.43	3138.23
Total Capital (Equity + Net debt)	7002.06	5513.91
<b>Net debt to Capital Ratio</b>	<b>0.40</b>	<b>0.57</b>

**e Dividend**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Dividend on equity shares paid during the year	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Proposed Dividend**

The Board of directors at its meeting held on 31st May 2021 have recommended a payment of a dividend of ₹ 10/- plus a Diamond Jubilee Special Dividend of ₹ 5/- totaling to a Dividend of ₹ 15/- (Rupees Fifteen only) per Equity Share of face value of ₹10 each for the Financial Year ended 31.03.2021. The same amounts to ₹ 268.92 Lakhs.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**15. Other Equity**

₹ in lakhs

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Total
	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained Earnings		
<b>Balance as on 1st April, 2019</b>	<b>3.00</b>	<b>783.35</b>	<b>200.00</b>	<b>600.98</b>	<b>95.37</b>	<b>1682.70</b>
<b>Add:</b>						
Profit for the year 2019-20	-	-	-	560.19	-	560.19
Net gain/(loss) on remeasurement of defined benefit plans (Net of tax)	-	-	-	(3.91)	-	(3.91)
Net gain/(loss) on fair valuation of investments in equity shares	-	-	-	-	(42.58)	(42.58)
<b>Balance as on 1st April, 2020</b>	<b>3.00</b>	<b>783.35</b>	<b>200.00</b>	<b>1157.26</b>	<b>52.79</b>	<b>2196.40</b>
<b>Add:</b>						
Profit for the year 2020-21	-	-	-	1832.94	-	1832.94
Net gain/(loss) on remeasurement of defined benefit plans (Net of tax)	-	-	-	(44.63)	-	(44.63)
Net gain/(loss) on fair valuation of investments in equity shares	-	-	-	-	29.64	29.64
Income Tax Expenses on Fair valuation of investment in equity instruments through OCI	-	-	-	-	-	-
<b>Balance as on 31st March, 2021</b>	<b>3.00</b>	<b>783.35</b>	<b>200.00</b>	<b>2945.57</b>	<b>82.43</b>	<b>4014.35</b>

**Capital Redemption Reserve**

This represents the Reserves created on redemption of preferential shares and can be utilized for issue of Bonus shares.

**Securities Premium:**

This represents the premium collected on issue of Equity shares and can be utilized for the purposes stated under Section- 52 of the Company's Act 2013.

**General Reserve:**

This Reserve is created from time to time by transferring profits from the retained earnings and this being a free reserve enhances the net worth of the company.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**16. Borrowings**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Secured:</b>		
Covid Emergency Long Term Loan - from Banks	49.37	-
	<b>49.37</b>	-
<b>Unsecured:</b>		
Loans from Others	-	612.34
Loans from Related Parties	229.65	421.18
	<b>229.65</b>	<b>1033.52</b>
<b>Total</b>	<b>279.02</b>	<b>1033.52</b>

**Covid Emergency Long Term Loan from Banks - Terms of Repayment**

The Loan including current maturities thereof (Note 22) is secured by first charge on Inventories, book debts and immovable properties ranking pari passu with working capital loans. The Loan carries interest at 7.90% for both UCO Bank and Indian Bank .

The UCO Bank loan is repayable in 24 months (18 Equated Monthly Installments) with a moratorium of 6 months and the loan matures in June 2022, while Indian bank loan is repayable in 24 months (19 Equated Monthly Installments) with a moratorium of 5 months and loan maturing in July 2022.

Default in Repayment of Borrowings and Payment of Interest are **Nil**.

**Loans from Related Parties - Terms of Repayment**

The long term borrowings from companies is repayable at the end of 5 years from the date of receipt along with interest at the rate of 12% p.a.

**Repayment Schedule:**

₹ in lakhs

Year of Repayment	Principal	Interest	Total Repayment
2021 - 2022	150.00	90.00	240.00
2022 - 2023	80.00	48.00	128.00
2023 - 2024	100.00	60.00	160.00
<b>Total</b>	<b>330.00</b>	<b>198.00</b>	<b>528.00</b>

The amortised cost of the borrowings is taken at fair value on the date of transition to Ind AS and thereafter interest accounted at the EIR of 10%.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**17. Deferred Tax Liabilities/(Asset)**

₹ in lakhs

Particulars	Balance as on 01.04.2020	Recognised in P&L during the year	OCI 2020-21	Balance as on 31.03.2021
<b>Deferred Tax Liability on account of:</b>				
Differences in WDV of PPE as per Books and Income Tax	153.21	22.01	-	131.20
Loans from Companies measured at amortised cost	2.38	0.44	-	1.94
Fair Value of Land adopted as deemed cost	398.76	(27.92)	-	426.68
DTL on gain on fair valuation of Investments	-	-	-	-
<b>Total Deferred Tax Liability</b>	<b>554.35</b>	<b>(5.47)</b>	<b>-</b>	<b>559.82</b>
<b>Deferred Tax Asset on account of:</b>				
Disallowances under Sec.43B and Other Disallowances	12.34	3.51	-	15.85
Unabsorbed Losses and allowances under Income tax Act 1961	470.93	(470.93)	-	-
Provision for Impairment of Inventories/Trade Receivables & others	16.65	40.52	-	57.17
Reversal of DTA on losses setoff during the year	-	-	-	-
Intial depreciation Forfieted	-	-	-	-
Remeasurement of defined benefit plans	5.75	-	14.96	20.71
MAT Credit Entitlement	-	-	-	-
<b>Total Deferred Tax Asset</b>	<b>505.67</b>	<b>(426.90)</b>	<b>14.96</b>	<b>93.73</b>
<b>Net Deferred Tax Liability</b>	<b>48.68</b>	<b>(432.37)</b>	<b>14.96</b>	<b>466.09</b>

**18. Provisions**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Warranty	19.74	6.90
Provision for Leave Benefits	18.76	26.56
<b>Total</b>	<b>38.50</b>	<b>33.46</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**19. Other Non Current Liabilities**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Advances from Customers	65.43	149.16
<b>Total</b>	<b>65.43</b>	<b>149.16</b>

**20. Short Term Borrowings**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Secured Loans</b>		
<b>Working Capital Borrowings from Banks</b>		
Loan Repayable on Demand from Banks	2790.68	2198.68
<b>Total</b>	<b>2790.68</b>	<b>2198.68</b>

Working Capital Borrowings from Banks are secured by :

- a) Paripassu first charge on all stocks of Raw Materials, Finished Goods, Stock in Process, Stores, Spares and Moveable assets of the Company including Book Debts.
- b) Paripassu first charge on all Immovable Fixed Assets of the Company.
- c) Lien on Fixed Deposits (including interest) aggregating to ₹ 96.49 Lakhs (Previous year ₹ 90.70 Lakhs).

**21. Trade Payables**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
a) Total Outstanding dues of Micro, Small and Medium Enterprise	91.35	209.33
b) Total Outstanding dues of creditors other than Micro, Small and Medium Enterprise	379.64	509.67
<b>Total</b>	<b>470.99</b>	<b>719.00</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
i) Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year (but within due date as per the MSMED Act)		
a) Principal amount due to Micro, Small & Medium Enterprise	60.29	185.35
b) Interest due on above	23.76	23.98
ii) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006	-	-
iii) Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	7.29	25.14
iv) Interest accrued and remaining unpaid as at year end	31.05	49.13
v) Further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise	-	-

**22. Other Current Liabilities**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Current Maturities of Long term borrowings - ICD	221.06	18.06
Current Maturities of Covid Emergency Term Loan from Banks	172.08	-
Employee benefits payable	201.77	90.80
Interest accrued and due	-	27.08
Unpaid Dividends *	-	0.45
Others	39.63	1.13
<b>Total</b>	<b>634.54</b>	<b>137.52</b>

\* No amount is due and outstanding to be credited to Investor Education and Protection fund.

**23. Non Financial Liability - Other Current Liabilities**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Advance received from customers	102.13	675.13
GST Payable	100.39	0.26
Tax Deducted at Source	10.23	9.41
Others	1.10	1.19
<b>Total</b>	<b>213.85</b>	<b>685.99</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**24. Short Term Provisions**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Employee Benefits	32.77	15.42
Provision for Warranty *	165.00	12.84
Provision for Liquidated Damages	2.00	15.20
<b>Total</b>	<b>199.77</b>	<b>43.46</b>

\* Provision for warranty made for development order with NSTL.

**25. Current Tax Liabilities (Net)**

₹ in lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Current Tax Liabilities	8.00	-
<b>Total</b>	<b>8.00</b>	<b>-</b>

**26a. Revenue from Sale of Products**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
<b>Aerospace, Naval and Power System Batteries</b>		
Silver Zinc Batteries & Cells	7548.49	6032.17
Nickel Cadmium Cells	204.26	81.35
<b>Lead Acid Batteries</b>		
Lead Acid Batteries	-	2.99
<b>Total</b>	<b>7752.75</b>	<b>6116.51</b>
<b>Disclosures relating to Revenue from Contract with Customers</b>		
Gross Revenue from Customers	7752.75	6124.37
Less: Liquidated Damages	-	7.86
<b>Revenue as per Statement of Profit and Loss</b>	<b>7752.75</b>	<b>6116.51</b>
a) Geographical Region		
Domestic	7720.39	6092.29
Export	32.36	24.22
<b>Total</b>	<b>7752.75</b>	<b>6116.51</b>
b) Type of Customers		
Government / Government Undertaking	6499.08	4976.70
Others	1253.67	1139.81
<b>Total</b>	<b>7752.75</b>	<b>6116.51</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**26b. Other Operating Revenues**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Other Operating Revenues	30.72	32.71
<b>Total</b>	<b>30.72</b>	<b>32.71</b>

**27. Other Income**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest Income		
- Bank Deposits	7.15	7.21
- Others	1.88	1.71
Dividend Income from Equity Investments measured at FVTOCI	2.08	2.07
Profit on sale of Assets	0.08	-
Exchange Difference (Net)	0.67	5.74
Miscellaneous Income	0.08	0.07
<b>Total</b>	<b>11.94</b>	<b>16.80</b>

**28. Cost of Materials consumed**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Silver	1382.43	1027.90
Copper	47.26	50.13
Lead	-	0.46
Others	363.42	319.50
Components of Various Descriptions	987.69	1408.29
<b>Total</b>	<b>2780.80</b>	<b>2806.28</b>

**29. Changes in Inventories of Finished Goods and Work in Progress**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Inventory at the end of the year		
- Work in progress	1568.20	1398.56
- Finished Goods	110.21	142.98
	<b>1678.41</b>	<b>1541.54</b>
Inventory at the beginning of the year		
- Work in progress	1398.56	1121.56
- Finished Goods	142.98	137.57
	<b>1541.54</b>	<b>1259.13</b>
<b>(Increase) / Decrease in Inventory</b>	<b>(136.87)</b>	<b>(282.41)</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**30. Employee Benefits**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Salaries, wages and Bonus	1095.09	1003.20
Contribution to Provident and Other Funds (Refer Note 1.13)	39.07	44.09
Staff welfare Expenses	81.11	80.93
<b>Total</b>	<b>1215.27</b>	<b>1128.22</b>

**31. Finance cost**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest on Borrowings	415.88	460.01
Other Borrowing cost	91.31	96.39
Interest on delayed payment of Statutory dues	5.30	9.95
<b>Total</b>	<b>512.49</b>	<b>566.35</b>

**32. Other Expenses**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Consumption of Stores and Spares	46.55	73.88
Power and Fuel	95.96	125.25
Repairs and Maintenance		
- Plant and Machinery	12.32	23.00
- Buildings	13.46	19.62
- Others	38.73	42.01
Selling expenses	80.53	88.84
Provision for warranty	165.00	-
Expenditure on Scientific Research	61.28	55.18
Travelling and Conveyance	48.04	88.80
Payment to Auditors (Refer Note: 34)	18.29	15.51
Professional and Legal Charges	127.46	89.74
Testing Charges	29.65	45.70
Miscellaneous Expenses	168.93	200.14
Provision for Bad/Doubtful debts	-	3.94
Bad Debts written off	-	506.48
Claims	3.70	-
Liquidated Damages	13.20	25.21
Reversal of Provision for Bad/Doubtful Debts	(2.15)	(506.48)
Reversal of Provision for Liquidated Damages	(13.20)	-
Provision for Impairment of Inventory	4.72	53.69
<b>Total</b>	<b>912.47</b>	<b>950.51</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**33. Tax Expense**

**(A) The Major components of Income tax Expense for the year as under:** ₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
<b>Deferred Tax comprises:</b>		
Liability on account of depreciation	(22.01)	(11.02)
Asset - Sec 43B Disallowances and other Temporary Differences	(3.51)	94.77
Deferred Tax Asset write off - Lossess brought forward adjusted	470.94	119.15
Liability - Relating to earlier years	-	(9.11)
Others	(13.05)	-
<b>Impact on account of exercise of option U/s.115BAA of Income Tax Act,1961</b>		
- MAT Credit Wirte off	-	16.13
- DTA write off on account of Rate Difference	-	110.97
<b>Total Tax Expense</b>	<b>432.37</b>	<b>320.90</b>

**(B) Reconciliation of Tax expense and the accounting profit for the year is as under:** ₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Applicable income tax rate in India applicable to the Company	25.17%	22.88%
Profit Before Tax	2398.82	881.09
Tax expenses on Profit Before Tax at the Applicable income tax rate	603.73	201.60
<b>Tax effect of the amounts which are not deductible /(not taxable) in calculating taxable income</b>		
Tax on difference in Depreciation between Books and Income Tax	3.96	11.02
Tax on Disallowance u/s 43B (Net of earlier year disallowances allowed during the year) and other Temporary Differences	46.13	(94.77)
Tax on Permanent Differences	5.94	1.30
Tax on Brought forward Losses Set off	(526.24)	(119.15)
<b>Current Tax for the Year</b>	<b>133.52</b>	<b>-</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**(C) Taxes on items of OCI**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
A Items that will not be reclassified to Statement of Profit and Loss		
(i) Income tax expense on remeasurement benefit of the defined benefit plans	14.96	1.16
(ii) Income Tax Expenses on Net Fair Value Gain/(Loss) on investment in equity instruments	-	-
B Items that will be reclassified to Statement of Profit and loss	-	-
<b>Taxes on items of OCI:</b>	<b>14.96</b>	<b>1.16</b>

**(D) Applicable Tax Rate**

The company has exercised the option under Section 115BAA of the Income tax Act and the applicable tax rate is 25.17% (22% plus SC 10% plus Cess 4%).

**34. Payment to Auditors**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
- Statutory Audit Fees	10.00	8.00
- Certification Charges	5.50	3.50
- Tax Representation	2.00	2.00
- Reimbursement of Expenses	0.79	2.01
<b>Total</b>	<b>18.29</b>	<b>15.51</b>

**35. Contingent Liabilities and Commitments**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
<b>(a) Contingent Liabilities</b>		
Counter Guarantees and Commitments on Letters of Credit *	-	-
<b>(b) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital accounts not provided for	10.37	7.40

\*Silver supplied by Government ₹ 634.26 lakhs is secured by Bank Guarantees ₹ 756.25 lakhs is not included in Inventories.

In view of the nature of business, commitments for purchases of materials etc., are considered as normal business commitments and hence not disclosed.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**36. Government Grant**

₹ in lakhs

Particulars	Treatment in Accounts	Year ended 31.03.2021	Year ended 31.03.2020
(a) Duty Draw back from Customs	Included in other operating revenue (Note 26 b)	1.88	0.48
(b) Government Grant for PF Contribution During Covid-19 Period	Deducted from Employees cost (Note 30)	1.12	-
<b>Total</b>		<b>3.00</b>	<b>0.48</b>

**37 (A) : Category - wise classification of Financial Instruments**

₹ in lakhs

Particulars	Refer Note	Non Current		Current	
		As on 31.03.2021	As on 31.03.2020	As on 31.03.2021	As on 31.03.2020
<b>Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)</b>					
Investments in Quoted Equity Shares	3	83.84	54.20	-	-
Investments in Unquoted Equity Shares	3	4.51	4.51	-	-
		<b>88.35</b>	<b>58.71</b>	-	-
<b>Financial Assets measured at amortised cost</b>					
Loans	4 & 10	16.24	18.55	21.77	16.30
Trade Receivables	7	-	-	1823.23	918.35
Cash and Cash Equivalents	8	-	-	553.30	2.82
Other Balances with Banks	9	-	-	101.11	91.14
Interest Receivable	11	-	-	0.62	0.04
		<b>16.24</b>	<b>18.55</b>	<b>2500.03</b>	<b>1028.65</b>
<b>Financial Liabilities measured at amortised cost</b>					
Long term Borrowings	16	279.02	1033.52	-	-
Loans repayable on demand - Cash Credit	20	-	-	2790.68	2198.68
Trade Payables	21	-	-	470.99	719.00
Unpaid/Unclaimed Dividend	22	-	-	-	0.45
Others	22	-	-	634.54	137.07
		<b>279.02</b>	<b>1033.52</b>	<b>3896.21</b>	<b>3055.20</b>

1. The fair value of quoted investment in quoted equity shares measured at quoted price on the reporting date.
2. In case of trade receivables, cash and cash equivalents, trade payables, short term borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

3. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.
4. Investment in equity shares are held as promoter and not held for disposal and are therefore classified as Fair value through Other Comprehensive Income.

**37 (B) : Fair value Measurements**

(i) The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

**As at 31st March, 2021**

₹ in lakhs

Financial Assets / Financial Liabilities	Fair value as at 31.03.2021	Fair value hierarchy		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets measured at fair value through other comprehensive income</b>				
Investments in quoted equity shares (Refer Note 3)	83.84	83.84	-	-
Investments in unquoted equity shares - Other Entities (Refer Note 3)	4.51	-	-	4.51

**As at 31st March, 2020**

₹ in lakhs

Financial Assets / Financial Liabilities	Fair value as at 31.03.2020	Fair value hierarchy		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets measured at fair value through other comprehensive income</b>				
Investments in quoted equity shares (Refer Note 3)	54.20	54.20	-	-
Investments in unquoted equity shares - Other Entities (Refer Note 3)	4.51	-	-	4.51

(ii) **Financial Instrument measured at Amortised Cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**37 C Financial Risk Management- Objectives and Policies**

The company's financial liabilities comprise mainly of viz., Long Term Loan from Banks, working capital borrowings from banks, bills payable, inter corporate loans from companies, trade payables and other payables. The company's financial asset comprises mainly cash equivalents, other balances with banks, trade receivables, other receivables and investments.

The Company has financial risk exposure in the form of viz., market risk, credit risk and liquidity risk. The risk management policies of the Company are monitored by the Board of Directors. The present disclosure made by the Company summarizes the exposure to the financial risks.

**1) Market Risk:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market price comprises two types of risk: Currency risk and other price risk. The financial instruments affected by market risk include rupee term loan and loans & advance.

**a) Interest Rate Risk exposure**

The Company has availed Long Term Loans from Banks and the outstanding as on 31.03.2021 is ₹ 221.45 Lakhs. Indian Bank loan has floating Interest Rate of 7.90% P.a. and UCO Bank Loan has floating rate of 7.85% P.a. depending up on the change in MCLR Rate.

The Company is having Working Capital facility limit of ₹ 2850 lakhs facility with Banks. The company also discounts its receivables to meet its short term fund requirements. The interest rate is @ 9.95% (UCO Bank & Canara Bank) & 12.70% (Indian Bank) depending upon the change in MCRL Rate. Interest on loans from companies is at a fixed rate of 12% and hence there is no interest risk on the loan.

**Interest Rate Sensitivity analysis**

The Company considering the economic environment in which it operates has determined the interest rate sensitivity analysis (interest exposure at the end of the reporting period). The interest rates for the Company are floating rate and hence the analysis in the case of Long Term Loan from Banks is prepared by re-computing the Repayment schedule for the rest of the repayment period and in the case of working capital Limit is prepared assuming the amount of the borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points +/- 0.50% fluctuation in interest rate is used for disclosing the sensitivity analysis.

₹ in lakhs

<b>Sensitivity Basis</b>	<b>Impact on Profit before tax</b>
Interest rates - increased by 50 basis points	(15.32)
Interest rates - decreased by 50 basis points	15.32

The interest rate sensitivity analysis is done holding on the assumption that all other variables remaining constant.

The increase/decrease in interest expense is chiefly attributable to the Company's exposure to interest rates on is variable rate of borrowings.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**b) Foreign currency risk exposure**

The Company imports Silver Bullion, Silver Foil, Magnesium Sheets, other Raw materials and Stores and spares for which payables are denominated in foreign currency. The Company is exposed to foreign currency risk on these transactions.

In respect of batteries, exports are made against advances received or against confirmed LCs of usance period not exceeding 90 days. The company is having Receivable of USD 45,450 equal to ₹ 33.26 Lakhs as on 31.03.2021.

**2) Credit Risk**

The credit risk refers to risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, bank balances, other balances with banks other receivables.

The credit risk arising from the exposure of investing in other balances with banks and bank balances is limited and there is no collateral held against these because the counterparties are public sector banks.

The Company sells its products of Aerospace Naval and Power System Batteries to Defence Customers where the payment terms are definite. The Defense Organisation of Government of India and payments are all received as per the terms of the contracts. The risk is restricted to the Liquidated damages clause for late supplies as per the contract terms and there is no irrevocable credit loss risk.

**3) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly to meet obligations when due. The Company's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities.

The Company manages the liquidity risk by –

- (i) maintaining adequate and sufficient cash and cash equivalents including and
- (ii) Making available the funds from realizing timely maturities of financial assets to meet the obligations when due.

The management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Also, the company manages the liquidity risk by projecting cash flows considering the level of liquid assets necessary to meet the obligations by matching the maturity profiles of financial assets and financial liabilities and monitoring balance sheet liquidity ratios. Further, liquidity risk management involves matching the maturity profiles of financial assets and financial liabilities.

**38. Impairment Assessment of PPE**

The LAB facility operations remained suspended during the year due to highly competitive market coupled with unremunerative prices and volatility in the price of key materials. Considering the overall economic recession owing to Covid-19 pandemic, the restart of the operations in the coming year looks

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

doubtful. Consequently, impairment provision of Current Year ₹ 0.67 Lakhs (Previous Year - ₹ 53.69 Lakhs) is recognized in respect of inventories based on technical estimate made by the management. However, no impairment provision is considered necessary in respect of PPE as the carrying value of PPE as per books is less than the recoverable value of ₹ 1174 lakhs as assessed by Independent Chartered Engineers.

**39. Information on Related party Transactions As Required by Ind AS 24 - Related Party Disclosure for the year ended 31st March 2021**

**A. Related Party as per Companies Act, 2013**

Name	Relationship
Time Square Investments Private Limited	As per Sec.2(76) of Companies Act, 2013

**B. Key Managerial Personnel**

	Name	Relationship
i.	Dr. G A Pathanjali	Managing Director
ii.	Mr. M Ignatius	Director (Operations)
iii.	Mr. R Swaminathan	Chief Financial Officer
iv.	Mr. S V Raju	Company Secretary
v.	<b>Board of Directors</b>	
	<b>Name</b>	<b>Designation</b>
	Mr. N Gopalaratnam	Chairman
	Mr. A L Somayaji	Director
	Cmdr R P Prem Kumar	Director
	Mr. M Natarajan	Director
	Mrs. Lalitha Lakshmanan	Director
	Dr. Vijayamohanan K Pillai	Director
	Mrs. Jayashree Ajit Shankar	Director (Nominee of LIC)

**Terms and Conditions of transactions with related parties:**

The company has obtained Term loan of ₹ 330 Lakhs from Time Square Investments Pvt.Ltd. which is repayable at the end of 5 years in 2023 along with Interest at the rate of 12%.

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Loan outstanding beginning of the year	337.00	367.00
Loan Received during the year	-	175.00
Loan Settled during the year	7.00	205.00
Loan Outstanding	330.00	337.00
Interest for the year	39.85	46.67
Interest Payable on Inter Corporate Loans	120.71	95.43

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

Repayment year	Principal	Interest	Total Repayment
2021-2022	150.00	90.00	240.00
2022-2023	80.00	48.00	128.00
2023-2024	100.00	60.00	160.00
<b>Total</b>	<b>330.00</b>	<b>198.00</b>	<b>528.00</b>

**(a) Remuneration to Managing Director and Key Managerial Personnel :**

₹ in lakhs

Current Year 2020-21	Dr. G A Pathanjali	Mr. M Ignatius	Mr. R Swaminathan	Mr. S V Raju
Short term employee benefits	50.52	35.04	30.52	15.08
Post Employee benefits (Gratuity) & Long term benefits (Superannuation fund)	3.60	-	-	-
Contribution to provident Fund	2.88	-	0.47	-
<b>Total</b>	<b>57.00</b>	<b>35.04</b>	<b>30.99</b>	<b>15.08</b>
Previous Year 2019-20	Dr. G A Pathanjali	Mr. M Ignatius	Mr. R Swaminathan	Mr. S V Raju
Short term employee benefits	33.90	12.50	14.65	7.80
Post Employee benefits (Gratuity) & Long term benefits (Superannuation fund)	2.74	-	-	-
Contribution to provident Fund	2.16	-	0.37	-
<b>Total</b>	<b>38.80</b>	<b>12.50</b>	<b>15.02</b>	<b>7.80</b>

**(b) Sitting Fees to Directors:**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Sitting fees	3.55	3.40
<b>Total</b>	<b>3.55</b>	<b>3.40</b>

**40. Earnings per Share**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Profit after Tax	1832.94	560.19
Weighted average no of Shares	1792800	1792800
Basic earnings per share (₹)	102.24	31.25
Diluted earnings per Share (₹)	102.24	31.25

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**41. Offsetting of Financial Assets and Financial Liabilities**

₹ in lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Trade Payable to MSMED Vendor	59.23	56.76
Deposits in lien to MSMED Vendor	35.86	30.00
<b>Net Liability in Sundry Creditors - MSMED</b>	<b>23.37</b>	<b>26.76</b>

**42. Disclosures relating to Provisions**

₹ in lakhs

Particulars	Provisions for Warranties		Provision for Liquidated Damages	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Opening Balance	19.74	19.74	15.20	-
Additions	165.00	-	1.68	15.20
Utilisations	-	-	-	-
Reversals	-	-	14.88	-
<b>Closing Balance</b>	<b>184.74</b>	<b>19.74</b>	<b>2.00</b>	<b>15.20</b>

**43. Employee Benefits**

**(i) Defined Contribution Plans:**

The Company makes Provident Fund and Superannuation Fund contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 26.16 Lakhs (Year ended March 31, 2020 ₹ 28.36 Lakhs) for Provident Fund contributions and ₹ 3.60 Lakhs (Year ended March 31, 2020 ₹ 2.70 Lakhs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**(ii) Defined Benefit Plans:**

**Gratuity (Funded)**

In respect of Gratuity, Actuarial valuation of Plan Assets and the defined benefit obligation as on the reporting date carried out by an Actuary. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected unit cost method. The following table sets forth the status of the Gratuity Plan and the benefit Scheme of the Company and the amount recognised in the Balance Sheet and Statement of Profit and Loss. The Company provides the gratuity benefit and through annual contributions to the funds managed by the Life Insurance Corporation of India.

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

**Interest Rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Investment Risk :** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**Salary Escalation Risk :** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future, based on past experience. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk :** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out adverse compared to the assumptions.

Particulars	Post Employment Benefit - Funded plan	
	As at 31.03.2021	As at 31.03.2020
<b>(i) Changes in Defined Benefit Obligation</b>		
Present Value of Opening Balance	163.13	182.67
Current Service Cost	7.31	9.04
Interest Cost	9.00	12.23
Actuarial (Gain)/Loss	59.17	2.33
Benefits paid	(51.83)	(43.13)
Present Value - Closing Balance	186.78	163.13
<b>(ii) Changes in the Fair Value of Plan Assets</b>		
Opening Balance	212.66	211.69
Expected Return	13.79	16.10
Actuarial (gain) / loss	(0.43)	(2.74)
Contributions by employer	33.58	30.74
Benefits paid	(51.83)	(43.13)
Closing Balance	207.77	212.66
<b>(iii) Amounts recognised in the Balance Sheet (as at year end)</b>		
Present Value of Obligations	186.78	163.13
Fair Value of Plan Assets	207.77	212.66
Net Asset / (Liability) recognised	20.99	49.53
<b>(iv) Expenses recognised in the Profit and Loss account statement</b>		
Current Service Cost	7.31	9.04
Interest on obligation	(4.79)	(3.88)
Actuarial (Gain)/Loss recognised during the period	-	-
Total included in Employee benefit expense	2.52	5.17
<b>(v) Expenses recognized in Other Comprehensive Income</b>		
Remeasurement on the net defined benefit liability		
- Actuarial Gain and Losses arising from changes in demographic adjustment	0.54	(0.43)
- Actuarial Gain and Losses arising from changes in financial Assumption	19.21	9.50

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

Particulars	Post Employment Benefit - Funded plan	
	As at 31.03.2021	As at 31.03.2020
- Actuarial Gain and Losses arising from changes in experience adjustment	39.43	(6.74)
Return on plan assets	(0.43)	(2.74)
Net cost in Other Comprehensive Income	59.59	5.07
Asset information		
- Insurer managed	100%	100%
<b>Principal actuarial assumptions</b>		
Mortality	Indian assured Lives Mortality (2012-2014)	
Discount rate (%)	6.57%	6.56%
Future Salary increase (%)	7%	5%
Expected Rate of return of plan assets (%)	6.56%	7.59%
Expected average remaining working lives of employees (years)	9.00	10.00
Expected contribution	0.74	20.00

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset).

The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	31.03.2021	31.03.2020
Discount Rate		
- 0.5% Increase	4.88	4.05
- 0.5% Decrease	(5.35)	(4.42)
Salary Growth Rate		
- 0.5% Increase	4.82	4.04
- 0.5% Decrease	(4.49)	(3.77)



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

The Company's best estimate of the contribution expected to be paid to the plan during the next year is ₹ 1.00 Lakh ( Previous year ₹ 5.00 Lakhs).

**44. Segment Reporting**

Factors used to identify Reporting Segments:

The company has the following reportable Operating segments, which are its reporting segments. These segments offer different types of batteries to different types of customers and are managed separately because they require different technology and production process. Operating segment disclosures are consistent with the information provided to and reviewed by the Chief Operating Decision Maker.

<b>Reportable Segment</b>	<b>Products offered</b>
Aerospace, Naval and Power System Batteries	Silver Zinc Batteries are manufactured in this segment, the customers in majority being the Defence ministry of Indian Government
Lead Acid Batteries	Batteries for commercial application are manufactured in this segment

The measurement principles of segment are consistent with those used in Significant Accounting Policies.

There is no Inter-Segment transfer.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

₹ in lakhs

	Particulars	Year ended 31.03.2021			Year ended 31.03.2020		
		Silver Zinc	LAB	Total	Silver Zinc	LAB	Total
A.	<b>Segment Revenue</b>	7781.93	1.54	7783.47	6142.63	6.12	6148.75
B.	<b>Segment Results</b>	3026.08	(102.64)	2923.44	1648.89	(191.52)	1457.37
C.	<b>Specified Amounts included in Segment Results</b>						
	(i) Depreciation	32.86	79.57	112.43	34.08	81.90	115.98
D.	<b>Reconciliation of Segment Result with Profit After Tax</b>						
	<b>Segment Results</b>	3026.08	(102.64)	2923.44	1648.89	(191.52)	1457.37
	Add/(Less):						
	Interest Income			8.13			7.21
	Finance Cost			(512.49)			(566.35)
	Dividend Received			2.08			2.07
	Income Tax Expenses			(565.89)			(320.90)
	Other Unallocable Expenses net of Unallocable Income			(22.34)			(19.21)
	<b>Total of Unallocable Items</b>			<b>(1090.51)</b>			<b>(897.18)</b>
	<b>Profit after tax as per Statement of Profit and Loss</b>			<b>1832.93</b>			<b>560.19</b>

	Particulars	As at 31.03.2021			As at 31.03.2020		
		Silver Zinc	LAB	Total	Silver Zinc	LAB	Total
E.	Other Information						
	Segment Assets	8367.74	847.81	9215.55	6350.75	987.94	7338.69
	Unallocable Assets			144.95			140.16
	<b>Total Assets</b>			<b>9360.50</b>			<b>7478.85</b>
	Segment Liabilities	4660.91	9.23	4670.14	4960.42	64.11	5024.53
	Unallocable Liabilities			496.73			78.64
	<b>Total Liabilities</b>			<b>5166.87</b>			<b>5103.17</b>
	Provision for impairment - Inventories	4.06	54.36	58.42	-	53.69	53.69

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

**F. Revenue from External Customers:**

One customer contribute to more than 10% of the revenue of Aerospace, Naval and Power Systems Segment.

Due to temporary suspension of Lead Acid Battery operations during the year, the previous year figures are not comparable.

**45. COVID-19 Impact**

Consequent to Covid-19 pandemic, the Central Government proclaimed a nation-wide lockdown since 24<sup>th</sup> March 2020 and the Tamil Nadu State Government also followed suit. Hence the company had to suspend its operations and resumed operations from 20<sup>th</sup> May 2020, upon partial relaxation of Lock down norms.

Owing to the lock down, the company had to face difficulties due to supply chain disruptions in the domestic market and in arrival of imported materials from overseas suppliers which continues till date resulting in loss of production, withholding of dispatch in the last quarter of the previous Financial year and the first Quarter of the current financial year which in turn affected the turnover and profit leading to Working Capital Constraints.

On resumption of normal activities from the Second Quarter of the financial year 2020-2021 and with the COVID-19 Emergency Credit Assistance to MSME made available by the banks, the company could accomplish the highest ever turnover and profit in the history of the company.

However, the onset of the Second Wave of the pandemic resulting in lock downs in various States from March 2021 led to the temporary closure of testing labs in Hyderabad, Bangalore and Visakhapatnam and consequently affected the inspection and testing of our batteries and inventory holdings.

Pursuant to the lock down restrictions announced by the Government of Tamil Nadu from 10<sup>th</sup> May 2021, the company being part of defence related industry catering to essential services, operates with less than 50 % of employee strength.

The company expects to make up for the shortfall in production and sales at least in part once the normal operations are restored. The company will assess the impact of the pandemic on a continuous basis.

In the opinion of the management there is no adverse impact due to Covid 19 on the carrying value of PPE, Investments, Trade receivables and other assets and its ability to continue as a going concern.

**46. Authorisation for issue of Financials**

The financial statements have been authorised for issue by the Board of Directors at the Board Meeting held on 31st May, 2021.

## Financial Highlights – Ten Years at a Glance

₹ in Lakhs

For the Year	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Total Income	5611.85	6674.73	3164.77	3281.88	2294.71	4817.86	5983.13	4675.03	6166.02	7795.41
Total Expenditure	4903.15	6021.40	3409.67	3580.24	2927.36	4154.17	4801.19	3942.26	4602.60	4771.67
PBIDT	708.70	653.33	(244.89)	(298.36)	(632.65)	663.69	1181.94	732.77	1563.42	3023.74
Finance Cost	489.05	441.24	582.38	616.91	547.85	417.40	590.27	552.58	566.35	512.49
Depreciation	165.02	160.98	150.49	153.69	122.23	132.01	128.64	123.63	115.98	112.43
Profit before exceptional items	-	-	-	(1068.96)	(1302.74)	114.28	463.03	56.56	881.09	2398.82
Exceptional items	-	-	-	639.69	242.59	-	-	-	-	-
PBT	54.63	51.11	(977.77)	(429.27)	(1060.15)	114.28	463.03	56.56	881.09	2398.82
Tax	(15.52)	(14.51)	(355.23)	(148.13)	(403.85)	(200.32)	134.57	12.93	320.90	565.89
PAT	39.11	36.60	(622.54)	(281.14)	(687.98)	(86.05)	328.46	43.63	560.19	1832.93
Other Comprehensive Income	-	-	-	-	-	52.90	12.69	(7.04)	(46.49)	(14.99)
Total Comprehensive Income	-	-	-	-	-	(33.15)	341.16	36.59	513.70	1817.94
EPS (₹)	2.18	2.04	(34.73)	(15.68)	(38.38)	(4.80)	18.32	2.43	31.25	102.24
Cash EPS (₹)	11.38	11.02	(26.32)	(7.11)	(31.56)	5.51	25.50	9.33	37.72	108.51
Dividend %	-	10	-	-	-	-	-	-	-	150
<b>As at year end</b>										
Gross Block	3577.14	3600.08	3638.12	3591.81	3596.08	5572.15	5601.24	5617.39	5663.12	5742.24
Net Block	2090.57	1954.96	1842.51	1655.12	1537.16	3381.23	3281.67	3174.20	3103.95	3073.76
Loan Funds	2457.73	3040.49	3744.34	3719.48	2775.20	2704.95	2592.14	2858.01	2198.68	2790.68
Net Worth	1819.66	1835.28	1212.75	915.03	227.06	1484.23	1825.39	1861.98	2375.68	4193.63
Book Value per Share	101.50	102.37	67.65	51.04	12.67	14.56	101.82	103.86	132.51	233.92



**Battery for Future Underwater Defence**