

**CHAIRMAN**

Sri. N. GOPALARATNAM

DIRECTORS

Sri. R. VAIDYANATHAN

Sri. A.L. SOMAYAJI

CMDE R.P. PREM KUMAR, VSM, (Retd.)

Smt. D. VIJAYALAKSHMI, Nominee of LIC

MANAGING DIRECTOR

Sri. S. SRIDHARAN

EXECUTIVE DIRECTOR

Dr. G.A. PATHANJALI

SECRETARY

Sri. S.V. RAJU

VICE PRESIDENT (FINANCE)

Sri. T. R. SIVARAMAN

AUDITORS

M/s. R. SUBRAMANIAN AND COMPANY, Chennai

INTERNAL AUDITORS

M/s. MAHARAJ N.R. SURESH & CO., Chennai

BANKERS

UCO BANK

CANARA BANK

INDIAN BANK

REGISTERED OFFICE

“Esvin House”, Perungudi,
Chennai - 600 096.

PLANT

Pakkudi Road, Mathur - 622 515

Pudukkottai District.

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NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 52nd Annual General Meeting of HIGH ENERGY BATTERIES (INDIA) LIMITED will be held at 11.00 A.M on Thursday, the 25th July 2013 at **New Woodlands Hotel Pvt. Ltd., No.72-75, Dr. Radhakrishnan Road, Mylapore, Chennai 600 004**, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, Auditors' Report and Audited Balance Sheet of the Company as at 31st March, 2013 and the Statement of Profit and Loss for the year ended 31st March, 2013.
2. To declare dividend
3. To elect Directors:
 - a) To appoint a Director in the place of Sri R Vaidyanathan who retires by rotation and being eligible, offers himself for re-election.
 - b) To appoint a Director in the place of Sri A L Somayaji who retires by rotation and being eligible, offers himself for re-election.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and fix their remuneration. M/s. R. Subramanian and Company, Chennai, the retiring Auditors are eligible for reappointment.

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

S.V. RAJU
Secretary

Chennai
May 30, 2013

NOTES

- A. **A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on poll instead of himself and such proxy need not be a member of the Company.**
- B. Proxies in order to be effective, must be received at the Registered Office of the Company not later than 48 hours before the meeting i.e., 11.00 AM on 23rd July 2013.
- C. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, the 20th July 2013 to Thursday, the 25th July 2013 both days inclusive.
- D. Members holding shares in Physical Form are requested to notify promptly any change in their address to the Registrar and Share Transfer Agent of the Company, M/s. Cameo Corporate Services Limited, Chennai - 600002 by quoting their Membership Number. Members holding shares in Electronic Form may communicate the above information to their respective Depository Participants.
- E. Dividend, if declared, will be paid to the Members whose names appear on the Register of Members as on 25th July 2013 and in respect of shares held in Electronic Form, to the beneficial owners as per list that will be furnished by National Securities Depository Limited / Central Depository Services (India) Limited as on 25th July 2013 for this purpose. Members are requested to encash Dividend on time to avoid expiry / revalidation.
- F. Members are requested to bring the attendance slips duly filled in along with their copies of Annual Reports to the Meeting.
- G. Members holding shares in Demat form are requested to bring in their details of DP ID and Client ID for ease of identification and recording of attendance at the meeting.

Reappointment of Directors :

Details on Directors seeking reappointment are furnished hereunder:-

Name of Director	Date of Birth	Date of First appointment	Expertise in specific functional areas	Qualification	Directorships in other companies (excluding foreign companies)	Committee/ Executive positions held in other companies
Sri. R. Vaidyanathan	13.02.1938	27.09.1961	Land Lord Associated with Seshasayee Group of Companies for more than five decades.	B.Sc.,	The Mayavaram Financial Chit Corporation Ltd.	-
Sri A L Somayaji	27.01.1944	23.03.2002	Senior Advocate, practicing in the Madras High Court and the Supreme Court of India. He is in the Editorial Board of "Supreme Today", "Current Tamil Nadu cases", "Labour Law Journal" and "Sales tax cases". He is legal advisor to various companies. Presently he is Advocate General, Government of Tamilnadu.	Graduate in Commerce, Graduate in Law.	1. Esvi International (Engineers and Exporters) Limited. 2. Commercial Laws of India Pvt. Ltd.	-



DIRECTORS' REPORT TO THE MEMBERS

The Directors hereby present their 52nd Annual Report together with the Balance Sheet and the Statement of Profit and Loss for the year ended 31st March, 2013.

OPERATING RESULTS

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

	(₹ in lakhs)			
	For the year Ended			
	2012 - 2013		2011 - 2012	
Sales (Net of Excise Duty and VAT / Sales Tax)	6650.96		5532.27	
PROFIT before Finance Costs, depreciation and tax	653.33		708.70	
Less:				
1. Finance Costs	441.24		489.05	
2. Depreciation	160.98	602.22	165.02	654.07
PROFIT BEFORE TAX		51.11		54.63
Less:				
Provision for Taxation				
Current Tax	-		-	
Deferred Tax	14.51		15.52	
		14.51		15.52
NET PROFIT		36.60		39.11

The company achieved an overall sales (Net of Excise Duty, VAT and Sales Tax) of ₹ 6650.96 lakhs as compared to ₹ 5532.27 lakhs on year-on-year basis.

However, low capacity utilisation in the Lead Acid Battery Division coupled with unremunerative prices had impacted the profitability of the company resulting in the Profit Before Tax coming down to ₹ 51.11 lakhs.

DIVIDEND

Your Directors recommend a Dividend of 10%, absorbing a sum of ₹ 20.98 lakhs (including Corporate Dividend Tax).

PERFORMANCE HIGHLIGHTS

SILVER ZINC BATTERIES

The Company registered a record sales of ₹ 5223.20 lakhs during this year as against ₹ 4543.92 lakhs during the previous year, registering an increase of 15% .

NICKEL CADMIUM BATTERIES

Owing to inadequate margin prevalent throughout the year, sales had to be restricted to ₹ 20.60 lakhs only as compared to ₹ 31.38 lakhs last year.

LEAD ACID BATTERIES

Though the sales were higher at ₹ 1407.16 lakhs as compared to ₹ 956.97 lakhs last year, low capacity utilisation, steep increase in costs (both materials and labour) and unremunerative prices resulted in substantial loss in this division.

The Company is taking all out efforts for improving the overall performance of this division by improving quality, reducing costs and through better market penetration.

EXPORT

During the year the company achieved a sales of ₹ 3124.70 lakhs compared to ₹ 2766.05 lakhs in the last year registering an increase of 13%. The Company is in dialogue with Original Equipment Manufacturers (OEMs) for securing further orders. During the year, the company has received Certificate of Recognition as Export House from Ministry of Commerce and Industry, Government of India. This is valid for a period of 5 years, up to March 2017.

DIRECTORS' REPORT TO THE MEMBERS (Continued)

OUT LOOK - 2013-14

With the Orders on hand at ₹ 3700 Lakhs for the Aerospace, Naval and Power System Batteries Segment, and the efforts taken for securing further orders during the current year both in the Domestic and Overseas markets, the company expects to better its sales during the current year as well. The company is working closely with Original Equipment Manufacturers (OEMs) for improving its overall financial and operational performance.

With a view to contain the losses, steps have been initiated for maximizing capacity utilisation of the Lead Acid Battery Plant and for augmenting the quality standards. Also it is proposed to introduce higher range products for Commercial Vehicles (CVs) applications and newer varieties for catering to Electric Vehicles (EVs), solar and other upcoming segments for enhancing our presence in the market place.

FINANCE

During the year, the company received timely advances from the customers. However, due to delay in collection of the dues from the customers of the Lead Acid Battery Division, cash flow constraints continued and the company had to resort to further borrowings. With the reduction in interest rate and effective control of costs, the company hopes to tide over cash crunch during the current year.

ISO SYSTEMS

The company continues to be certified both under ISO 9001:2008 and ISO 14001:2004 (Revised) Systems, Certification of LAB segment is under way.

RESEARCH AND DEVELOPMENT

Development of battery for heavy weight torpedo for NSTL was completed. The sea trials are yet to take place and further orders

are expected by next year. The company also received new developmental orders for missile programmes of DRDO which will enter into production phase in coming years. Your company has completed the Qualification of Batteries for Brahmos missile and commenced regular supplies.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors in terms of Section 217(2AA) of the Companies Act, 1956 confirm that:

- (i) all applicable accounting standards have been followed in the preparation of the annual accounts.
- (ii) the Company has 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 as of 31st March 2013 and of the profit of the Company for year ended that date.
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the latest provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) the annual accounts have been prepared on a "going concern" basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information regarding Conservation of Energy and Technology Absorption as required under Section 217(1)(e) of the Companies Act,



DIRECTORS' REPORT TO THE MEMBERS (Continued)

1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is given in Annexure 1 and forms part of this Report.

EMPLOYEES

No employee of the Company was in receipt of remuneration in excess of the sum prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, during the financial year 2012-13.

INDUSTRIAL RELATIONS

Industrial relations continued to be cordial.

DIRECTORS

In accordance with Article 106 of the Articles of Association of the Company, Sri R Vaidyanathan and Sri A. L. Somayaji, Directors retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

CORPORATE GOVERNANCE

Though the code of Corporate Governance is not applicable to the Company, utmost importance has been given to good Corporate Governance in all its activities.

A separate note on Corporate Governance is provided in Annexure II

AUDITORS

M/s. R Subramanian & Co., Chartered Accountants, Chennai, Auditors of the company retire at the conclusion of the ensuing 52nd Annual General Meeting of the Company and are eligible for re-appointment.

Necessary Resolution for their appointment under Section 224 of the Companies Act, 1956 is being placed at the ensuing 52nd Annual General Meeting for this purpose.

COST AUDIT

Cost Audit Report for the year would be filed with the Central Government in due course. Mr. S Hariharan, Cost Accountant, was reappointed as Cost Auditor for the Financial year 2013-14.

ACKNOWLEDGEMENT

Your Directors wish to express their sincere thanks to

- i) the Defence Services, DRDO Laboratories, ISRO and Ministry of Defence for the whole-hearted support and encouragement received from them for indigenisation efforts on sophisticated high energy batteries;
- ii) the Overseas customers, who have reposed utmost faith and confidence in our products;
- iii) the Bankers for extending timely financial support for the continued successful performance of the Company and
- iv) to all the shareholders who have reposed faith in us.

(For the Board of Directors)

N. GOPALARATNAM
Chairman

Chennai 600 034
May 30, 2013

**DISCLOSURE IN TERMS OF SECTION 217(1)(e) OF THE COMPANIES
(DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS)
RULES, 1988.**

A. CONSERVATION OF ENERGY

The Company is not in the list of industries specified in the Schedule.

B. TECHNOLOGY ABSORPTION

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

- Development of High Rate Silver Oxide Zinc Batteries for under water propulsion in Primary and Secondary areas.
- Development of space quality High Rate Silver Zinc Cells.
- Development of Primary activated Reserve Type Silver Zinc Batteries for Aero Space applications.
- Development of Nickel Cadmium batteries for communication sets.
- Development of Silver Chloride Magnesium sea water activated Batteries for sonobuoy application.
- Development of Fibre Technology Nickel Cadmium batteries for Rail Road Standby power and UPS applications.
- Development of process for treatment of separator systems.
- Development of Nickel Metal Hydride Batteries.
- Development of Fuel Cell.
- Development of Cuprous Chloride Batteries.
- Development of Automotive & Valve Regulated Lead Acid Batteries.
- Development of Nerve Agent Detector System.
- Development and production of catalyst.

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

1. The batteries developed have eliminated imports in their respective categories and thus they have saved substantial foreign exchange outgo.
2. The batteries developed in-house were also exported and thus earned foreign exchange.
3. Upgradation of technology to match the advancement in developed countries.
4. Indigenisation and self reliance in the critical field of batteries for defence.
5. Diversification through commercialisation of Lead Acid batteries.

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

	<i>₹ in lakhs</i>
Capital	0.11
Recurring	72.44
Total	72.55

5. Technology Absorption and Adoption

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

6. Foreign Exchange Earnings and Outgo

a) Earnings	₹ 3124.70 lakhs
b) Outgo	₹ 2307.63 lakhs

(For the Board of Directors)

N. GOPALARATNAM
Chairman

Chennai 600 034
May 30, 2013



ANNEXURE TO THE DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance

Corporate Governance includes, among other things, apart from compliance with various legal requirements, inculcating a sense of integrity and responsibility in all aspects, not only among the members of the Board of Directors, but amongst the people at all levels of the organization. Only such a culture which results from voluntary compliance at all levels and amongst all ranks of employees, that is built and sustained over a period of time, can result in compliance that is true to the spirit of law, and not just its letter.

Furthermore, such a corporate governance culture will help in constantly reminding the

management that they are, but only, trustees of shareholders' capital. Like in any other aspect in the company form of business, the Board is the core of the Corporate Governance philosophy, with the responsibility to ensure that the management serves and protects the best and long term interests of all the stakeholders.

Board of Directors

The Board of Directors consists of 7 Directors, of whom, the Managing Director and the Executive Director are in whole time employment of the Company. All other Directors are Non Executive Directors of the Company.

Number of Board Meetings and Directors' Attendance Record

Name of Director	Date of Initial Appointment	Category	Attendance at Board Meetings during 2012 - 2013		As on 31 st March 2013 (Including HEB)			Attendance at last AGM
			No. of Meetings	%	No. of Director-ships	Committee Position		
						As Chairman	As Member	
Sri. N. Gopalaratnam	06-06-1991	Non-Executive Chairman, Promoter	5	100	7	3	3	YES
Sri. S. Sridharan	01-04-2002	Managing Director	5	100	1	-	1	YES
Dr. G.A. Pathanjali	30-05-2012	Executive Director	5	100	1	-	-	YES
Sri. R. Vaidyanathan	27-09-1961	Promoter	5	100	2	-	1	YES
Sri. A.L. Somayaji	23-03-2002	Independent	4	80	3	1	-	NO
Commodore R.P. Prem Kumar (Retd.)	08-06-2002	Independent	5	100	1	-	1	YES
Smt. D. Vijayalakshmi	23-03-2007	Nominee of Life Insurance Corporation of India - Independent	5	100	1	-	1	YES

Board Meetings

During the year 2012-13, 5 Board Meetings were held on 30.05.2012, 04.08.2012, 10.11.2012, 23.01.2013 and 23.03.2013. The last Annual General Meeting was held on 04.08.2012.

Audit Committee

The code of Corporate Governance is not applicable to our Company. Hence, the Company has not constituted any Audit Committee. The Board and the Managing Director deal directly with the Statutory and Internal Auditors and take appropriate decisions.

Shareholders / Investors Grievance Committee

The Shareholders/Investors Grievance Committee was constituted on 30-07-2001, immediately upon inclusion/amendment to Clause 49 of the Listing Agreement with the Stock Exchanges. The Committee's role and responsibilities are to expeditiously process transfers, transpositions, transmissions, subdivisions and consolidations of securities complying with SEBI Regulations and Listing requirements and redressal of Investors' grievances. Further, 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 5 times during the previous year on 30.05.2012, 04.08.2012, 10.11.2012, 23.01.2013 and 23.03.2013.

Details of its composition and attendance are given hereunder:-

Name of Member	Status	Attendance at Meetings	
		No.	%
Sri. N. Gopalaratnam	Chairman	5	100
Sri. S. Sridharan	Member	5	100
Sri. R. Vaidyanathan	Member	5	100

Remuneration Committee

The Remuneration Committee comprises of 3 Non-Executive and Independent Directors. The Remuneration Committee is vested with all the necessary powers and authority to ensure that remuneration of whole-time Director(s) is within the limits prescribed under Schedule XIII to the Companies Act, 1956. The Committee met 1 time during the period under review on 30th May 2012. Details of its composition and attendance are given hereunder:-

Name of Member	Status	Attendance at Meetings	
		No.	%
Sri. A L Somayaji	Chairman	1	100
Cmde. R P Prem Kumar	Member	1	100
Smt. D Vijayalakshmi	Member	1	100

Committee Minutes

The minutes of the Committee meetings are prepared by the Secretary, approved by the Chairman of the Meeting and the same are circulated to the Board in the succeeding meeting and recorded thereat.

Remuneration of Directors

Non Executive Directors are paid sitting fee at ₹ 3000/- 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:-



Director	Amount in ₹		
	Sitting Fee for		Total
	Board Meeting	Committee Meeting*	
Sri. N. Gopalaratnam	15000	15000	30000
Sri. R Vaidyanathan	15000	15000	30000
Sri. A L Somayaji	12000	3000	15000
Cmde. R P Prem Kumar	15000	3000	18000
Smt. D Vijayalakshmi Nominee of LIC	15000	3000	18000

* Shareholders / Investors Grievance Committee and Remuneration Committee Meetings

Disclosures

Materially significant related party transactions having potential conflict with the interest of the Company at large;

None

Details of non-compliances, penalties, strictures by Stock Exchanges/ SEBI/ Statutory Authorities on any matter related to capital markets during the last three years;

None

Pecuniary relationship or transactions with the non-executive Directors;

None

MEANS OF COMMUNICATION Audited Financial Results

Period	Date of Approval by Board	Date of Publication	Newspaper
Quarter ended 30 th June, 2012	04.08.2012	06.08.2012	Business Line and Makkal Kural
Quarter ended 30 th September, 2012	10.11.2012	12.11.2012	Business Line and Makkal Kural
Quarter ended 31 st December, 2012	23.01.2013	25.01.2013	Business Line and Makkal Kural
Year ended 31 st March, 2013	30.05.2013	01.06.2013	Business Standard and Makkal Kural

The Company will continue to publish quarterly/ half-yearly results in newspapers in future. Copy of results will be furnished to individual members and also made available in the Company website upon approval by the Board of Directors.

The results published will also show, by way of footnote, relevant additional information and/ or disclosures to the Investors.

Others

Management Discussion and Analysis Report is made a part of the Annual Report and covered in the Directors' Report.

The Company operates in;

- Aerospace, Naval & Power System Batteries and
- Lead Acid Storage Battery segments.

Segment-wise results is reported in Notes on Financial Statements under Item 33.

General Shareholder Information

Provided in the “Shareholder Information” section of the Annual Report.

Compliance Certificate of the Auditors

Not Applicable

Shareholder Information

AGM Details

Date and Time	25 th July, 2013, 11.00 A.M.
Venue	New Woodlands Hotel Pvt. Ltd., No.72-75, Dr. Radhakrishnan Road, Mylapore, Chennai - 600 004.
Book Closure	Saturday, the 20 th July, 2013 to Thursday, the 25 th July, 2013 (Both days inclusive)

Listing

Name & Address	Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001 Phone : 022 - 2272 1233 2272 1234 Fax : 022 - 2272 2082 E-mail : corp.relations@bseindia.com Website : www.bseindia.com
Listed from	May 1962
Stock Code	504176

The Listing Fee for the financial year 2013-14 has 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**. The details of dematerialised and physical holding as on 31st March 2013 are furnished hereunder:

Mode of holding	Shareholders		Equity Shares	
	No.	%	No.	%
Physical	351	19.99	73070	4.08
Demat	1405	80.01	1719698	95.92
Total	1756	100.00	1792768	100.00

Registrar and Share Transfer Agent

For Physical and Demat Forms:
Cameo Corporate Services Ltd.
“Subramanian Building”, 5th 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.

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 Clause 47 of the Listing Agreement with Stock Exchanges.

Transfer System

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 Shareholders/ Investors Grievance Committee. Investor requests are attended to within 7-15 days from the date of receipt. There were no shares pending for transfer as on 31st March 2013.

M/s Cameo Corporate Services Ltd., have been appointed as RTA for shares held both in physical and electronic forms, and services for the transfer and dematerialisation of shares are provided to the shareholders by the RTA.



Share Quotes

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

Month	High	Low	Volume
	₹ P.	₹ P.	No. of Shares
April 2012	102.40	81.00	23377
May 2012	102.85	74.50	24813
June 2012	96.90	78.10	6657
July 2012	97.00	83.00	8800
August 2012	183.80	90.00	130878
September 2012	174.90	139.60	14232
October 2012	170.00	145.10	11653
November 2012	168.00	145.00	11438
December 2012	166.00	144.05	3626
January 2013	164.95	132.35	10353
February 2013	147.40	121.20	3351
March 2013	149.95	103.75	9928
		Total	259106

Shareholder Complaints

The Company has created a mail address investor@highenergyltd.com exclusively for the purpose of addressing to, complaints, if any, from investors. Investors can mail any of their grievances to the above mentioned e-mail address.

Particulars of complaints received during 2012-13;

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

SCORES

SEBI vide Circular dated 3rd June 2011, has advised all listed companies about processing of 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. For the year ended 31st March 2013 no complaints were posted in this system against our Company.

Distribution of Shareholding as on 31.03.2013

Slab	No. Shareholders		No. of Equity Shares	
	Total	%	Total	%
1-500	1532	87.24	158740	8.85
501-1000	110	6.27	83616	4.66
1001-2000	46	2.62	70187	3.92
2001-3000	20	1.14	50546	2.82
3001-4000	9	0.51	31577	1.76
4001-5000	4	0.23	18080	1.01
5001-10000	9	0.51	63308	3.53
Above 10000	26	1.48	1316714	73.45
	1756	100.00	1792768	100.00

Shareholding Pattern

Category	No. of Equity Shares	%
Promoters	730031	40.72
FIs and Banks	239100	13.34
Other Corporate Bodies	63104	3.52
Clearing Members	0	0.00
Hindu Undivided Families	20000	1.12
NRI - Non-Promoter	1058	0.06
Public	739475	41.24
Total	1792768	100.00

Note : Out of above, Non Resident Indians/ Overseas Corporate Bodies hold 81058 shares constituting 4.52%.

Plant

Location:

Pakkudi Road,
Mathur Industrial Estate, Mathur 622 515,
Pudukkottai District, Tamilnadu, India
Phone : 0431-2660314, 2660323, 2660324
Fax : 04339-250516
Email : info@highenergyltd.com
Website : www.highenergyltd.co.in

No. of Employees : 174

Particulars of past 3 AGMs

AGM	Year	Venue	Date	Time
49 th	2009-2010	New Woodlands Hotel, Pvt. Ltd., 72-75, Dr. Radha krishnan	22.07.2010	10.30 AM
50 th	2010-2011	Salai, Mylapore, Chennai 600 004	16.07.2011	11.00 AM
51 st	2011-2012	Hotel Benz Park, #62 Thirumalai Pillai Road, T. Nagar Chennai - 600 017	04.08.2012	11.00 AM

No Extraordinary General Meeting of the Company was held during the year.

Postal Ballot

No Special Resolution was required to be passed by postal ballot at the last AGM nor is being proposed at the ensuing AGM.

Nomination facility

Shareholders holding shares in physical form and desirous of making a nomination in terms of section 109A of the Companies Act, 1956 are requested to submit to the RTA in the prescribed Form 2B which can be had, on request, from the Company / RTA.

DIVIDEND FOR 2012 – 13

(A) Dividend Entitlement

Dividend, if declared at the Annual General Meeting, will be paid to the members whose names appear on the Register of Members on 25th July 2013 or to their mandates. In respect of shares held in electronic form, dividend will be paid to the beneficial owners of shares recorded with the depositories as of 25th July 2013 as per details to be furnished by NSDL / CDSL for the purpose.

(B) Validity

Dividend warrants are payable at par at the designated branches of the Bank printed on reverse of the dividend warrant for an initial period of 3 months only. Payment instrument thereafter would be payable only at limited centres. The members, are, therefore, advised to encash dividend warrants within the initial validity period.

(C) Bank mandate

(I) Physical holding

In order to provide protection against fraudulent encashment of the warrants, shareholders holding shares in physical form are requested to intimate the Company under the signature of the sole / first joint holder, their Bank account particulars to be incorporated in the dividend warrants. This is a mandatory requirement in terms of SEBI Circular No. D&CC/FITTC/CIR-04/2001 dated 13.11.2001.

(II) Demat holding

Bank account details as furnished by their Depositories to the Company in the case of Shareholders holding shares in electronic form will be printed on their dividend warrants as per the applicable regulations of the Depositories and the



Company will not entertain any direct request from such shareholders for deletion of / change in such bank details. Instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode. Shareholders who wish to change such bank account details are advised to inform their Depository Participants about such change, with complete details of bank account.

transferred to the “Investor Education and Protection Fund” [IEPF] administrated by the Central Government statutorily. The following table gives the dates of Declaration of Dividend and the corresponding dates when unclaimed dividends are due to be transferred to the Central Government. Reminders were sent to shareholders, who have not yet encashed the Dividend, to claim the same from the Company well before the due date of transfer to IEPF.

(D) Payment through NECS

SEBI has made it mandatory for all companies to use the Electronic Mode of Remittance for distributing Dividends and other cash benefits. Effective 1st October 2009, Reserve Bank of India has replaced the ECS with NECS for faster credit and ease of operations. One of the eligibility criteria for remittance through NECS is that the beneficiary should have a bank account with a bank which is under Core Banking Solutions (CBS). Once a bank is converted to CBS, there will be a change in the bank account number of the account holders with larger digits as prefix.

Investors holding shares in demat form are advised to check with their bankers for change in the bank account number and advise their depository participant with whom they are maintaining their demat account. Shareholders holding shares in Physical form shall inform the company’s Registrar and Transfer Agents. This would facilitate faster credit of dividend amount to their account.

(E) Tax on dividend

Dividend, if declared, will be tax free in the hands of the shareholders. Hence, no form for non-deduction of tax is required from any member.

Unclaimed Dividends

Under the Companies Act 1956, dividends that are unclaimed for a period of seven years get

Financial Year	Date of Declaration	Due date for Transfer	Unclaimed Amount (₹ lakhs)
2005-2006	21.07.2006	21.08.2013	0.82
2006-2007	26.07.2007	26.08.2014	0.77
2007-2008	24.07.2008	24.08.2015	0.73
2008-2009	18.07.2009	18.08.2016	1.40
2009-2010	--	--	--
2010-2011	--	--	--
2011-2012	--	--	--
Total			3.72

Reconciliation of Share Capital Audit

Reports/Certificates to Stock Exchanges

Description	Frequency	For the Quarter ended	Furnished on
Reconciliation of Share Capital Audit Report to Stock Exchanges on reconciliation of the total admitted Capital with NSDL/ CDSL and the total issued & Listed Capital	Quarterly	30.06.2012	05.07.2012
		30.09.2012	08.10.2012
		31.12.2012	07.01.2013
		31.03.2013	05.04.2013

M/s. R. SUBRAMANIAN AND COMPANY
Chartered Accountants

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31ST MARCH 2013**

To the Members of HIGH ENERGY BATTERIES (INDIA) LIMITED

REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **HIGH ENERGY BATTERIES (INDIA) LIMITED** which comprise of the Balance Sheet as at 31st March 2013, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). The responsibility includes the design, implementation and maintenance of internal control 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2013
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and

c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.

(e) On the basis of written representations received from the directors as on 31st March 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956

For M/s. R. SUBRAMANIAN AND COMPANY
Chartered Accountants
Firm Registration No. 004137S

A. GANESAN
Partner
Membership No. 21438

Chennai
May 30, 2013

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

- i. The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets. These Fixed Assets have been physically verified by the Management on a regular programme, which in our opinion is reasonable having regard to the size of the Company and nature of its Assets. No significant discrepancies were noticed on such verification. No significant parts of fixed assets have been disposed off during the year.
- ii. The stock of Finished Goods, stores, spare parts and raw materials except stock lying with third parties, for which confirmation have been sought for, have been physically verified during the year by the Management. In our opinion, the frequency and procedure of physical verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not significant, and the same have been properly dealt with in the Books of Account.
- iii. (a) The Company has not granted any loans, secured / unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act 1956.
(b) The Company has not taken any loans from parties listed in the register maintained under Section 301 of the Companies Act 1956.
- iv. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. Based on audit procedures applied by us and according to the information and explanations provided by the Management, the transactions that needed to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained by Section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits from the public and consequently, the provisions of Section 58A and 58AA and any other relevant provisions of the Companies Act, 1956 are not attracted.
- vii. The Company has an internal audit system commensurate with the size and nature of its business.
- viii. On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956 have been made and maintained. However, we are not required to and have not carried out any detailed examination of such records.

- ix. a) On the basis of our examination of the Books of Account, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including Employees Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty, Wealth Tax, cess and Investor Education and Protection Fund and other material statutory dues.
- b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Cess and Customs Duty that have not been deposited with the appropriate authorities for more than six months from the date they became payable.
- c) According to the information and explanation given to us, there are no dues of, Income Tax, Service Tax, Sales Tax, Customs Duty, Cess, Wealth Tax and Excise Duty that have not been deposited with the appropriate authorities on account of any dispute.
- x. The company's accumulated losses have not exceeded 50% of its net worth as at the end of the financial year. The company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year.
- xi. Based on our audit procedures and on the basis of information and explanations given by the Management, the Company has not defaulted in repayment of dues to banks and financial institutions. The Company has not issued any debentures.
- xii. Based on our examination of documents and records, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The Company is not a chit fund, nidhi, mutual benefit fund or a society.
- xiv. The Company is not dealing or trading in shares, securities, debentures and other Investments.
- xv. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. The company has not availed any term loans from the Banks during the year.
- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that funds raised on short term basis have not been used for long term investment.
- xviii. During the year the company has not made any preferential allotment of shares.
- xix. During the period covered by our audit report, the Company has not issued any Debentures.
- xx. The Company has not raised any money by public issue during the year.
- xxi. Based on audit procedures performed and information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the year.

For **M/s. R. SUBRAMANIAN AND COMPANY**
Chartered Accountants
Firm Registration No. 004137S

A. GANESAN
Partner
Membership No. 21438

Chennai
May 30, 2013

HIGH ENERGY

BATTERIES (INDIA) LIMITED

BALANCE SHEET AS AT 31st MARCH, 2013

	Note No.	AS AT 31-03-2013	AS AT 31-03-2012
(₹ in Lakhs)			
I Equity and Liabilities			
1 Shareholders' Funds			
a) Share Capital	2	179.28	179.28
b) Reserves and Surplus	3	1656.00	1640.38
2 Non Current Liabilities			
a) Long Term Borrowings	4	313.55	547.18
b) Deferred Tax Liabilities (Net)	5	84.11	69.60
c) Other Long Term Liabilities	6	89.71	320.86
d) Long Term Provisions	7	39.32	36.58
3 Current Liabilities			
a) Short Term Borrowings	8	2726.94	1910.55
b) Trade Payables	9	335.06	929.27
c) Other Current Liabilities	10	1110.26	1064.23
d) Short Term Provisions	11	30.48	12.42
Total		6564.71	6710.35
II Assets			
1 Non Current Assets			
a) Fixed Assets - Tangible Assets	12	1954.96	2090.57
b) Non Current Investments	13	60.33	60.33
c) Other Non Current Assets	14	32.37	25.00
2 Current Assets			
a) Inventories	15	2801.83	3049.63
b) Trade Receivables	16	1175.23	996.27
c) Cash and Bank Balances	17	201.61	110.17
d) Short Term Loans and Advances	18	223.04	224.23
e) Other Current Assets	19	115.34	154.15
Total		6564.71	6710.35
Notes to Financial Statements 1 to 39			
S. SRIDHARAN Managing Director	N. GOPALARATNAM D. VIJAYALAKSHMI R. VAIDYANATHAN	A.L. SOMAYAJI CMDE R. P. PREM KUMAR, VSM (Retd.)	Vide our Report of even date attached For M/s. R. SUBRAMANIAN AND COMPANY Chartered Accountants Firm Registration No. 0041378
G.A. PATHANJALI Executive Director	Directors S.V. RAJU Secretary		A. GANESAN Partner Membership No.021438
Chennai May 30, 2013			



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2013

	Note No.	YEAR ENDED 31-03-2013	YEAR ENDED 31-03-2012
		(₹ in Lakhs)	
Revenue from Operations			
Revenue from sale of Batteries (Gross)	21	7271.63	6025.27
Less : Excise duty		139.08	197.85
Revenue from sale of Batteries (Net)		7132.55	5827.42
Other Operating Revenue - Sale of Scrap		8.09	43.24
Other Income	22	15.68	12.93
Total Revenue		7156.32	5883.59
Expenses			
Cost of raw materials and Components consumed	23	3814.58	3464.59
Purchase of Stock-in-trade		638.01	257.51
(Increase) / Decrease in the inventory of Finished goods and Work in Progress	24	(235.05)	(319.33)
Employee Benefits Expense	25	734.90	590.69
Other Expenses	26	1550.55	1181.43
Total Expenses		6502.99	5174.89
Profit before Finance Cost and Depreciation		653.33	708.70
Finance Cost	27	441.24	489.05
Depreciation		160.98	165.02
Profit Before Tax		51.11	54.63
Tax Expenses			
Current Tax			
- MAT Tax Provision		8.20	
- MAT Credit Entilement		8.20	--
Deferred Tax (Liability) / Asset		(14.51)	(15.52)
Excess provision of tax written back		--	--
Total Tax Expenses		(14.51)	(15.52)
Profit After Tax		36.60	39.11
Earning per Share			
Basic and Diluted Earning per share of ₹ 10/- each		2.04	2.18
Notes to Financial Statements 1 to 39			
S. SRIDHARAN Managing Director	N. GOPALARATNAM D. VIJAYALAKSHMI R. VAIDYANATHAN	A. L. SOMAYAJI CMDE R. P. PREM KUMAR, VSM (Retd.)	Vide our Report of even date attached For M/s. R. SUBRAMANIAN AND COMPANY Chartered Accountants Firm Registration No. 004137S
G.A. PATHANJALI Executive Director	Directors S.V. RAJU Secretary		A. GANESAN Partner Membership No.021438
Chennai May 30, 2013			

1. Notes forming part of the Balance Sheet as at 31st March 2013 and the Statement of Profit and Loss for the year ended 31st March 2013.

SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Concepts

The accounts are prepared under historical cost convention in accordance with generally accepted accounting principles and applicable Accounting Standards.

b) Use of Estimates

Estimates and assumptions made by Management in the preparation of Financial Statements have a bearing on reported amounts of Financial Results, Assets & Liabilities and the disclosure of Contingent Liabilities. Actual results could differ from those estimates. Any revision to accounting estimate is recognized prospectively.

c) Revenue Recognition

Revenue is recognized and expenditure is accounted for on their accrual. Excise duty recovery from customer is deducted from Gross Turnover. Excise duty differential between closing and opening stock of excisable goods is included under other expenses.

Revenue from domestic sale is recognized on delivery to the carrier, when risk and rewards of ownership pass on to the customer.

Revenue from Export sales is recognized when risk and rewards are passed on to the customer in accordance with the terms of the contract.

Dividend income is recognized when the right to receive payment is established.

Other items of income are recognized when there is no significant uncertainty as to measurability or collectability.

d) Fixed Assets

Fixed Assets are stated at cost less depreciation. Cost includes, taxes and duties (but does not include taxes and duties for which CENVAT / VAT credit is available), freight and other direct or allocated expenses and interest and finance charges on related borrowings during construction period.

Any income earned during construction period is netted against cost of the Project.

e) Depreciation

The assets, with the exception of plant and machinery, are depreciated on written down value basis. Plant and Machinery are depreciated on straight-line method. Depreciation is provided in accordance with Schedule XIV of the Companies Act 1956.

f) Inventories

Inventories are stated at lower of cost and net realisable value. Cost includes all costs of purchase, cost of conversion and other costs incurred in bringing the Inventories to their present location and condition net off CENVAT/VAT credit entitlement. The cost is arrived on weighted average basis. Tools cost is written off over a period of three years.



Notes on Financial Statements for the Year ended 31st March, 2013

- g) Investment
Long term investments are stated at cost. Any diminution in the value of Long term investments is charged to Profit and Loss Account, if such a decline is other than temporary in the opinion of the Management.
- h) Research and Development Expenditure
Expenditure incurred on Scientific Research, other than Capital Expenditure, are written off to revenue in the year when they are incurred. Capital Expenditure is added to the Cost of Fixed Assets and depreciated accordingly.
- i) Employee Benefits
Short term Employee benefits are charged at the undiscounted amount to Profit and Loss account in the year in which related service is rendered.
Contributions to defined contribution schemes towards retirement benefits in the form of provident fund and super annuation fund for the year are charged to profit and loss account as incurred.
Liabilities in respect of defined benefit plans are determined based on actuarial valuation made by an independent actuary using Projected Unit Credit Method as at the balance sheet date. Actuarial gains or losses are recognized immediately in the profit and loss account. Obligation for leave encashment is recognized in the same manner.
Other Terminal benefits are recognised as an expense as and when incurred.
- j) Provision, Contingent Liabilities and Contingent Assets
Provisions are recognised when there is a present obligation as a result of a past event it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Contingent Liabilities are disclosed in the notes on Accounts, unless the possibility of any outflow in settlement is remote. Contingent assets are neither recognised nor disclosed.
- k) Taxes on Income
Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961. Deferred Tax is recognised, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty that there will be sufficient future taxable income available to realise such losses.
- l) Foreign Exchange Transactions
Transactions in foreign exchange are initially recognised at the rates prevailing on the dates of transactions.

Notes on Financial Statements for the Year ended 31st March, 2013

Premium or discount arising at the inception of forward contract is amortised as income or expense over the life of the contract. Exchange difference on such contract is recognised in the reporting period in which exchange rates change.

Foreign Currency Liabilities/ Assets at the close of the year are restated, adopting the contracted/year-end rates, as applicable. Resultant exchange difference is recognised as income or expense in that period.

m) Insurance Claims

Insurance claims are accounted on the basis of claims lodged and accepted.

n) Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

o) Impairment of Assets

Impairment loss, if any, is provided to the extent the carrying amount of assets exceeds their recoverable amount.

p) Earnings per share

Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

q) Segment Reporting

The accounting policies adopted for segment reporting are in line with the accounting policies of the company.

Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "unallocable".

There are no inter segment revenue and therefore their basis of measurement does not arise.

r) Derivatives

The Company enters into Futures Contracts in Silver to hedge the price risk consistent with its Risk Management Policy. The Company does not use these contracts for speculative purpose.

Losses in respect of the Futures Contracts as at the Balance Sheet date are charged to Statement of Profit and Loss by marking them to market, while gains are ignored.



Notes on Financial Statements for the Year ended 31st March, 2013

	AS AT 31-03-2013	AS AT 31-03-2012		
	(₹ in Lakhs)			
2 Authorised Capital				
7500000 (31.03.2012 - 7500000) equity shares of ₹ 10/- each	750.00	750.00		
Issued, Subscribed and Fully paid up shares				
1792768 (31.03.2012 - 1792768) equity shares of ₹ 10/- each	179.28	179.28		
Total of Issued, Subscribed and Fully paid up shares	179.28	179.28		
a Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period				
	AS AT 31-03-2013 Nos	AS AT 31-03-2012 Nos		
At the Beginning of the year	1792768	1792768		
Issued During the year	--	--		
Outstanding at the end of the year	1792768	1792768		
b Details of Shareholders holding more than 5% of shares				
Name of Shareholder	AS AT 31-03-2013		AS AT 31-03-2012	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Seshasayee Paper and Boards Limited	282911	15.78	282911	15.78
Life Insurance Corporation of India	239000	13.33	239000	13.33
Time Square Investments (P) Limited	165463	9.23	165463	9.23
Ponni Sugars (Erode) Limited	100000	5.58	100000	5.58

Notes on Financial Statements for the Year ended 31st March, 2013

	AS AT 31-03-2013	AS AT 31-03-2012
3 Reserves and Surplus		
(₹ in Lakhs)		
a Capital Redemption Reserve		
Balance as per last Balance Sheet	3.00	3.00
b Securities Premium Account		
Balance as per last Balance Sheet	783.34	783.34
c General Reserve		
Balance as per last Balance Sheet	964.00	
Less : Transfer to P&L Account	116.00	
	<u>848.00</u>	964.00
d Surplus / (Deficit) in the Statement of Profit and Loss Account		
Balance as per last Balance Sheet	(109.96)	
Add : Surplus / (Deficit) for the year	36.60	
Transfer from General Reserve	116.00	
	<u>42.64</u>	
Less : Appropriation		
Dividend		
Proposed Dividend @ 10%	17.93	
Tax on Dividend	3.05	
	<u>20.98</u>	
Net Surplus / (Deficit) in the Statement of Profit and Loss Account	<u>21.66</u>	(109.96)
Total	1656.00	1640.38
4 Long Term Borrowings		
Term Loan From Banks - Secured		
Rupee Loan	309.81	541.52
Car Loan	3.74	5.66
Total	313.55	547.18
<p>The Rupee Term Loan including current maturities (Vide Note No 10) are secured by First charge on movable and immovable fixed assets of the Lead Acid Battery Facility and Second charge on all other existing movable and immovable fixed assets of the Company.</p> <p>Rupee Term Loan is repayable as per details below :</p> <p>UCO Bank - 5 Annual instalments commencing from March 2011; Indian Bank and Canara Bank - 15 Quarterly instalments commencing from January 2011 and March 2011 respectively.</p> <p>The Car loan is secured by the hypothecation of the car. The loan is repayable in 60 equated monthly instalments commencing from September 2011.</p>		



Notes on Financial Statements for the Year ended 31st March, 2013

	AS AT 31-03-2013	AS AT 31-03-2012
(₹ in Lakhs)		
5 Deferred Tax Liabilities (Vide Note No.28)		
Deferred Tax Liabilities		
On account of Depreciation	338.95	329.39
Gross Deferred Tax Liability	338.95	329.39
Deferred Tax Assets		
43B Disallowances	12.16	14.36
Unabsorbed Losses and allowances under Income Tax Act 1961	242.68	245.43
Gross Deferred Tax Assets	254.84	259.79
Deferred Tax Liabilities (Net)	84.11	69.60
6 Other Long Term Liabilities		
Advances from Customers	89.71	320.86
Total	89.71	320.86

Advances represents amount to be adjusted from invoices after one year based on delivery period as stipulated in the contract by customers.

7 Long Term Provisions

Provision for Warranty (vide Note No. 31)	12.95	16.00
Provision for Leave Benefits	26.37	20.58
Total	39.32	36.58

8 Short Term Borrowings

Secured Loans		
Working Capital Loan from Banks	2726.94	1910.55
Total	2726.94	1910.55

Working Capital Loans from Banks are secured by First Charge on inventories, book debts and other movable assets of the company and First Charge on all movable and immovable fixed assets of the company other than those pertaining to Lead Acid Battery Facility. The Working Capital Loan is further secured by way of lien on Fixed Deposits aggregating to ₹ 56.91 lakhs.

Notes on Financial Statements for the Year ended 31st March, 2013

	AS AT 31-03-2013	AS AT 31-03-2012
	(₹ in Lakhs)	
9 Trade Payables		
Micro and Small Enterprises	--	--
Goods	192.98	767.83
Services	142.08	161.44
Total	335.06	929.27
<p>Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company. There are no over dues to such parties.</p>		
10 Other Current Liabilities		
Current Maturities of Long Term Borrowings	226.84	230.13
Advance received from customers	811.11	777.41
Unpaid Dividends	3.72	4.57
Sales Tax	53.23	38.75
Professional Tax	5.66	2.81
Tax Deducted at Source	3.84	3.88
Others	5.86	6.68
Total	1110.26	1064.23
11 Short Term Provisions		
Provision for Employee Benefits - Gratuity	8.05	11.42
Provision for Warranty (vide Note No.31)	1.45	1.00
Dividend	20.98	--
Total	30.48	12.42



Notes on Financial Statements for the Year ended 31st March, 2013										
12 FIXED ASSETS - Tangible Assets										
(₹ in Lakhs)										
Description	Cost as on 01-Apr-12	Gross Block			Depreciation			Net Block		
		Additions	Deductions	Cost as on 31-Mar-13	Upto 31-Mar-12	For the Year	Withdrawn	Upto 31-Mar-13	As at 31-Mar-13	As at 31-Mar-12
Land	35.92	--	--	35.92	--	--	--	--	35.92	35.92
Building	841.98	10.23	--	852.21	394.97	42.12	--	437.09	415.12	447.01
Plant & Machinery	2379.69	7.95	--	2387.64	862.60	99.71	--	962.31	1425.33	1517.09
Electrical Installation	131.92	0.19	--	132.11	77.62	7.57	--	85.19	46.92	54.30
Office Equipment	146.18	7.02	3.55	149.65	119.15	8.96	2.43	125.68	23.97	27.03
Furniture & Library	22.76	0.80	--	23.56	21.10	0.61	--	21.71	1.85	1.66
Vehicles	18.69	0.30	--	18.99	11.13	2.01	--	13.14	5.85	7.56
TOTAL	3577.14	26.49	3.55	3600.08	1486.57	160.98	2.43	1645.12	1954.96	2090.57
Previous Year	3546.23	43.66	12.75	3577.14	1334.14	165.02	12.59	1486.57	2090.57	2212.10

Notes on Financial Statements for the Year ended 31st March, 2013

	AS AT 31-03-2013	AS AT 31-03-2012
	(₹ in Lakhs)	
13 Non Current Investments - Long Term		
Non Trade		
Investment in Equity Shares (Quoted)		
280382 (Previous year : 280232) Equity Shares of ₹ 10/- each in Ponni Sugars (Erode) Limited, fully paid up	54.34	54.34
10329 (Previous year : 10329) Equity Shares of ₹ 10/- each in Seshasayee Paper and Boards Limited, fully paid up	1.25	1.25
Investment in Equity Shares (Unquoted)		
45000 (Previous year : 45000) Equity Shares of ₹ 10/- each in SPB Projects and Consultancy Limited, fully paid up	4.51	4.51
1500 (Previous year : 1500) Equity Shares of ₹ 10/- each in GPC Technologies Limited, fully paid up	0.15	0.15
830 (Previous year : 830) Equity Shares of ₹ 10/- each in Esvin Advanced Technologies Limited, fully paid up	0.08	0.08
Total	60.33	60.33
Agreegate cost of Quoted investments (Market value ₹ 73634030; 31.03.2012 - ₹ 31931805)	55.59	55.59
Agreegate cost of unquoted Investments	4.74	4.74
14 Other Non Current Assets		
Unsecured and considered good		
Electricity Deposits	14.30	13.02
Telephone Deposits	0.56	0.56
Deposit - Others	4.83	0.24
Rental Deposit	12.68	11.18
Total	32.37	25.00



Notes on Financial Statements for the Year ended 31st March, 2013

	AS AT 31-03-2013	AS AT 31-03-2012
(₹ in Lakhs)		
15 Inventories (Valued at lower of Cost and Net Realisable Value)		
Raw Materials and Components [Includes Materials in transit of ₹ 7.76 Lakhs (31.03.2012 - ₹ 183.32 Lakhs)]	1749.45	2225.31
Work in progress	565.11	314.23
Finished Goods (includes Stock in Trade of ₹ 101.28 Lakhs)	382.32	398.15
Stores and Spares	84.27	81.44
Loose Tools	20.68	30.50
Total	2801.83	3049.63
Details of Finished Goods		
Aero Space, Naval and Power System Batteries	69.05	166.17
Lead Acid Storage Batteries	313.27	231.98
Total	382.32	398.15
16 Trade Receivables		
Unsecured considered Good unless stated otherwise		
Unsecured, considered Good		
Exceeding six months	176.77	175.88
Other Debts	998.46	820.39
Total	1175.23	996.27
17 Cash and Bank Balances		
Cash and Cash Equivalent		
Balances with Banks	139.00	52.05
Cash in hand	1.98	3.56
Other Bank Balances		
Deposits with Original maturity for more than 12 months	56.91	50.00
Unpaid Dividend Account	3.72	4.56
Total	201.61	110.17
Deposits with banks are held as a security for the short term loans taken from various banks.		

Notes on Financial Statements for the Year ended 31st March, 2013

	AS AT 31-03-2013	AS AT 31-03-2012
	(₹ in Lakhs)	
18 Short Term Loans and Advances		
Unsecured Considered Good		
Advances to Suppliers and Services	129.26	161.92
Advance Income Tax (Net of provision)	90.44	52.71
Balance with Central Excise, Customs, etc.	3.34	9.60
Total	223.04	224.23
19 Other Current Assets		
Unsecured Considered Good		
Cenvat / Service Tax / VAT receivable	83.66	130.67
MAT Credit entitlement	31.68	23.48
Total	115.34	154.15
20 Contingent Liabilities and Commitments		
Counter Guarantees and Commitments on Letters of Credit	1700.00	1987.85
Claims against the company not acknowledged as Debts	28.00	28.00
Estimated amount of contracts remaining to be executed on capital account not provided for	8.56	5.09
Outstanding Silver Futures Contract	-	476.46
Outstanding Forward Contracts on Forex Exposure	-	12.01
	YEAR ENDED 31-03-2013	YEAR ENDED 31-03-2012
21 Revenue from Sale of Batteries		
Silver Zinc High Energy Batteries	5126.18	4475.24
Other Silver Zinc Batteries and Cells	376.23	292.90
Nickel Cadmium Cells	24.21	35.34
Lead Acid Batteries**	1745.01	1221.79
Total	7271.63	6025.27
** Excludes Free / Test and Evaluation samples and includes imported batteries sold in domestic market.		



Notes on Financial Statements for the Year ended 31st March, 2013

	YEAR ENDED 31-03-2013	YEAR ENDED 31-03-2012
	(₹ in Lakhs)	
22 Other Income		
Interest Income		
- Bank Deposits	5.56	4.44
- Others	1.59	--
Dividend Income		
- Long Term Investments	8.43	7.47
Profit on sale of Assets	-	0.94
Miscellaneous Income	0.10	0.08
Total	15.68	12.93
23 Cost of Raw Materials and Components consumed		
Silver	2424.42	2050.81
Copper	13.38	27.83
Lead	323.99	365.32
Others	59.99	475.64
Components of various descriptions	992.80	544.99
Total	3814.58	3464.59
24 (Increase) / Decrease in Inventory		
Inventory at the end of the year		
- Work In Progress	565.11	314.22
- Finished Goods	281.03	276.28
- Stock in Trade	101.28	121.87
Total	947.42	712.37
Inventory at the beginning of the year		
- Work In Progress	314.22	285.13
- Finished Goods	398.15	107.91
Total	712.37	393.04
(Increase) / Decrease in Inventory	(235.05)	(319.33)
25 Employee Benefits		
Salaries, Wages and Bonus	606.83	493.01
Contribution to Provident and Other Funds	45.37	34.28
Staff Welfare Expenses	82.70	63.40
Total	734.90	590.69

Notes on Financial Statements for the Year ended 31st March, 2013

	YEAR ENDED 31-03-2013	YEAR ENDED 31-03-2012
	(₹ in Lakhs)	
26 Other Expenses		
Consumption of Stores and Spares	118.68	96.38
Power and Fuel	159.05	126.04
Repairs and Maintenance		
- Plant and Machinery	12.61	10.86
- Buildings	8.00	12.47
- Others	26.52	17.92
Sales Tax Paid	481.59	295.15
Selling Expenses	192.65	144.36
Expenditure on Scientific Research (Note. 29)	72.44	55.93
Rent	16.04	9.21
Excise Duty on Finished Goods	13.55	22.21
Rates and taxes	7.22	6.52
Insurance	13.27	16.86
Postage, Telegram and Telephone	16.55	16.48
Travelling and Conveyance	185.70	166.82
Directors' Sitting fees	1.19	0.99
Payment to Auditors (*)	4.96	4.90
Professional and Legal Charges	69.84	38.57
Exchange Difference (Net)	24.06	33.80
Silver Futures - Marked to Market Loss	-	14.46
Miscellaneous Expenses	117.65	88.70
Loss on Sale of Asset	0.98	-
Bank Charges - Others	8.00	2.80
Total	1550.55	1181.43
(*) Payments to Auditors		
- Audit Fees	3.37	3.37
- Tax Audit	0.45	0.45
- Other Services (Certification)	0.62	0.53
- Out of Pocket Expenses	0.52	0.55
	4.96	4.90
27 Finance Cost		
Interest on Borrowings	388.90	390.06
Other Borrowing Cost	52.34	98.32
Interest on Shortfall in Advance Tax Payment	-	0.67
Total	441.24	489.05



Notes on Financial Statements for the Year ended 31st March, 2013

28. Transfer to Deferred Tax is mainly on account of difference in charging depreciation prescribed under the Companies Act 1956, and allowable under the Income Tax Act, 1961 and on account of unabsorbed depreciation / business loss under Income Tax Act. Based on firm orders on hand and expected improvements in the performance of the company as a whole, in the opinion of the Management, the company will have adequate taxable income in the future and there exists virtual certainty of the Deferred Tax Asset (DTA) getting realized.
29. Expenditure on Scientific Research includes salaries and allowances ₹ 68.85 lakhs (Previous year ₹ 44.35 lakhs) and materials ₹ 3.59 lakhs (Previous year ₹ 11.58 lakhs)
30. In terms of development contract with a customer, assets and development expenditure of the value of ₹ 191 lakhs has been incurred and equivalent amount received from the customer is netted against the same. The company is holding these assets as a bailee in terms of the development contract.
31. Movement in estimated liability towards Warranty as per Accounting Standard 29 (AS 29)

	31.03.2013	31.03.2012
	<i>(₹ in Lakhs)</i>	
Provision at the beginning of the year	17.00	16.00
Withdrawal during the year	(-) 4.05	(-) 0.40
Addition during the year	(+) 1.45	(+) 1.40
Used during the year	--	--
	14.40	17.00

32. Related Party disclosures, as required by Accounting Standard 18 (AS 18)

- (i) Name of the transacting Related Party:
- Seshasayee Paper and Boards Limited (SPB)
 - Esvi International (Engineers & Exporters) Limited
 - Sri. S. Sridharan, Managing Director
 - Dr. G A Pathanjali, Executive Director (Effective from 30.05.2012)
- (ii) A description of the relationship between the parties:
Presumption of Significant influence.
- (iii) A description of the nature of the transactions and volume of the transaction, either as an amount or as an appropriate proportion:

Notes on Financial Statements for the Year ended 31st March, 2013

S.No.	Name of the Party	Description of transactions and amount during the year			Amount Outstanding as on 31.03.2013
		Nature of Transaction	₹ in Lakhs		
			31.03.13	31.03.12	
1	Seshasayee Paper and Boards Ltd	Interest Paid	--	0.44	Assets : Investments in : 0.10 lakhs Equity Shares (0.09%) Liabilities : 2.83 lakhs Equity Shares (15.78%) Payables : Nil
	Expenses Reimbursement	1.39	1.62		
	Purchase of Paper	0.36	0.27		
	Dividend Received	0.51	0.52		
2	Esvi International (Engineers & Exporters) Limited	Rent Paid	5.03	3.30	Assets : Nil Liabilities : Nil Payables : Nil
3	Sri S Sridharan Managing Director	Salaries and Perquisites paid	22.04	22.04	Amount due at the end of the year ₹.5.40 lakhs
4	Dr G A Pathanjali Executive Director	Salaries and Perquisites paid	17.16	--	Amount due at the end of the year ₹.5.00 lakhs

33. The disclosures as required under Accounting Standard 17 (AS 17) "Segment Reporting" issued by the Institute of Chartered Accountants of India is as under :-
- The company has considered business segment as the primary segments for disclosure. The business segments are Aerospace, Naval and Power System Batteries and Lead Acid Batteries. The above reportable segments have been identified based on the organisation structure as well as differing risks and returns associated with the segments.
 - Segmental expenses and revenue wherever could not be identified to a particular segment has been treated as Unallocated expenses and revenue.
 - Segment assets and segment liabilities represent assets and liabilities in respective segments. investments, tax related assets and other assets and other liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "unallocable".



Notes on Financial Statements for the Year ended 31st March, 2013

(₹ in Lakhs)

S.No.	Particulars	For the Year Ended 31st March 2013	For the Year Ended 31st March 2012
A)	Primary Segments		
1	Segment Revenue		
	a) Aerospace, Naval and Power System Batteries	5243.80	4575.29
	b) Lead Acid Storage Batteries	1407.16	956.98
	Net Sales / Income from Operations	6650.96	5532.27
2	Segment Results Profit / (Loss) Before Tax		
	a) Aerospace, Naval and Power System Batteries	888.50	588.40
	b) Lead Acid Storage Batteries	(396.15)	(44.72)
	Less : Unallocable expenditure net of unallocable income	441.24	489.05
	Profit / (Loss) Before Tax	51.11	54.63
3	Other Information		
	Segment Assets		
	a) Aerospace, Naval and Power System Batteries	3534.27	3682.34
	b) Lead Acid Storage Batteries	2481.73	2584.81
	c) Unallocable (Net)	548.72	443.20
	Total (A)	6564.72	6710.35
	Segment Liabilities		
	a) Aerospace, Naval and Power System Batteries	1136.31	1786.81
	b) Lead Acid Storage Batteries	599.02	961.66
	c) Unallocable (Net)	2994.10	2142.22
	Total (B)	4729.43	4890.69
	Capital Employed (A) - (B)	1835.29	1819.66
	Total Capital Expenditure incurred during the year	26.49	43.66
	Depreciation for the year	160.98	165.02
B)	Secondary Segments (Geographical)		
	Segment Revenue		
	a) Export sales	3124.70	2766.05
	b) Domestic sales	3526.26	2766.22
	Total	6650.96	5532.27

34. Employee Benefits

i) Defined Contribution Plans

Contribution of ₹ 31.38 lakhs to defined contribution plans is recognized as expense and included in Employee Benefits (Note No. 25) in the profit and loss account. (Previous year ₹ 26.26 lakhs)

Notes on Financial Statements for the Year ended 31st March, 2013

ii) Defined Benefit Plans

Disclosure for defined plans based on actuarial valuation as on 31.03.2013.

General Description	Post Employment Benefit		Long Term Compensated absence	
	Gratuity - Funded Plan - Non Contributory		Leave Encashment - Unfunded - Non Contributory	
	31.03.13	31.03.12	31.03.13	31.03.12
	₹ in Lakhs		₹ in Lakhs	
(i) Change in Defined Benefit obligation				
Present Value - Opening Balance	132.63	127.47	20.58	19.53
Current Service Cost	11.01	6.13	5.77	4.50
Interest Cost	6.89	9.87	1.54	1.39
Past Service Cost	-	-	-	-
Actuarial Loss / (Gain)	4.18	(2.72)	3.73	(0.42)
Benefits paid	(9.24)	(8.12)	(5.25)	(4.42)
Present Value - Closing Balance	145.47	132.63	26.37	20.58
(ii) Change in Fair Value of Plan Assets				
Opening Balance	121.21	104.87	-	-
Expected return on plan assets	11.46	10.01	-	-
Actuarial gain/(loss)	(0.50)	(0.50)	-	-
Contributions	14.49	14.95	5.25	4.42
Benefits paid	(9.24)	(8.12)	(5.25)	(4.42)
Closing Balance	137.42	121.21	-	-
Actual return	10.95	9.25	-	-
(iii) Amount Recognised in the Balance Sheet (as at year end)				
Present value of the obligation	145.47	132.63	26.37	20.58
Fair value of plan assets	137.42	121.21	-	-
Net (asset) / liability recognised	8.05	11.42	26.37	20.58



Notes on Financial Statements for the Year ended 31st March, 2013

General Description	Post Employment Benefit		Long Term Compensated absence	
	Gratuity - Funded Plan - Non Contributory		Leave Encashment - Unfunded - Non Contributory	
	31.03.13	31.03.12	31.03.13	31.03.12
	₹ in Lakhs		₹ in Lakhs	
(iv) Expenses recognized in the profit and loss account				
Current service cost	6.89	6.13	5.77	4.50
Past service cost	-	-	-	-
Interest Cost	11.01	9.87	1.54	1.38
Expected return on plan assets	(11.46)	(10.01)	-	-
Net actuarial (gain)/loss	4.69	(2.22)	3.73	(0.41)
Total included in 'Employee Benefits' (Note 25)	11.13	3.77	11.04	5.47
(v) Asset Information	Insurance Policy 100%		-	
(vi) Principal actuarial assumptions	LIC (1994-96) Ultimate table		LIC (1994-96) Ultimate table	
Mortality				
Discount Rate (%)	8.10	8.60	8.10	8.60
Future Salary Increase (%)	5.00	5.00	5.00	5.00
Rate of return of plan assets (%)	9.25	9.25	-	-
Expected Average remaining working lives of employees (Years)	13.60	14.00	13.60	11.00
(vii) Expected Contribution (₹ in lakhs)	15.00	15.00	-	-
(viii) The estimate of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as, supply and demand in the employment market.				

Amount for the current and previous four years are as follows:

₹ in Lakhs

Particulars	Gratuity					Leave Encashment				
	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09
Defined Benefit Obligation	145.47	132.63	127.47	100.79	90.44	26.37	20.58	19.53	16.80	18.20
Plan Assets	137.42	121.21	104.87	93.11	88.40	-	-	-	-	-
Surplus / (Deficit)	(8.05)	(11.42)	(22.60)	(7.68)	(2.04)	26.37	20.58	19.53	16.80	18.20
Experience adjustments on Plan Liabilities	0.64	(3.05)	(7.20)	(12.57)	(7.75)	(0.40)	(0.41)	1.97	0.45	5.16
Experience adjustments on Plan Assets	(0.51)	(0.50)	(0.18)	(0.40)	(0.29)	-	-	-	-	-

Notes on Financial Statements for the Year ended 31st March, 2013

35. Value of Imports on CIF Basis

	31-03-2013	31-03-2012
	(₹ in Lakhs)	
Raw materials and Components	2278.15	1748.36
Stores and Spares	16.71	7.24
Capital Goods	-	37.81
	<u>2294.86</u>	<u>1793.41</u>

36. Expenditure in Foreign Currency during the year

Foreign Travel Expenditure	12.77	20.58
	<u>12.77</u>	<u>20.58</u>

37. Earnings in Foreign Currency during the year

Export of Goods on F.O.B basis	3124.70	2766.05
	<u>3124.70</u>	<u>2766.05</u>

38. Value of Imports / Indigenous Raw Materials / Components / Stores and spares consumed

	31-03-2013		31-03-2012	
	Value	%	Value	%
	(₹ in Lakhs)			
Raw materials and Components :				
Imported - Landed Cost	2411.84	63.00	2361.97	68.00
Indigenous	1402.74	37.00	1102.62	32.00
	<u>3814.58</u>	<u>100.00</u>	<u>3464.59</u>	<u>100.00</u>
Stores, Spares and Tools :				
Imported - Landed Cost	3.25	3.00	3.33	3.00
Indigenous	115.43	97.00	93.05	97.00
	<u>118.68</u>	<u>100.00</u>	<u>96.38</u>	<u>100.00</u>

39. Basis for Calculation of Basic and Diluted Earnings per Share

	2012-2013	2011-2012
Net Profit/(Loss) as per Profit and Loss Account ₹	36 60 431	39 11 406
Weighted Average Number of Equity Shares Nos.	17 92 768	17 92 768
Face Value ₹	10	10
Basic and Diluted Earnings per share ₹	2.04	2.18



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013
PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT**

Description	FOR THE YEAR ENDED 31-03-2013	FOR THE YEAR ENDED 31-03-2012
(₹ in Lakhs)		
A. Cash Flow from Operating Activities		
Net Profit before tax and exceptional items	51.11	54.63
Adjustments for :		
Depreciation	160.98	165.02
Finance Cost (Net)	434.09	484.61
(Profit)/Loss on Sale of Assets	0.97	(0.94)
Dividend from Non Trade Investments	(8.43)	(7.47)
	587.61	641.22
Operating Profit before Working Capital Changes	638.72	695.85
Adjustments for :		
Trade and other Receivables	(100.39)	416.41
Inventories	247.80	(466.12)
Trade and other Payables	(769.73)	(108.68)
	(622.32)	(158.39)
Cash generated from Operation	16.40	537.46
Income tax / Fringe Benefit tax paid / refund	(45.93)	13.17
Net cash from operating activities	(29.53)	550.63
B. Cash Flow from Investing Activities		
Purchase of fixed Assets	(26.49)	(43.66)
Dividend from Non Trade Investments	8.43	7.47
Interest Received	7.15	4.44
Sale of Fixed Assets	0.13	1.11
Net Cash used in Investing Activities	(10.78)	(30.64)

HIGH ENERGY

BATTERIES (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013 PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT (Continued)

Description	FOR THE YEAR ENDED 31-03-2013	FOR THE YEAR ENDED 31-03-2012
(₹ in Lakhs)		
C. Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	-	5.66
Repayment of Long Term Borrowings	(242.56)	(200.26)
Repayment of Short Term Borrowings	-	(100.00)
Proceeds of Short Term Borrowings	-	-
Working Capital Loan	816.39	276.77
Finance Cost Paid	(441.24)	(489.05)
Dividend and Dividend Tax Paid	-	-
Net Cash used in / (from) in Financing Activities	132.59	(506.88)
Net Increase / (Decrease) in Cash and Cash Equivalents	92.28	13.11
Cash and Cash Equivalents at the beginning	105.61	92.50
Cash and Cash Equivalents at the end *	197.89	105.61
* Includes Fixed Deposits with Banks aggregating to Rs. 56.91 lakhs (Previous year Rs. 50.00 lakhs) given as security for certain Short Term Borrowings from Banks.		
S. SRIDHARAN Managing Director	N. GOPALARATNAM D. VIJAYALAKSHMI R. VAIDYANATHAN	A. L. SOMAYAJI CMDE R. P. PREM KUMAR, VSM (Retd.)
G.A. PATHANJALI Executive Director	Directors S.V. RAJU Secretary	Vide our Report of even date attached For M/s. R. SUBRAMANIAN AND COMPANY Chartered Accountants Firm Registration No. 004137S A. GANESAN Partner Membership No.021438
Chennai May 30, 2013		

HIGH ENERGY BATTERIES (INDIA) LIMITED

Registered Office : 'ESVIN HOUSE', Perungudi, CHENNAI - 600 096.

ATTENDANCE SLIP

Date & Time	Thursday July 25, 2013 11.00 A.M.
Venue	New Woodlands Hotel Pvt Ltd No.72-75, Dr. Radhakrishnan Road, Mylapore, Chennai - 600 004.
Folio No.	No. of Shares

DEMAT PARTICULARS

DP ID No.		
I	N	

Client ID No

--

MEMBER PROXY

(NAME IN CAPITAL LETTERS)

- Note : 1. Only shareholders of the company or their proxies will be allowed to attend the meeting ON PRODUCTION OF THIS ATTENDANCE SLIP duly completed and signed.
2. Shareholders are requested to bring their copies of Annual Report with them.
3. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

I hereby record my presence at the 52nd Annual
General Meeting of the Company

Signature of Member / Proxy



HIGH ENERGY BATTERIES (INDIA) LIMITED

Registered Office : 'ESVIN HOUSE', Perungudi, CHENNAI - 600 096.

DEMAT PARTICULARS

DP ID No.	I	N	
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Client ID No.	
---------------	--

FORM OF PROXY

Folio No.	No. of Shares held

I/Weof

being Member(s) of HIGH ENERGY BATTERIES (INDIA) LIMITED hereby appoint

(Name of proxy)

(Address of proxy)

failing him.....of

(Name of Alternate proxy)

(Address of Alternate proxy)

.....as my / our proxy to vote for me / us on my / our behalf at the FIFTY SECOND ANNUAL GENERAL MEETING of the Company to be held at 11.00 A.M. on Thursday, the 25th July, 2013 and at any adjournment thereof.

Date

Signature.....

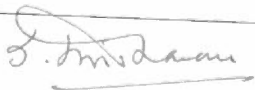




Note: Please refer to Notes of the Notice for the 52nd Annual General Meeting

FORM A

(Clause 31(a) of the Listing Agreement)

Format of covering letter of the annual audit report
to be filed with the stock exchanges

1.	Name of the Company	HIGH ENERGY BATTERIES (INDIA) LIMITED
2.	Annual financial statements for the year ended	31 st March 2013
3.	Type of Audit observation	Un-qualified.
4.	Frequency of observation	The Company from inception has ensured to remain in the regime of unqualified financial statements.
5.	Signed by	
	S SRIDHARAN Managing Director	
	T R SIVARAMAN Vice President (Finance)	
	Auditors	For M/s R Subramanian And Company  Mr A Ganesan Partner Membership no:21438

