



Directors

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

Audit Committee

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

Nomination cum Remuneration Committee

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

Stakeholders Relationship Committee

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

Secretary

Mr. S.V. Raju

Auditors

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

Internal Auditors

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

Bankers

UCO Bank
Indian Bank
Canara Bank

Registered Office

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

Corporate Identity Number

L36999TN1961PLC004606

Plant

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

Registrar & Transfer Agent

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

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NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 55th Annual General Meeting of HIGH ENERGY BATTERIES (INDIA) LIMITED will be held at 11.00 A.M on Saturday, the 30th July 2016 at **New Woodlands Hotel Pvt. Ltd., No.72-75, Dr. Radhakrishnan Road, Mylapore, Chennai 600 004**, to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Financial Statements of the company for the year ended 31st March 2016 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. N Gopalaratnam (holding DIN 00001945) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the company do hereby ratify the appointment of auditors made by the shareholders at the 53rd AGM as under:

i) M/s R.Subramanian and Company, Chennai (Firm Registration No.004137S) to hold office till the conclusion of 56th Annual General Meeting.

ii) The Board of Directors be and are hereby authorized to fix their remuneration on the recommendation of Audit committee”.

SPECIAL BUSINESS – ORDINARY RESOLUTION

4. APPOINTMENT OF MRS. LALITHA LAKSHMANAN AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

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 provision of Section 149, 152 and any other applicable provision of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulations 16(b) and 17(1) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 Mrs. Lalitha Lakshmanan (holding DIN 07140032), who was appointed as an Additional Director of the company by the Board of Directors with effect from 28th May, 2016, in terms of Section 161(1) of the Act and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Independent Non-Executive Director of the Company to hold office for a fixed term from 30th July 2016 to 31st March 2021.”

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

S.V. RAJU
Secretary

Chennai
May 28, 2016

NOTICE TO THE SHAREHOLDERS

NOTES

1. **A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on poll instead of himself and such proxy need not be a member of the Company.**
2. Proxies in order to be effective, must be received at the Registered Office of the Company not later than 48 hours before the meeting i.e. 11.00 A.M. 28th July 2016.
3. The Register of Members and the Share Transfer books of the Company will remain closed from Monday, 25th July, 2016 to Saturday, 30th July, 2016 (both days inclusive).
4. Members holding shares in Physical Form are requested to notify promptly any change in their address to the Registrar and Share Transfer Agent of the Company, M/s. Cameo Corporate Services Limited, Chennai - 600002 by quoting their Membership Number, besides changes, if any, in dividend mandates given by them. Members holding shares in Electronic Form may communicate the above information to their respective Depository Participants.
5. Members holding shares in Demat form are requested to bring in their DP ID Number (Client ID Number) for ease of identification and recording of attendance at the meeting.
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to Special Business at the meeting, is annexed hereto:

7. Voting facilities

a) Remote e-Voting

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules 2014 and amendment thereto the company provides facility for its members to exercise their voting right by electronic means.

b) Voting at AGM

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

c) Voting option

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

d) Voting instructions

Process and manner of voting instructions are given below:-

(A) Remote e-Voting

Remote e-Voting facility

1. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendment thereto the company is pleased to provide to its members the facility to exercise their right to vote at the 55th Annual General Meeting (AGM) on resolutions proposed to be considered thereat by electronic means. For this purpose, "remote e-Voting" (hereinafter mentioned 'e-Voting') facility is offered whereby a member can cast his vote using an electronic system from a place of his choice other than the venue of AGM.



NOTICE TO THE SHAREHOLDERS

2. The e-Voting facility is offered through e-Voting services provided by Central Depository Services (India) Limited (CDSL).

3. E-Voting commences on Wednesday, the 27th July 2016 (09.00 AM) and ends on Friday, the 29th July 2016 (5.00 PM). The e-Voting portal will be blocked by CDSL for voting thereafter.

Manner of e-Voting

4. Instructions for e-Voting for members receiving an email from CDSL pursuant to their email IDs having been registered with the company/ Depository Participants:

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

USER ID

For Members holding shares in Demat Form

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

For CDSL : 16 digits beneficiary ID

For Members holding shares in Physical Form

Folio Number registered with the Company.

PAN*

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

DOB#

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

DIVIDEND BANK DETAILS#

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

* Members who have not updated their PAN with the Company/Depository Participant are requested to use **the first two letters of their name in block letters and the sequence number (8 digits) printed in the address slip in the PAN field**. Eg. if your name is Ramesh Kumar and sequence number 00001234 then enter RA00001234 in the PAN field.

Please enter any one of the details in order to login.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Members holding shares in physical form will then reach directly to the voting screen. However, members holding

NOTICE TO THE SHAREHOLDERS

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

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

- (viii) Select EVSN (Electronic Voting Sequence Number) **160613009** of High Energy Batteries (India) Limited.
 - (ix) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
 - (xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
5. In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:

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

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

HELP CENTRE

8. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or send an email to helpdesk.evoting@cdslindia.com.
9. Person responsible to address the grievances connected with the facility for e-Voting:
- | | |
|-------------|---|
| Name | : Mr Wenceslaus Futardo |
| Designation | : Deputy Manager |
| Address | : Central Depository
Services (India) Limited
16 th Floor
Dalal Street, Fort,
Mumbai 400001. |
| Phone No. | : 18002005533 |

(B) Voting at AGM

1. The company also offers the facility for voting through polling paper at the meeting. The members as on the cut-off date attending the AGM are entitled to



NOTICE TO THE SHAREHOLDERS

exercise their voting right at the meeting in case they have not already cast their vote by e-Voting.

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

(C) General Instructions

1. The cut-off date for the purpose of e-voting has been fixed as Saturday, the 23rd July 2016. Members holding shares as on this date cut-off date should endeavour to cast their vote in any one of the two modes.
2. In case of persons who have acquired shares and become members of the company after the despatch of AGM Notice, the company would be despatching the 55th Annual Report for 2015-16 to them as and when they become members. In addition, the Annual Report is available on the company website. They may follow the same procedure for voting.
3. Voting rights of shareholders shall be in proportion to their shareholding in the company as on the cut-off date of 23rd July 2016.
4. In case a shareholder by inadvertence or otherwise has voted under more than one option, his voting by only one mode through remote e-voting, or voting at the meeting will be considered in that seriatim.
5. Mr. A.S. Kalyanaraman, Practising Chartered Accountant (Membership No.

201149) has been appointed as the Scrutinizer.

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

7. Voting Results

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

EXPLANATORY STATEMENT

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

ITEM NO.4

**Appointment of Mrs. Lalitha Lakshmanan
as an Independent Non-Executive Director**

In terms of Sections 161(1) and 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Board of Directors on the recommendation of the Nomination-cum-Remuneration Committee Meeting held on 28th May 2016 appointed Mrs. Lalitha Lakshmanan as an additional Director with effect from 28th May 2016, subject to the approval of members as an Independent Non-Executive Director with effect from 30th July 2016.

As required under Section 160 of the Companies Act, 2013 the company has received notice in writing from a member along with the requisite amount of deposit proposing Mrs. Lalitha Lakshmanan as candidate for the office of Director of the Company, for a fixed term from 30th July 2016 to 31st March 2021.

Mrs. Lalitha Lakshmanan is a Master Degree holder in Bank Management. She joined Canara Bank as Probationary Officer in 1975 after a 3 years stint in ITC Bangalore. She was promoted as Manager in 1985 and retired as Chief General Manager in June 2013.

During her tenure in Canara Bank she was successful in all assignments, had pan India exposure in operations and various facets of Banking. Due to her proven track record, she was given coveted assignments as "Circle Head" of Coimbatore Circle in 2008 and Chennai Metro Circle in 2010. She was the First Woman Circle Head of the Bank after 1987. She had participated in many internal committees at various levels during her tenure at Head Office.

The Company will greatly be benefitted by availing her expertise and exposure in Finance, Banking and Commercial matters

Mrs. Lalitha Lakshmanan is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as Director.

Mrs. Lalitha Lakshmanan does not hold by herself or for any other person on beneficial basis, any shares in the company.

Mrs. Lalitha Lakshmanan has given declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the Rules made thereunder. In the opinion of the Board she fulfils the conditions specified in the Companies Act, 2013 and the Rules framed thereunder for appointment as Independent Director.

The Board recommend the resolution in relation to appointment of Mrs. Lalitha Lakshmanan as an Independent Non-Executive Director for the approval by the members of the company.

Mrs. Lalitha Lakshmanan is not related to any Director of the Company. None of the other Directors, Key Managerial Personnel of the Company and their relatives, in any way, concerned or interested, financially or otherwise in the resolution set out at Item No.4.

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

S.V. RAJU
Secretary

Chennai
May 28, 2016



Details of Directors seeking appointment / reappointment pursuant to Regulation 36 (3) of SEBI (LODR) Regulations, 2015.

Name of Director / Qualification / DIN	Date of Birth	Date of First appointment	Expertise in specific functional areas	Directorships in other companies	Committee/ Executive positions held in other companies	No.of shares held/ Relationship between Directors inter-se
Reappointment						
Mr. N. Gopalaratnam B.Sc., (Physics) B.E. (Mech.Engg) DIN : 00001945	15.04.1947	06.06.1991	Long and varied experience in management of projects, operations and overall management of diverse industries engaged in Pulp, Paper, Sugar and Batteries	Chairman 1. M/s. Seshasayee Paper and Boards Ltd., 2. M/s. Ponni Sugars (Erode) Ltd., 3. M/s. SPB Projects and consultancy Ltd., 4. M/s. Esvi International (Engineers & Exporters) Ltd., 5. M/s. Time Square Investment Ltd.,	Chairman Stakeholders Relationship Committee and CSR Committee in M/s. Ponni Sugars (Erode) Ltd., Member 1. Nomination Cum Remuneration Committee in M/s. Ponni Sugars (Erode) Ltd., 2. Stake holders Relationship Committee in M/s. Seshasayee Paper and Boards Ltd.,	No. of shares held 10200 Shares Relationship between Directors inter-se : NIL
Appointment						
Mrs. Lalitha Lakshmanan Master Degree holder in Bank Management DIN : 07140032	22.06.1953	28.05.2016	Expertise and Exposure in Finance, Banking and Commercial Matters.	Director Equitas Finance Limited	NIL	No. of shares held NIL Relationship between Directors inter-se : NIL

BOARD'S REPORT

Your Board hereby present their 55th Annual Report and the Audited Accounts for the year ended 31st March, 2016.

OPERATING RESULTS

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

Particulars	₹ in Lakhs)			
	For the year Ended			
	2015 - 2016		2014 - 2015	
Sales (Net of Excise Duty and VAT / Sales Tax)		2235.54		3228.30
Profit / (Loss) before Finance Cost, Depreciation and Tax		(390.06)		341.33
Less:				
1. Finance Cost	547.86		616.91	
2. Depreciation	122.23	670.09	153.69	770.60
PROFIT / (LOSS) BEFORE TAX		(1060.15)		(429.27)
Less:				
Provision for Taxation				
Deferred Tax		(403.85)		(148.13)
Reversal of MAT Credit Entitlement		31.68		-
NET PROFIT / (LOSS)		(687.98)		(281.14)

During the year, the Company's turnover was Rs.2235.54 lakhs, compared to the turnover of Rs.3228.30 lakhs, achieved during the previous year. As reported in the last year's Report, the Company did not receive indigenous orders from the Government for Aerospace, Naval and Power System Battery Division during the first half of the financial year under review. The Company could get substantial orders from October / November 2015 onwards. The losses in Silver Zinc Division, coupled with losses in Lead Acid Batteries Division (LAB) and delayed collection of dues from LAB customers resulted in

difficult liquidity position for the Company. Renewal / sanction of additional limits by the Banks to meet the difficult ways and means position is also getting delayed. This led to delayed payment to suppliers / sub-contractors which in turn affected timely supply of materials and sustained production.

Further, import of critical raw material was withheld by customs in the exporting country resulting in delayed despatches of Batteries to Navy. While this led to drop in turnover of Silver Zinc Division, the Company was not in a position to meet the challenges of price reduction and increased credit period in LAB Division that forced the Company to scale down the operation in LAB Division. A cumulative effect of the above led to lower the turnover. With revamping measures taken by the Company and receipt of substantial orders from Defence establishments, the Company is confident of achieving reasonable level of production and report a reasonable turnover during the current financial year.

With one of the Group Companies agreeing to support the Company financially, a renewal proposal has been submitted to the Bankers which is expected to be approved soon.

DIVIDEND

In the absence of distributable profits, no dividend is recommended.

TRANSFER FROM GENEARL RESERVE

The Company has transferred Rs.648 lakhs from General Reserve to Profit and Loss Account to bring down the accumulated losses.

PERFORMANCE HIGHLIGHTS

SILVER ZINC BATTERIES

The Company recorded a turnover of Rs.1961.83 lakhs during the year, as against Rs.2213.84 lakhs achieved during the previous year. The reduction in turnover was due to late



BOARD'S REPORT (Continued)

receipt of major Defence orders, non-receipt of critical materials, due to delayed payment to creditors and non-clearance of development items for production by DRDO Laboratories.

NICKEL CADMIUM BATTERIES

During the year, the Company could make a turnover of Rs.183.01 lakhs only due to paucity of orders, as against Rs.414.08 lakhs achieved during the previous year.

LEAD ACID BATTERIES (LAB)

During the year, the turnover in LAB Division was only Rs.90.70 lakhs, as against the turnover of Rs. 600.38 lakhs achieved during the previous year. The production was kept on-hold due to severe price competition from established players, market demand for increased credit limit, as well as extended credit period and inordinate delay in collection of receivables in the 'aftermarket' segment. Efforts are on to change the marketing strategy to focus on 'private labeling'. The Company is negotiating with few parties which are in an advanced stage. The Company is confident of increasing the production to reasonable levels by middle of the current financial year.

EXPORT

With recession in the global economy and cut in Defence expenditure by developing countries, the Export Turnover was only Rs.61.91 lakhs, as compared to Rs.817.86 lakhs achieved in the previous year.

CURRENT YEAR - 2016-17

Presently, the Company has substantial orders for Silver Zinc Division which will help the Company achieve reasonable turnover and posting positive results for the current financial year. However, as stated earlier, Lead Acid Batteries Division will operate to reasonable levels of production from the third / fourth quarter of the current financial year.

FINANCE

As mentioned in the last year's Report, the poor liquidity position severely affected the Company's operations. However, the infusion of funds by one of the Group Companies and sale of shares held in Ponni Sugars (Erode) Limited, helped the Company in improving its financial position and submit a bankable proposal to the Bankers.

ISO SYSTEMS

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

RESEARCH AND DEVELOPMENT

The Company has taken up the development cum supply of 330 kW Silver Zinc Batteries to NSTL, Vizag. The development qualifications of new Batteries to Missile System Division of DRDO are in progress.

SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

With a view to consolidate and streamline the provisions of Listing Agreement for different segments of the capital market, SEBI has notified (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) on 2nd September 2015. The Listing Regulations have been structured to provide ease of reference by consolidating into one single document across various types of securities listed on the Stock Exchanges. Your Company has executed an agreement with BSE for continuing the listing of securities on the Exchange.

CORPORATE GOVERNANCE

Compliance with the provisions of Corporate Governance is not mandatory to the Company, as your company's paid-up capital and net worth is less than the limit prescribed under Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements)

BOARD'S REPORT (Continued)

Regulations, 2015. However, utmost importance has been given to good Corporate Governance in all its activities. A report on Corporate Governance is annexed herewith, marked as **Annexure - 1** to this Report.

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

EXTRACT OF ANNUAL RETURN

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

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 judgements 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 loss 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 this Act 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 said internal financial controls are adequate and were operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company did not give any Loan or Guarantee or provided any security 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 is 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 31st March 2016 to the date of this report.

CONSERVATION OF ENERGY ETC.

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 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 of net worth, turnover or net profit as prescribed. Since the company



BOARD'S REPORT (Continued)

does not meet any of these criterion, it remains outside the purview of Section 135 and consequently the reporting requirements thereunder are not applicable.

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.**

ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO FINANCIAL STATEMENTS

- 1) 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.
- 2) Internal auditors are present at the Audit Committee meetings where internal audit reports are discussed alongside of management comments and the final observation of the internal auditor.
- 3) 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.

DIRECTORS

In accordance with Article 106 of the Articles of Association of the Company, Mr N Gopalaratnam, Director retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr T R Sivaraman, Director, has resigned from the post of Director (Finance) with effect from 13th August 2015.

Mrs. T V Rajalakshmi, Independent Woman Director has resigned with effect from 19th March 2016, due to other pre-occupations.

All the Independent Directors have given the declaration that they comply with the criteria on independence, as laid down under Section 149(6) of the Companies Act, 2013. The performance evaluation of independent directors has been done by the entire Board of Directors, excluding the director being evaluated at its meeting held on 19th March 2016. The Board on the basis of such performance evaluation determined to continue the term of appointment of all the Independent Directors who have been appointed by the Company at its 53rd AGM for a fixed term upto 31st March 2019.

Woman Director

Pursuant to the Provision of Section 149, 152 of the Companies Act, 2013 and read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, every listed Company shall appoint atleast one Woman Director.

The Board of Directors, on the recommendation of the Nomination-cum-Remuneration Committee Meeting held on 28th May 2016, appointed Mrs Lalitha Lakshmanan as an Additional Director of the Company with effect from 28th May 2016, to hold office upto the date of AGM of the Company.

The Board recommends the Resolution, to be placed in the AGM, in relation to appointment of Mrs Lalitha Lakshmanan, as an Independent Director, not liable to retire by rotation, under section 149 of the Companies Act, 2013, for a fixed term from 30th July 2016 to 31st March 2021.

ADDITIONAL CHIEF FINANCIAL OFFICER

According to Section 203(1)(iii) of the Companies Act, 2013, Mr R Swaminathan was appointed as Additional Chief Financial Officer of the Company from 28th May 2016.

Mr R Swaminathan holds a Masters in Commerce Degree and has 29 years experience in various industries in the fields of Costing, Budgeting, Pay Roll, Stores Accounting and purchase accounting. He joined the Company as Senior Manager (Accounts) in 2013 and is in-charge of Accounts.

AUDITORS

M/s. R. Subramanian & Co., Chartered Accountants, Chennai, have been appointed as Statutory Auditors of the Company till the conclusion of 56th Annual General Meeting, requisite resolution for ratifying their appointment is proposed in the manner stated in the Notice for the 55th AGM.

Particulars of Statutory Auditors, Cost Auditor, 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 **Annexure - 5**.

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 provided by 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 Lead Acid Battery Customers, Dealers, Distributors and Institutional Indentors, like Postal and Railways.

- (iv) the Bankers, for extending timely financial support for the continued successful performance of the Company and
- (v) to all suppliers and Shareholders for their continued support.

(For the Board of Directors)

N. GOPALARATNAM
Chairman

Chennai 600 034
May 28, 2016



ANNEXURE - 1 to BOARD'S REPORT

REPORT ON CORPORATE GOVERNANCE

APPLICABILITY OF CODE OF CORPORATE GOVERNANCE

SEBI Notification dated 2nd September, 2015 modified the Listing Agreement as Listing Regulations, 2015. According to the said Regulation, the Listing regulation is applicable to all companies whose equity shares are listed on a recognized stock exchange. However, compliance with the corporate governance provisions shall not apply, in respect of

- The listed entity having paid up equity share capital not exceeding rupees Rs.10 crores and net worth not exceeding Rs.25 crores, as on the last day of the previous financial year.
- The listed entity which has listed its specified securities on the SME Exchange.

Though the compliance with the provisions of Corporate Governance is not mandatory to the Company, utmost importance has been given to good Corporate Governance in all its activities.

Board of Directors

The Board comprises of Non-Executive, Executive and Independent Directors. The Board consists of 8 Directors comprising of one Non-Executive Chairman, one Executive Director, one Non-Executive Director, one Nominee Director and four Independent Directors as on 31st March 2016. 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 Director, is above 21.

Number of Board Meetings and Directors' Attendance Record

Name of Director	Date of Initial Appointment	Category	No.of Equity Shares held	Attendance at Board Meetings during 2015 - 2016		As on 31 st March 2016 (Including HEB)			Attendance at last AGM
				No. of Meet-ings	%	No. of Director -ships	Committee Position		
							As Chairman	As Member	
Mr. N. Gopalaratnam	06-06-1991	Non- Executive Chairman, Promoter	10200	7	100	6	3	2	YES
Dr. G.A. Pathanjali	30-05-2012	Managing Director	100	7	100	1	-	1	YES
Mr. T.R. Sivaraman*	01-04-2014	Director (Finance)	870	2	29	1	-	-	NO
Mr. R. Vaidyanathan	27-09-1961	Promoter	2500	7	100	2	-	1	YES
Mr. Raj Kumar	19-06-2013	Nominee of Life Insurance Corporation of India	Nil	4	57	1	-	2	NO
Mr. A.L. Somayaji	23-03- 2002	Independent	Nil	6	86	4	2	-	NO
Commodore R.P. Prem Kumar (Retd.)	08-06-2002	Independent	Nil	7	100	1	-	2	YES
Mr. M. Natarajan	30-09- 2014	Independent	Nil	5	71	-	-	-	YES
RAdm S. Mohapatra	30-09- 2014	Independent	Nil	6	86	-	-	-	YES
Mrs. T. V. Rajalakshmi**	30-09- 2014	Independent	Nil	7	100	4	-	1	YES

ANNEXURE - 1 to BOARD'S REPORT

* Mr. T R Sivaraman resigned from the Board w.e.f. 13.08.2015

** Mrs. T V Rajalakshmi resigned from the Board w.e.f. 19.03.2016

Board Meetings

During the year 2015-16, 7 Board Meetings were held on 06.05.2015, 30.05.2015, 25.07.2015, 13.08.2015, 07.11.2015, 30.01.2016 and 19.03.2016. The last Annual General Meeting was held on 25.07.2015.

Independent Directors Meeting

The Companies Act 2013 requires all the Independent Directors to meet atleast once in a year. The meeting must be convened without the presence of the non-independent directors and members of the management. An Independent Director would also evaluate the performance of the chairperson of the company and to review the performance of the non-independent directors and the Board as a whole of the company. These measures would immensely aid in ensuring the smooth and proper functioning of the Board of Directors of a company. The Independent Directors met one time during the financial year 2015-16, on 19th March 2016 and assessed the performance of the company and other directors and advised the Board accordingly.

Audit Committee Meeting

The Audit Committee was constituted on 30.05.2014 as required under Section 177(1) of the Companies Act, 2013. The Audit Committee comprises of three Independent Directors and one Nominee Director. The Chairman of the Committee is a non executive Independent Director. The Committee is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The Committee met 4 times during the year on 30.05.2015, 13.08.2015, 07.11.2015 and 30.01.2016. Details of its composition and attendance are given hereunder:-

Name of Member	Status	Attendance at Meetings	
		No.	%
Mr. A.L. Somayaji	Chairman	4	100
Cmdr. R. P. Prem Kumar	Member	4	100
Mr. Raj Kumar	Member	2	50
Mrs. T. V. Rajalakshmi	Member	4	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. 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 4 times during the previous year on 30.05.2015, 25.07.2015, 07.11.2015 and 30.01.2016. Details of its composition and attendance are given hereunder:-

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

Nomination cum Remuneration Committee

The Nomination cum Remuneration Committee comprises of 3 Non-Executive Directors. The Nomination cum Remuneration Committee is vested with all the necessary powers and authority to ensure the criteria for

ANNEXURE - 1 to BOARD'S REPORT

- | | |
|--|--|
| <ul style="list-style-type: none"> a) appointment of Executive, Non-Executive and Independent Directors to the Board. b) qualifications, positive attributes and independence of Directors. c) identifying candidates who are qualified to become Directors and recommending to the Board their appointment and removal. d) reviewing and determining all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, etc. | <ul style="list-style-type: none"> (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 Regulation. (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. |
|--|--|

No Nomination-cum-Remuneration Committee Meeting was held during the year under review.

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.

Governance Process & Policies

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

The Board on the recommendations of the Nomination-cum-Remuneration Committee meeting held on 26th March 2015 had approved a Nomination and Remuneration Policy. It inter alia deals with the manner of selection of Board of Directors and 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.

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 rewarded. Remuneration package is transparent, fair and simple to administer, besides being legal and tax compliant.

3. Remuneration of Directors & Key Managerial Personnel

The Nomination-cum-Remuneration Committee recommends the remuneration of directors and KMPs which is approved by the Board of Directors and where necessary further approved by the shareholders through

ANNEXURE - 1 to BOARD'S REPORT

ordinary or special resolution as applicable.

The Managing Director is the only executive director entitled for managerial remuneration. Dr. G.A. Pathanjali has been appointed as Managing Director for a tenure of three years from 01.04.2014. Considering the losses currently suffered, the Managing Director was paid minimum remuneration in accordance with the approval granted by special resolution at the Annual General Meeting held on 21.07.2014. His remuneration for FY 2015-16 is disclosed under Note 34 of the Financial Statements. There is no service contract containing provisions of notice period or severance package.

Mr. S.V. Raju, Company Secretary is the Key Managerial Personnel (KMP).

No Director or their relatives 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 of Directors

Non Executive Directors are paid sitting fee of Rs. 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:-

Directors	Amount in ₹		
	Sitting Fee for Board Meeting	Committee Meeting*	Total
Mr. N. Gopalaratnam	35000	20000	55000
Mr. R. Vaidyanathan	35000	20000	55000
Mr. A. L. Somayaji	30000	20000	50000
Cmdr. R. P. Prem Kumar	35000	20000	55000
Mr. M. Natrarajan	25000	-	25000
RArm. S. Mohapatra	30000	-	30000
Mrs. T.V. Rajalakshmi	35000	20000	55000
Mr. Raj Kumar Nominee of LIC	20000	10000	30000
TOTAL	245000	110000	355000

* Stakeholders Relationship Committee and Audit Committee Meetings.

(ii) Performance Evaluation

The Board of Directors in March 2015 on the recommendations of the Nomination-cum-Remuneration Committee approved the Board evaluation framework. It has laid down specific criteria for performance evaluation covering -

- ◆ Evaluation of Board process
- ◆ Evaluation of Committees
- ◆ Individual evaluation of Board members & the Chairperson
- ◆ Individual evaluation of Independent Directors

Evaluation of all Board members is done on an annual basis. Templates incorporating specific attributes are used and commonly agreed comments and remarks are recorded against each attribute.

The Independent Directors in their exclusive meeting on 19.03.2016 did the evaluation on the performance of Chairperson, non-independent directors and the Board as a whole. They have



ANNEXURE - 1 to BOARD'S REPORT

expressed overall satisfaction on such evaluation. All directors were present at this meeting.

The Board at its 19.03.2016 meeting evaluated the performance of each of the 3 Committees and also the functioning of each of the Independent Directors (excluding the Independent Director being evaluated). The Board has recorded its overall satisfaction and decided in terms of Para VIII(2) of Schedule IV to the Companies Act, 2013 that Independent Directors be continued in their respective offices.

(iii) Code of Conduct

The Board has formulated a Code of Conduct for Directors and Senior Management Personnel of the Company which is posted on its website. It is hereby affirmed that all the Directors and Senior Management Personnel have complied with the Code and a confirmation to this effect has been obtained from them individually for FY 2015-16.

Further, the Senior Management Personnel have declared to the Board that no material financial or commercial transactions were entered into by them during FY 2015-16 where they have personal interest that may have a potential conflict with the interest of the company at large.

(iv) 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 means of 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 as it is applicable to top 100 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year according to Regulation 21 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

(v) 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 has been uploaded in the Company's website.

No complaint under this facility was received in FY 2015-16.

(vi) 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.

No complaint on sexual harassment was received during FY 2015-16.

ANNEXURE - 1 to BOARD'S REPORT

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 the Audit Committee. These are communicated to BSE 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

Pursuant to Section 148, of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the company has appointed Mr. S. Hariharan, Practising Cost Accountant (Membership No.20864), to undertake cost audit of the company for FY 2015-16. His remuneration was approved by the shareholders at the 54th AGM.

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's practices and procedures mostly meet with all these prescriptions and residual requirements will be taken care of.

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 Practising Company Secretary (Membership No. A672,

C.P.No.2209) to undertake the secretarial audit of the company for FY 2015-16. The secretarial audit report was placed before the Board on 28th May 2016.

There are no qualifications in the secretarial audit report.

Internal Auditor

Pursuant to Section 138(1) of the Companies Act, 2013 the company has appointed M/s. Maharaj N R Suresh and Company (ICAI Regn.No.001931S), Chennai to conduct internal audit of the functions and activities of the company for FY 2015-16. The Internal Auditor reports directly to the Audit Committee.

Review of Directors' Responsibility Statement

The Board in its Report has confirmed that the annual accounts for the year ended 31st March 2016 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

Subsidiary Companies

The Company has no subsidiary.

Deposits

The company has not accepted deposits from the public and there are no outstanding dues in respect thereof.

Disclosures

- (i) No strictures / penalties have 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.



ANNEXURE - 1 to BOARD'S REPORT

- (iii) No loan or advance in the nature of loan was made during the year or outstanding at the close of the year to Associates or Firms/ Companies in which a director of the company is interested. Accordingly no disclosure in terms of Clause 32 on this score is applicable.

MEANS OF COMMUNICATION

Audited/Unaudited Financial Results

Period	Date of Approval by Board	Date of Publication	Newspaper
Quarter ended * 30 th June, 2015	13.08.2015	15.08.2015	Business Standard and Makkal Kural
Quarter ended * 30 th September, 2015	07.11.2015	09.11.2015	Business Standard and Makkal Kural
Quarter ended * 31 st December, 2015	30.01.2016	01.02.2016	Business Standard and Makkal Kural
Year ended ** 31 st March, 2016	28.05.2016	30.05.2016	Business Standard and Makkal Kural

** Audited

* Unaudited

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 is available on the Stock Exchange Website (www.bseindia.com) and the Company's Website www.highenergy.co.in upon approval by the Board of Directors.

Others

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

The Company operates in;

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

Segment-wise repoting is being done.

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	Saturday, the 30 th July, 2016, 11.00 A.M.
Venue	New Woodlands Hotel Pvt. Ltd., No.72-75, Dr. Radhakrishnan Road, Mylapore, Chennai - 600 004.
Book Closure	Monday, the 25 th July, 2016 to Saturday, the 30 th July, 2016 (Both days inclusive)
Cut-off date for e-voting	Saturday, the 23 rd July, 2016

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 2016-17 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 2016 are furnished hereunder:

ANNEXURE - 1 to BOARD'S REPORT

Mode of holding	Shareholders		Equity Shares	
	No.	%	No.	%
Physical	358	17.30	65121	3.63
Demat	1711	82.70	1727647	96.37
Total	2069	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.

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 of 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:-

- respective Depository Participants, in case of demat holding
- 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: 044 - 24960335 / 39279318
Fax: 044- 24961785
Email: investor@highenergyltd.com
Website: www.highenergy.co.in

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.

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 Stakeholders Relationship 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 2016.

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 through the Registrar and Transfer Agent (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").



ANNEXURE - 1 to BOARD'S REPORT

Month	High	Low	Volume
	₹ P.	₹ P.	No. of Shares
April 2015	170.10	130.00	10663
May 2015	197.90	155.50	10049
June 2015	183.90	122.20	10959
July 2015	188.70	136.00	36115
August 2015	219.70	133.70	69648
September 2015	178.00	140.00	5077
October 2015	163.00	139.00	3829
November 2015	153.00	136.00	1725
December 2015	154.00	137.00	4570
January 2016	195.00	148.50	42244
February 2016	192.00	124.00	17094
March 2016	160.90	125.50	36895
	Total		248868

Shareholder Complaints

The Company has created a mail I.D 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 id for redressal.

Particulars of complaints received during 2015-16;

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 2016, no complaints were received and hence not posted in this system against our Company.

Distribution of Shareholding as on 31.03.2016

Slab	No. Shareholders		No. of Equity Shares	
	Total	%	Total	%
1-500	1851	89.46	143970	8.03
501-1000	100	4.83	78642	4.39
1001-2000	44	2.13	65111	3.63
2001-3000	21	1.02	52322	2.92
3001-4000	11	0.53	39042	2.18
4001-5000	5	0.24	22815	1.27
5001-10000	13	0.63	90233	5.03
Above 10000	24	1.16	1300633	72.55
Total	2069	100.00	1792768	100.00

Shareholding Pattern

Category	No. of Shareholders	%	No. of Equity Shares	%
Promoters	11	0.53	734527	40.97
FIs and Banks	2	0.10	239100	13.34
Other Corporate Bodies	49	2.37	99825	5.57
Clearing Members	3	0.14	1015	0.06
Hindu Undivided Families	66	3.19	18466	1.03
NRI - Non-Promoter	8	0.39	957	0.05
Trust	1	0.05	200	0.01
Public	1929	93.23	698678	38.97
Total	2069	100.00	1792768	100.00

ANNEXURE - 1 to BOARD'S REPORT

Note : Out of above, Non Resident Indians/ Overseas Corporate Bodies hold 80957 shares constituting 4.52%.

Plant

Location:

Pakkudi Road,
Mathur Industrial Estate, Mathur 622 515,
Pudukkottai District, Tamilnadu, India
Phone : 91-431-2660323, 2660324
Fax : 91-4339-250516
Email : info@highenergyltd.com
Website : www.highenergy.co.in

No. of Employees : 135

Particulars of past 3 AGMs

AGM	Year	Venue	Date	Time
52 nd	2012-2013	New Woodlands Hotel Pvt. Ltd., 72-75, Dr. Radhakrishnan Road, Mylapore, Chennai 600 004	25.07.2013	11.00 AM
53 rd	2013-2014	New Woodlands Hotel Pvt. Ltd., 72-75, Dr. Radhakrishnan Road, Mylapore, Chennai 600 004	21.07.2014	11.00 AM
54 th	2014-2015	New Woodlands Hotel Pvt. Ltd., 72-75, Dr. Radhakrishnan Road, Mylapore, Chennai 600 004	25.07.2015	11.00 AM

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

POSTAL BALLOT

No Resolution was required to be passed by postal ballot at the last AGM nor is being proposed at the ensuing AGM. However, e-voting facility will be provided to all shareholders as required under Companies Act, 2013 in the ensuing Annual General Meeting.

Unclaimed Dividends

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

transferred to the "Investor Education and Protection Fund" 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. Remainders 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.

Financial Year	Date of Declaration	Due date for Transfer	Unclaimed Amount (₹ lakhs)
2008-2009	18.07.2009	18.08.2016	1.35
2009-2010	--	--	--
2010-2011	--	--	--
2011-2012	--	--	--
2012-2013	25.07.2013	25.08.2020	0.45
2013-2014	--	--	--
2014-2015	--	--	--
Total			1.80

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	30.06.2015 30.09.2015 31.12.2015 31.03.2016	16.07.2015 15.10.2015 20.01.2016 15.04.2016

(For the Board of Directors)

N. GOPALARATNAM
Chairman

Chennai 600 034
May 28, 2016

**ANNEXURE - 2 to BOARD'S REPORT****FORM NO. MGT - 9****EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March 2016

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

1. 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 held by shares
v)	Address of the Registered Office and contact details	ESVIN House, Perungudi Chennai - 600 096, Tamil Nadu Phone : +91-44-24960335 / 39279318 Fax : +91-44-24961785 Email : hebcnn@md4.vsnl.net.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", 5th Floor, No.1, Club House Road, Chennai - 600 002. Phone : +91-44-28460390 Fax : +91-44-28460129 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	95.94
2	Lead Acid Storage Batteries	27201	4.06

III. Particulars of Holding, Subsidiary and Associate of 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. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category - wise Shareholding

Sl.No	Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2015			No. of Shares held at the end of the year 31.03.2016			% Change during the year
		Demat	Physical	Total	Demat	Physical	Total	
A. Promoters								
1) Indian								
a) Individual/HUF	15802	-	15802	0.88	14932	-	14932	0.83
b) Central Govt	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-
d) Bodies Corp.	635729	-	635729	35.46	639595	-	639595	35.68
e) Banks / FI	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-
Sub-Total(A)(1)	651531	651531	651531	36.34	654527	654527	654527	36.51
2) Foreign								
a) NRIs -	-	-	-	-	-	-	-	-
b) Other -	-	-	-	-	-	-	-	-
c) Individuals	-	-	-	-	-	-	-	-
d) Bodies Corp.	80000	-	80000	4.46	80000	-	80000	4.46
e) Banks / FI	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	80000	80000	80000	4.46	80000	80000	80000	4.46
Total share-holding of Promoters (A) = A)(1)+A)(2)	731531	731531	731531	40.80	734527	734527	734527	40.97
								0.17



ANNEXURE - 2 to BOARD'S REPORT

Sl.No	Category of Shareholders	No.of Shares held at the beginning of the year 01.04.2015				No.of Shares held at the end of the year 31.03.2016				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B.	Public Shareholding									
1)	Institutions									
a)	Mutual funds	-	-	-	-	-	-	-	-	-
b)	Banks / FI	239100	-	239100	13.34	239100	-	239100	13.34	-
c)	Central Govt	-	-	-	-	-	-	-	-	-
d)	State Govt (s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FIs	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i)	Any other Foreign Portfolio Investors (Corporate) II	-	-	-	-	-	-	-	-	-
	Foreign Portfolio Investors (Corporate) III	-	-	-	-	-	-	-	-	-
	Sub-Total(B)(1)	239100	-	239100	13.34	239100	-	239100	13.34	-
2)	Non Institutions									
a)	Bodies Corporate	77656	691	78347	4.37	99134	691	99825	5.57	1.20
b)	Individuals									
i)	Individual Shareholders holding nominal shares capital up to Rs. 1 lakh	379197	66605	445802	24.87	368405	64230	432635	24.13	-0.74
ii)	Individual shareholders holding nominal shares capital in excess of Rs.1 lakh	279028	-	279028	15.56	266043	-	266043	14.84	-0.72

ANNEXURE - 2 to BOARD'S REPORT

Sl.No	Category of Shareholders	No.of Shares held at the beginning of the year 01.04.2015				No.of Shares held at the end of the year 31.03.2016				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c)	Others (Specify) Non - Resident Indian Hindu undivided Family Clearing Members Trust	1186 17262 212 -	200 - - 100	1386 17262 212 100	0.08 0.96 0.01 0.01	757 18466 1015 200	200 - - -	957 18466 1015 200	0.05 1.03 0.06 0.01	-0.03 0.07 0.05 -
	Sub-Total(B)(2)	754541	67596	822137	45.86	754020	65121	819141	45.69	-0.17
	Total Public Shareholding (B) = (B) (1) + (B) (2)	993641	67596	1061237	59.20	993120	65121	1058241	59.03	-0.17
C)	Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
	GRAND -TOTAL (A) + (B) + (C)	1725172	67596	1792768	100	1727647	65121	1792768	100	0.00



ANNEXURE - 2 to BOARD'S REPORT

ii) Shareholding of Promoters

Sl.No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2015			Shareholding at the end of the year 31.03.2016			% Change in share holding 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	15.7806	-	282911	15.7806	-	0.00
2.	Time Square Investments (P) Limited	165463	9.2294	-	165463	9.2294	-	0.00
3.	Ponni Sugars (Erode) Limited	100000	5.5779	-	100000	5.5779	-	0.00
4.	Synergy Investments Pte Limited	80000	4.4623	-	80000	4.4623	-	0.00
5.	Ultra Investments and Leasing Company Pvt. Ltd	70200	3.9157	-	70200	3.9157	-	0.00
6.	Dhanashree Investments Private Limited	17155	0.9569	-	21021	1.1725	-	0.2156
7.	N. Gopalaratnam	10200	0.5689	-	10200	0.5689	-	0.00
8.	R. Vaidyanathan	2500	0.1394	-	2500	0.1394	-	0.00
9.	S. Sridharan	1932	0.1077	-	1932	0.1077	-	0.00
10.	D. Jayaraman	200	0.0111	-	200	0.0111	-	0.00
11.	G. A. Pathanjali	100	0.0055	-	100	0.0055	-	0.00

ANNEXURE - 2 to BOARD'S REPORT

III. Change in Promoters' Shareholding (Please specify, if there is no change)

Sl No	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2015		Cumulative Shareholding during the year 31.03.2016	
		No.of Shares	% of total shares of the company	No.of Shares	% of total shares of the company
1	Dhanashree Investments Pvt.Ltd				
	At the beginning of the year 01-Apr-2015	17155	0.9569	17155	0.9569
	Purchase 6th-Nov-2015	3866	0.2156	21021	1.1725
	At the end of the year 31-Mar-2016	21021	1.1725	21021	1.1725

There is no change in shareholding during the period in the case of other Promoters

IV. Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl No	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2015		Cumulative Shareholding during the year 31.03.2016	
		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-2015	239000	13.3313	239000	13.3313
	At the end of the year 31-Mar-2016	239000	13.3313	239000	13.3313
2	C Srikanth				
	At the beginning of the year 01-Apr-2015	49754	2.7752	49754	2.7752
	At the end of the year 31-Mar-2016	49754	2.7752	49754	2.7752



ANNEXURE - 2 to BOARD'S REPORT

Sl No	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2015		Cumulative Shareholding during the year 31.03.2016	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
3	Balram Bharwani JT1 : Poonam Bharwani				
	At the beginning of the year				
	01-Apr-2015	42000	2.3427	42000	2.3427
	Purchase 29-May-2015	273	0.0152	42273	2.3579
	Purchase 05-Jun-2015	577	0.0321	42850	2.3901
	Purchase 12-Jun-2015	550	0.0306	43400	2.4208
	Purchase 19-Jun-2015	168	0.0093	43568	2.4302
	Purchase 26-Jun-2015	697	0.0388	44265	2.4690
	Purchase 30-Jun-2015	1245	0.0694	45510	2.5385
	Purchase 03-Jul-2015	925	0.0515	46435	2.5901
	Purchase 10-Jul-2015	765	0.0426	47200	2.6328
	Purchase 31-Jul-2015	1450	0.0808	48650	2.7136
	Purchase 21-Aug-2015	806	0.0449	49456	2.7586
	Purchase 28-Aug-2015	177	0.0098	49633	2.7685
	Purchase 04-Sep-2015	7	0.0003	49640	2.7689
	Purchase 18-Sep-2015	260	0.0145	49900	2.7834
	Purchase 30-Sep-2015	125	0.0069	50025	2.7903
	Purchase 25-Dec-2015	275	0.0153	50300	2.8057
	Purchase 31-Dec-2015	2125	0.1185	52425	2.9242
	Purchase 12-Feb-2016	775	0.0432	53200	2.9674
	At the end of the year 31-Mar-2016	53200	2.9674	53200	2.9674
4	Sathyamoorthi Devarajulu				
	At the beginning of the year				
	01-Apr-2015	31332	1.7476	31332	1.7476
	At the end of the year 31-Mar-2016	31332	1.7476	31332	1.7476
5	Ruchit Bharat Patel JT1 : Hardik Bharat Patel				
	At the beginning of the year				
	01-Apr-2015	29048	1.6202	29048	1.6202
	Sale 21-Aug-2015	-29048	-1.6202	0	0.0000
	Purchase 18-Mar-2016	29048	1.6202	29048	1.6202
	At the end of the year 31-Mar-2016	29048	1.6202	29048	1.6202
6	Far and Wide Marketing Pvt. Limited				
	At the beginning of the year				
	01-Apr-2015	25000	1.3944	25000	1.3944
	At the end of the year 31-Mar-2016	25000	1.3944	25000	1.3944

ANNEXURE - 2 to BOARD'S REPORT

Sl No	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2015		Cumulative Shareholding during the year 31.03.2016	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
7	Govindbhai Baldev Desai				
	At the beginning of the year 01-Apr-2015	16000	0.8924	16000	0.8924
	At the end of the year 31-Mar-2016	16000	0.8924	16000	0.8924
8	Hemant Hasmukhlal Shroff				
	JT1 : Bhavin Hemant Shroff				
	JT2 : Hirlal Hemantkumar Shroff				
	At the beginning of the year 01-Apr-2015	14544	0.8112	14544	0.8112
	Sale 08-May-2015	-200	0.0111	14344	0.8001
	Sale 17-Jul-2015	-2344	0.1307	12000	0.6693
	Sale 15-Jan-2016	-2000	0.1115	10000	0.5577
	Sale 29-Jan-2016	-2500	1.1394	7500	0.4183
	Sale 05-Feb-2016	-1884	0.1050	5616	0.3132
	Sale 12-Feb-2016	-360	0.0200	5256	0.2939
	Sale 26-Feb-2016	-256	0.0142	5000	0.2788
	At the end of the year 31-Mar-2016	5000	0.2788	5000	0.2788
9	Javeri Fiscal Services Ltd.				
	At the beginning of the year 01-Apr-2015	14103	0.7866	14103	0.7866
	Purchase 17-Apr-2015	97	0.0054	14200	0.7920
	Purchase 24-Apr-2015	100	0.0055	14300	0.7976
	Purchase 08-May-2015	200	0.0111	14500	0.8088
	Purchase 29-May-2015	6200	0.3458	20700	1.1546
	Purchase 05-Jun-2015	450	0.0251	21150	1.1797
	Purchase 17-Jul-2015	6439	0.3591	27589	1.5389
	Purchase 07-Aug-2015	911	0.0508	28500	1.5897
	Purchase 14-Aug-2015	1451	0.0809	29951	1.6706
	Sale 21-Aug-2015	-160	0.0089	29791	1.6617
	Purchase 28-Aug-2015	9	0.0005	29800	1.6622
	Purchase 16-Oct-2015	668	0.0372	30468	1.6994
	Purchase 23-Oct-2015	32	0.0017	30500	1.7012
	Purchase 08-Jan-2016	450	0.0251	30950	1.7263
	Sale 15-Jan-2016	-9000	0.5020	21950	1.2243
	Purchase 22-Jan-2016	50	0.0027	22000	1.2271
	Purchase 05-Feb-2016	2500	0.1394	24500	1.3666
	Sale 04-Mar-2016	-7677	0.4282	16823	0.9383
	Sale 31-Mar-2016	-9000	0.5020	7823	0.4363
	At the end of the year 31-Mar-2016	7823	0.4363	7823	0.4363



ANNEXURE - 2 to BOARD'S REPORT

Sl No	Name of the Shareholder	Shareholding at the beginning of the year 01.04.2015		Cumulative Shareholding during the year 31.03.2016	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
10	Sitharaman G Jt.1 : Janaki S				
	At the beginning of the year 01-Apr-2015	13720	0.7652	13720	0.7652
	At the end of the year 31-Mar-2016	13720	0.7652	13720	0.7652
11	Kwality Alutrade Private Limited				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 08-May-2015	500	0.0278	500	0.0278
	Purchase 17-Jul-2015	319	0.0177	819	0.0456
	Purchase 24-Jul-2015	1529	0.0852	2348	0.1309
	Purchase 31-Jul-2015	152	0.0084	2500	0.1394
	Purchase 14-Aug-2015	15735	0.8776	18235	1.0171
	Purchase 21-Aug-2015	4247	0.2368	22482	1.2540
	Purchase 28-Aug-2015	628	0.0350	23110	1.2890
	Purchase 30-Sep-2015	760	0.0423	23870	1.3314
	Purchase 09-Oct-2015	250	0.0139	24120	1.3454
	Purchase 08-Jan-2016	100	0.0055	24220	1.3509
	Sale 15-Jan-2016	-9170	0.5114	15050	0.8394
	Purchase 22-Jan-2016	4040	0.2253	19090	1.0648
	At the end of the Year 31-Mar-2016	19090	1.0648	19090	1.0648
12	Sonia Gulati				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 15-Jan-2016	5122	0.2857	5122	0.2857
	Purchase 31-Mar-2016	11928	0.6653	17050	0.9510
	At the end of the Year 31-Mar-2016	17050	0.9510	17050	0.9510

ANNEXURE - 2 to BOARD'S REPORT

V. Shareholding of Directors and Key Managerial Personnel

Sl No	For each of the Directors and KMP	Shareholding at the beginning of the year 01.04.2015		Cumulative Shareholding during the year 31.03.2016	
		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	10200	0.5689	10200	0.5689
	At the end of the year	10200	0.5689	10200	0.5689
2	A L SOMAYAJI				
	At the beginning of the year	3866	0.2156	3866	0.2156
	Sale 06-Nov-2015	-3866	-0.2156	0	0.0000
	At the end of the year	0	0	0	0.0000
3	R VAIDYANATHAN				
	At the beginning of the year	2500	0.1394	2500	0.1394
	At the end of the year	2500	0.1394	2500	0.1394
4	T R SIVARAMAN				
	At the beginning of the year	870	0.0485	870	0.0485
	At the end of the year	870	0.0485	870	0.0485
5	G A PATHANJALI				
	At the beginning of the year	100	0.0055	100	0.0055
	At the end of the year	100	0.0055	100	0.0055
6	S V RAJU				
	At the beginning of the year	100	0.0055	100	0.0055
	At the end of the year	100	0.0055	100	0.0055



ANNEXURE - 2 to BOARD'S REPORT

VI. Indebtedness

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

(₹ in lakhs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3648.29	70.00	-	3718.29
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3648.29	70.00	-	3718.29
Change in indebtedness during the financial year				
- Addition	-	573.00	-	573.00
- Reduction	955.09	561.00	-	1516.09
Net Change	955.09	12.00	-	943.09
Indebtedness at the end of the financial year				
i) Principal Amount	2693.20	82.00	-	2775.20
ii) Interest due but not paid	-	38.51	-	38.51
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2693.20	120.51	-	2813.71

ANNEXURE - 2 to BOARD'S REPORT

VII. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Director and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount (₹ in lakhs)
		Dr. G. A. Pathanjali	Mr. T. R. Sivaraman*	
1.	Gross Salary			
	(a) Salary as per provisions contained 17(1) of the Income Tax Act, 1961	16.32	4.48	20.80
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	2.64	0.73	3.37
	(c) Profits in lieu of salary u/s 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others - Special Allowance	7.20	1.50	8.70
5.	Others - Retiral benefits	3.93	2.60	6.53
	Total	30.09	9.31	39.40
	Ceiling as per the Act	42.00	42.00	84.00

* upto 13.08.2015



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	Cmde R. P. Prem Kumar	Mr. M. Natarajan	RAdm S. Mohapatra	Mrs. T. V. Rajalakshmi	
1.		Independent Directors					
	Fee for attending Board Committee Meetings	50000	55000	25000	30000	55000	215000
	- Commission	-	-	-	-	-	-
	- Others	-	-	-	-	-	-
	Please Specify						
	Total (1)	50000	55000	25000	30000	55000	215000
2.		Other Non Executive Directors					
		Mr. N. Gopalaratnam	Mr. R. Vaidyanathan	Mr. Raj Kumar			Total Amount (in ₹)
	Fee for attending Board Committee Meetings	55000	55000	30000			140000
	- Commission	-	-	-			-
	- Others	-	-	-			-
	Please Specify						
	Total (2)	55000	55000	30000			140000
	Total (B) (1+2)						355000
	Overall ceiling as per the Act						*

* Minimum Remuneration for Managing 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	Total Amount (₹ in Lakhs)
		Company Secretary	
1.	Gross Salary		
	(a) Salary as per provisions contained 17(1) of the Income Tax Act, 1961	1.80	1.80
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	2.10	2.10
	(c) Profits in lieu of salary u/s 17(3) Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, Specify	-	-
5.	Others - Please Specify	-	-
	Total	3.90	3.90

VII. Penalties / Punishment / Compounding Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any (give details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compoundng	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compoundng	NIL	NIL	NIL	NIL	NIL
C. Other Officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compoundng	NIL	NIL	NIL	NIL	NIL

(For the Board of Directors)

Chennai 600 034
May 28, 2016

N. GOPALARATNAM
Chairman



ANNEXURE - 3 to BOARD'S REPORT

DISCLOSURE IN TERMS OF SECTION 134 (3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014.

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 Primary activated Reserve Type Silver Zinc Batteries for Aerospace applications.
- Development of Cuprous Chloride Batteries.
- Development of Automotive & Valve Regulated Lead Acid Batteries.
- Development and production of Electro-catalyst for Fuel Cells.
- Research on Nano materials and Nano composites.
- Research on Vanadium based Flow Battery materials.

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 the advancement in developed countries.
- Indigenisation and self reliance in the critical field of batteries for strategic defence applications.

- "Make in India" concept fully implemented over three decades.
- 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

₹ in Lakhs

	As At 31.03.2016	As At 31.03.2015
Capital	-	-
Recurring	74.27	62.14
Total	74.27	62.14

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 31.03.2016	As At 31.03.2015
Earnings	61.91	817.86
Outgo	155.20	202.43

(For the Board of Directors)

N. GOPALARATNAM
Chairman

Chennai 600 034
May 28, 2016

ANNEXURE - 4 to BOARD'S REPORT

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

A. 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)	8:1	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 Company Secretary CFO	NIL NIL NIL	Note 2
3.	The percentage increase in the median remuneration of employees in the financial year		NIL	
4.	The number of permanent employees on the rolls of company		135	
5.	The explanation on the relationship between average increase in remuneration and company performance	Salary Increase Company performance Increase in loss by	NIL 144.70 %	Note 3
6.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	KMP increase Company performance Increase in loss by	NIL 144.70 %	Note 3
7.	Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	31/03/16 Market capitalization (Rs crores) PE ratio (%) Increase in market quote (%) %at BSE	31/03/15 25.08 Negative 8.02% 15.20%	Note 4
8.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase in the salary of employees other than managerial persons Managerial remuneration	NIL NIL	Note 5



ANNEXURE - 4 to BOARD'S REPORT

Sl.No	Description	
9.	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	MD Company Secretary CFO NIL NIL NIL
10.	The key parameters for any variable component of remuneration availed by the directors	MD In the event of loss or inadequacy of profits in a year, Managing Director will be paid a special allowance of ₹7.20 Lakhs per year in addition to salary and perquisites
11.	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	NIL
12.	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:

- All other directors were paid only sitting fee for attending the meetings of the Board and Committees thereof.
- Revision is done once in three years for MD.
- The Company has suffered increased operating losses during the year and lower loss after tax is due to the impact of exceptional items. The operating losses are entirely attributable to macro economic factors beyond the control of KMPs and other employees. Hence, remuneration levels and periodic increases have no direct correlation to the Company performance but are determined in the normal course of business and in line with industry norms.
- The face value of the shares is ₹10/- each.
- MD remuneration is revised only once in 3 years and MD is appointed in the FY 2014-15.

ANNEXURE - 4 to BOARD'S REPORT

B. Statement of particulars of employees as per Rule 5(2) & (3)

Sl.No	Description	Particulars
1	Name & Designation of the employee	Dr. G. A. Pathanjali, Managing Director
2	Remuneration received	MD : ₹ 30.09 Lakhs
3	Nature of employment	Regular
4	Qualification & Experience	MD - M.Tech, Ph.D - 33 Years Varied experience in Management of Projects, R&D, Operations and General Management in the Battery Industry.
5	Date of commencement of employment	MD - 22/08/1983
6	Age of such employee	MD - 57 years
7	Last employment	MD - Joined in the Company as Engineer (R&D) in 1983.
8	% of Equity shares held	MD - 0.01%
9	Relationship with any director	Not a relative of any Director of the Company.

Note : Gross remuneration includes salary, incentive, perquisites and Company's contribution to retirement benefits.

(For the Board of Directors)

Chennai 600 034
May 28, 2016

N. GOPALARATNAM
Chairman

ANNEXURE - 5 to BOARD'S REPORT

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2016

[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-600096 (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 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 31st March 2016 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 31st March 2016, 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. Environmental (Protection) Act, 1986;
 - b. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
 - c. The Batteries (Management and Handling) Rules, 2001;
 - d. Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989

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

ANNEXURE - 5 to BOARD'S REPORT

- (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) The Listing Agreement entered into by the Company with BSE Limited and fresh Listing Agreement entered into by the Company with BSE Limited as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (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

Place : TIRUCHIRAPALLI

Date : 14.05.2016

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

ANNEXURE - 5 to BOARD'S REPORT

**ANNEXURE TO SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016
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. 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 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. As per the Management Representation given by the Company Secretary of the Company there is no law exclusively applicable for the Company except those stated in Point (V) of the Secretarial Audit Report.

FOR B.K. SUNDARAM & ASSOCIATES
COMPANY SECRETARIES

(B.KALYANASUNDARAM)
COMPANY SECRETARY
ACS NO. A672. CP. NO. 2209

Place : TIRUCHIRAPALLI
Date : 14.05.2016

M/s. R. SUBRAMANIAN AND COMPANY
Chartered Accountants

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31ST MARCH 2016**

To the Members of HIGH ENERGY BATTERIES (INDIA) LIMITED

REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying Standalone Financial Statements of **HIGH ENERGY BATTERIES (INDIA) LIMITED** ('the Company'), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of Significant Accounting Policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE 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 and presentation of these Standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the Standalone Financial Statements.

OPINION

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 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 2016.
- b) In the case of Statement of Profit and loss of the loss 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.

EMPHASIS OF MATTER:

We draw attention to:

- ◆ Note No 29 regarding recognition of Deferred Tax Asset (Net) of Rs.831.63

lakhs recognised so far including Rs.403.85 lakhs for the current year. The Management is of the view that the company will have adequate taxable income in the future and there exists virtual certainty for taking benefit of Deferred Tax Asset.

- ◆ Our opinion is not qualified in respect of the above matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid Stand alone Financial Statements comply with the Accounting Standards specified 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 31st March 2016 and taken on record by the Board of Directors, none

of the Directors is disqualified as on 31st March 2016 from being appointed as a Director in terms of Section 164(2) of the Act; and

- (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 Auditor’s 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 Note No. 20 to the financial statements;
 - (ii) the Company did not have any long-term contracts, including derivative contracts, that requires a provision for material foreseeable losses in these financial statements; and
 - (iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

- 2 As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the Annexure “B” a statement on the matters specified in the Paragraphs 3 and 4 of the Order, to the extent applicable.

For **M/s. R. SUBRAMANIAN AND COMPANY**
Chartered Accountants
ICAI Regd. No. 004137S

K JAYASHANKAR
Partner
Membership No. 14156

Chennai
May 28, 2016

ANNEXURE “A” to The Independent Auditor’s Report of even date on the Standalone 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, 2016 in conjunction with our audit of the Standalone 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 the Institute of Chartered Accountants of India. 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 Auditor’s 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 31st March 2016, 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.

For **M/s. R. SUBRAMANIAN AND COMPANY**
Chartered Accountants
ICAI Regd. No. 004137S

K JAYASHANKAR
Partner
Membership No. 14156

Chennai
May 28, 2016

Annexure “B” to the Independent Auditors’ Report of even date on the Standalone 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 reasonable intervals 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 to any party 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 made by the Company. The company has not provided any loans or 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, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other Statutory Dues to the appropriate authorities and there were no undisputed amounts payable which were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.
- b) Details of dues of Income Tax or Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax have not been deposited as on 31st March 2016 on account of disputes are given below :

Name of the Statute	Tamilnadu VAT Act
Nature of Dues	VAT
Amount ₹ in Lakhs	₹84.65 Lakhs (₹15 Lakhs paid as per court order)
Forum where the dispute is pending	Madurai Bench, Madras High Court
Period to which the dues belong	Financial Years 2007 – 08 to 2010 – 11

Name of the Statute	Bihar Sales Tax act
Nature of Dues	Bihar Sales Tax
Amount ₹ in Lakhs	₹ 4.50 Lakhs
Forum where the dispute is pending	Bihar High Court
Period to which the dues belong	Financial Years 2013 – 2014

Name of the Statute	Income Tax Act, 1961
Nature of Dues	Income Tax
Amount ₹ in Lakhs	₹ 21.91 Lakhs
Forum where the dispute is pending	CIT Appeals
Period to which the dues belong	Assessment Year 2000 – 2001, 2004 – 2005 & 2007 – 2008

- (viii) The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) As per the information and explanations made available to us the Company has not noticed any fraud by the Company or any fraud on the Company by its Officers or employees or reported during the year.

- (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 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. R. SUBRAMANIAN AND COMPANY**
Chartered Accountants
ICAI Regd. No. 004137S

K JAYASHANKAR
Partner
Membership No. 14156

Chennai
May 28, 2016



BALANCE SHEET AS AT 31st MARCH, 2016

	Note No.	AS AT 31-03-2016	AS AT 31-03-2015
I Equity and Liabilities (₹ in Lakhs)			
1 Shareholders' Funds			
a) Share Capital	2	179.28	179.28
b) Reserves and Surplus	3	47.78	735.75
2 Non Current Liabilities			
a) Long Term Borrowings	4	-	1.19
b) Other Long Term Liabilities	5	534.87	343.34
c) Long Term Provisions	6	38.48	33.90
3 Current Liabilities			
a) Short Term Borrowings	7	2775.20	3718.29
b) Trade Payables	8	942.95	866.06
c) Other Current Liabilities	9	812.22	1002.06
d) Short Term Provisions	10	6.03	18.54
Total		5336.81	6898.41
II Assets			
1 Non Current Assets			
a) Fixed Assets - Tangible Assets	11	1537.16	1655.12
b) Non Current Investments	12	6.07	60.33
c) Long Term Loans and Advances	13	35.18	36.87
d) Deferred Tax Asset (Net)	14	831.63	427.78
2 Current Assets			
a) Inventories	15	1744.50	2570.35
b) Trade Receivables	16	724.79	1040.52
c) Cash and Bank Balances	17	155.71	602.28
d) Short Term Loans and Advances	18	280.44	445.16
e) Other Current Assets	19	21.33	60.00
Total		5336.81	6898.41
Notes to Financial Statements 1 to 45			
G.A. PATHANJALI Managing Director	Directors	S.V. RAJU Secretary	Vide our Report of even date attached For M/s. R. SUBRAMANIAN AND COMPANY Chartered Accountants ICAI Registration No. 004137S
R. SWAMINATHAN Additional CFO Chennai May 28, 2016		M. NATARAJAN RAdm. S. MOHAPATRA RAJKUMAR LALITHA LAKSHMANAN	K. JAYASHANKAR Partner Membership No.14156
N. GOPALARATNAM R. VAIDYANATHAN A.L. SOMAYAJI CMDE R. P. PREM KUMAR, VSM (Retd.)			

III ENERGY

BATTERIES (INDIA) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2016

	Note No.	YEAR ENDED 31-03-2016	YEAR ENDED 31-03-2015
Revenue from Operations		(₹ in Lakhs)	
Revenue from sale of Batteries & Testing Services (Gross)	21	2280.10	3321.29
Less : Excise duty		44.56	92.99
Revenue from sale of Batteries & Testing Services (Net)		2235.54	3228.30
Other Operating Revenue - Sale of Scrap		42.35	32.89
Other Income	22	16.82	20.69
Total Revenue		2294.71	3281.88
Expenses			
Cost of materials and Components consumed	23	1051.83	1660.41
Purchase of Stock-in-trade		-	77.22
Changes in Inventories	24	501.69	335.69
Employee Benefits Expense	25	587.20	678.56
Other Expenses	26	786.64	828.36
Finance Cost	27	547.86	616.91
Depreciation (Note No 32)	11	122.23	153.69
Total Expenses		3597.45	4350.84
Profit / (Loss) Before Tax and Exceptional Items		(1302.74)	(1068.96)
Exceptional Item - Profit on Sale of Land (Note No 33)		242.59	639.69
Profit / (Loss) Before Tax and after Exceptional Items		(1060.15)	(429.27)
Tax Expenses			
Current Tax		--	--
Deferred Tax Liability / (Asset)		(403.85)	(148.13)
Reversal of MAT Credit Entitlement (Refer Note No 43)		31.68	--
Total Tax Expenses		(372.17)	(148.13)
Profit / (Loss) After Tax and after Exceptional Items		(687.98)	(281.14)
Earning per Share			
Basic and Diluted Earning per share of ₹ 10/- each		(38.38)	(15.68)
Notes to Financial Statements 1 to 45			
G.A. PATHANJALI Managing Director	Directors	S.V. RAJU Secretary	Vide our Report of even date attached For M/s. R. SUBRAMANIAN AND COMPANY Chartered Accountants ICAI Registration No. 004137S
R. SWAMINATHAN Additional CFO		M. NATARAJAN RAAdm. S. MOHAPATRA RAJKUMAR LALITHA LAKSHMANAN	K. JAYASHANKAR Partner Membership No.14156
Chennai May 28, 2016			



Notes on Financial Statements for the Year ended 31st March, 2016

1. Notes forming part of the Balance Sheet as at 31st March 2016 and the Statement of Profit and Loss for the year ended 31st March 2016.

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 customers.

Revenue from export sales is recognized when risk and rewards are passed on to the customers 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

Depreciation on Tangible Fixed Assets (other than Plant & Machinery relating to Lead Acid Battery Division) is provided under Straight Line Method in accordance with Schedule II to the Companies Act, 2013, adopting the useful life for assets as specified therein and reckoning the residual value at 5% of the original cost of the asset.

In respect of Plant & Machinery relating to Lead Acid Battery Division, the useful life of the asset has been determined based on the technical evaluation and accordingly depreciation has been provided.

Notes on Financial Statements for the Year ended 31st March, 2016

- 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.
- 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 in which 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 superannuation 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. 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, unless the possibility of any outflow in settlement is remote, in the notes on Accounts. 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, 2016

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 exceed 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.

s) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating lease. Operating Lease payments are recognized as an expense in the revenue account as per the lease terms.

Notes on Financial Statements for the Year ended 31st March, 2016

Notes on Financial Statements for the Year Ended 31st March, 2016

	AS AT 31-03-2016	AS AT 31-03-2015		
	(₹ in Lakhs)			
2 Authorised Capital				
7500000 (31.03.2015 - 7500000) equity shares of ₹ 10/- each	750.00	750.00		
Issued, Subscribed and Fully paid up shares				
1792768 (31.03.2015 - 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 31-03-2016		AS AT 31-03-2015	
	Nos	(₹ in Lakhs)	Nos	(₹ in Lakhs)
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 Details of Shareholders holding more than 5% of shares				
	AS AT 31-03-2016		AS AT 31-03-2015	
Name of Shareholder	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

Terms / rights attached to Equity Share : The Company has only one class of Equity share having a par value of ₹ 10/- per share. Each holder of Equity share is entitled to one vote per share.

Dividend (if any) proposed by the board of directors is subject to approval of the shareholders at the ensuing annual general meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their share holding.



Notes on Financial Statements for the Year ended 31st March, 2016

	AS AT 31-03-2016	AS AT 31-03-2015
(₹ in Lakhs)		
3 Reserves and Surplus		
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	848.00	848.00
Less: Transfer to Statement of Profit and Loss*	<u>648.00</u>	-
Balance as at the end of the year	200.00	848.00
d Surplus / (Deficit) in the Statement of Profit and Loss		
Balance as per last Balance Sheet	(898.59)	(600.88)
Add : Surplus / (Deficit) for the year	(687.98)	(281.14)
Transfer from General Reserve	648.00	-
Less: Depreciation (Net of Deferred Tax)		16.57
	(938.57)	(898.59)
Net Surplus / (Deficit) in the Statement of Profit and Loss	(938.57)	(898.59)
Total	47.78	735.75

*During the current year, company based on the approval from Board of directors transferred sums aggregating to ₹ 648 Lakhs from General reserve to Deficit in the statement of profit and Loss.

4 Long Term Borrowings

Term Loan From Banks - Secured

Car Loan	-	1.19
Total	-	1.19

Car loan is secured by the hypothecation of the vehicle financed.

Notes on Financial Statements for the Year ended 31st March, 2015

	AS AT 31-03-2015	AS AT 31-03-2014
	(₹ in Lakhs)	
5 Other Long Term Liabilities		
Advances from Customers	534.87	343.34
Total	534.87	343.34
Advances represents amount to be adjusted from invoices after one year based on delivery period as stipulated in the contract with customers.		
6 Long Term Provisions		
Provision for Warranty (vide Note No. 32)	9.74	8.68
Provision for Leave Benefits	28.74	25.22
Total	38.48	33.90
7 Short Term Borrowings		
Secured Loans		
Cash Credit Loan	2693.20	3062.77
Bills Purchased	-	585.52
Total (A)	2693.20	3648.29
Unsecured Loans		
Other Loans and Advances from Companies	82.00	70.00
Total (B)	82.00	70.00
Total (A + B)	2775.20	3718.29
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, book debts and movable assets of the company.		
b) Paripassu first charge on all immovable fixed assets of the company excepting those pertaining to Lead Acid Battery Facility.		
c) Paripassu second charge on all movable and immovable fixed assets of the Lead Acid Battery Facility.		
d) Lien on Fixed Deposits (including interest) aggregating to ₹ 70.27 Lakhs.		



Notes on Financial Statements for the Year ended 31st March, 2015

	AS AT 31-03-2015	AS AT 31-03-2014
	(₹ in Lakhs)	
8 Trade Payables		
Micro and Small Enterprises	--	--
Goods	615.61	625.23
Services	327.34	240.80
Total	942.95	866.06

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.

9 Other Current Liabilities

Current Maturities of Long Term Borrowings	0.84	222.80
Interest accrued and Due	-	2.34
Advance received from customers	652.03	602.49
Unpaid Dividends *	1.80	2.56
Sales Tax	42.06	118.09
Professional Tax	-	2.74
Tax Deducted at Source	7.08	2.73
Others	108.41	48.31
Total	812.22	1002.06

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

10 Short Term Provisions

Provision for Employee Benefits - Gratuity	-	6.83
Provision for Leave Benefits	4.59	1.70
Provision for Warranty (vide Note No 32)	1.03	1.06
Provision for Excise Duty on Finished Goods	0.41	8.95
Total	6.03	18.54

HIGH ENERGY **BATTERIES (INDIA) LIMITED**

Notes on Financial Statements for the Year ended 31st March, 2016										
11 FIXED ASSETS - Tangible Assets										
Description	Cost as on 01-Apr-15	Gross Block			Depreciation			Net Block		
		Additions	Deductions	Cost as on 31-Mar-16	Upto 31-Mar-15	For the Year	Withdrawn	Upto 31-Mar-16	As at 31-Mar-16	As at 31-Mar-15
Land	24.45	—	—	24.45	—	—	—	—	24.45	24.45
Building	873.56	—	—	873.56	526.25	15.66	—	541.91	331.65	347.31
Plant & Machinery	2369.25	4.27	—	2373.52	1134.43	96.11	—	1230.54	1142.98	1234.82
Electrical Installation	131.58	—	—	131.58	98.95	6.42	—	105.37	26.21	32.63
Office Equipment	150.42	—	—	150.42	139.47	3.25	—	142.72	7.70	10.95
Furniture & Library	23.56	—	—	23.56	22.32	0.18	—	22.50	1.06	1.24
Vehicles	18.99	—	—	18.99	15.27	0.61	—	15.88	3.11	3.72
TOTAL	3591.81	4.27	—	3596.08	1936.69	122.23	—	2058.92	1537.16	1655.12
Previous Year	3638.12	4.86	51.17	3591.81	1795.61	178.79	37.71	1936.69	1655.12	1842.51



Notes on Financial Statements for the Year ended 31st March, 2016

	AS AT 31-03-2016	AS AT 31-03-2015
	(₹ in Lakhs)	
12 Non Current Investments - Long Term		
Non Trade		
Investment in Equity Shares (Quoted)		
382 (Previous year : 280232) Equity Shares of ₹ 10/- each in Ponni Sugars (Erode) Limited, fully paid up	0.08	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	6.07	60.33
Agreegate cost of Quoted investments	1.33	55.59
Market value of Quoted investments	24.92	382.75
Agreegate cost of unquoted Investments	4.74	4.74
13 Long Term Loans and Advances		
Unsecured and considered good		
Electricity Deposits	14.46	13.55
Telephone Deposits	0.46	0.46
Deposit - Others	8.00	9.22
Rental Deposit	12.26	13.64
Total	35.18	36.87

Notes on Financial Statements for the Year ended 31st March, 2016

	AS AT 31-03-2016	AS AT 31-03-2015
	(₹ in Lakhs)	
14 Deferred Tax Liabilities (Vide Note No.28)		
Deferred Tax Liabilities		
On account of Depreciation	284.46	313.84
Gross Deferred Tax Liability	284.46	313.84
Deferred Tax Assets		
43B Disallowances	25.99	23.92
Unabsorbed Losses and allowances under Income Tax Act 1961	1090.10	717.70
Gross Deferred Tax Assets	1116.09	741.62
Net Deferred Tax Liabilities / (Asset)	(831.63)	(427.78)
Note : Deferred Tax Assets and Liabilities are being offset as they relate to taxes and income levied by the same governing tax laws.		
15 Inventories (Valued at lower of Cost and Net Realisable Value)		
Raw Materials and Components [Includes Materials in transit of ₹ 7.19 Lakhs (31.03.2015 - ₹ 7.64 Lakhs)]	1263.61	1418.84
Work in progress	382.94	815.93
Finished Goods (includes Stock in Trade - Nil) (31.03.2015 ₹ 9.87 Lakhs)	13.54	243.00
Stores and Spares	72.97	78.71
Loose Tools	11.44	13.87
Total	1744.50	2570.35
Details of Finished Goods		
Aerospace, Naval and Power System Batteries	-	152.94
Aerospace Nickel Cadmium Batteries	-	59.13
Lead Acid Storage Batteries	13.54	30.93
Total	13.54	243.00



Notes on Financial Statements for the Year ended 31st March, 2016

	AS AT 31-03-2016	AS AT 31-03-2015
	(₹ in Lakhs)	
16 Trade Receivables		
Unsecured considered Good unless stated otherwise		
Unsecured, considered Good		
Exceeding six months	314.82	515.36
Other Debts	409.97	525.16
Unsecured, considered doubtful		
Exceeding six months	61.92	23.17
	786.71	1063.69
Less : Provision for doubtful debts	(61.92)	(23.17)
Total	724.79	1040.52
17 Cash and Bank Balances		
Cash and Cash Equivalents		
Balances with banks	1.48	26.26
Cheque on hand	-	500.00
In Deposit accounts with original maturity of less than 3 months	80.00	-
Cash in hand	2.16	4.62
Other Bank Balances		
Deposits with Original maturity for more than 12 months *	70.27	64.65
Margin Deposit **	-	4.19
Unpaid Dividend Account	1.80	2.56
Total	155.71	602.28
* Deposits with banks are held as a security for the short term loans taken from various banks.		
** Represents margin towards Buyers Credit.		
18 Short Term Loans and Advances		
Unsecured Considered Good		
Advances to Suppliers and Services	162.21	172.14
Amount due towards sale of land	-	150.00
Advance Income Tax (Net of provision)	118.18	122.97
Balance with Central Excise, Customs, etc.	0.05	0.05
Total	280.44	445.16

Notes on Financial Statements for the Year ended 31st March, 2016

	YEAR ENDED 31-03-2016	YEAR ENDED 31-03-2015
	(₹ in Lakhs)	
19 Other Current Assets		
Unsecured Considered Good		
Cenvat / Service Tax / VAT receivable	21.33	28.32
MAT Credit entitlement	-	31.68
Total	21.33	60.00
20 Contingent Liabilities and Commitments		
Counter Guarantees and Commitments on Letters of Credit	2998.99	2220.06
Claims against the company not acknowledged as Debts	28.00	28.00
Estimated amount of contracts remaining to be executed on capital accounts not provided for	0.92	2.40
Tamil Nadu VAT under dispute	84.65	84.65
Claims from Customers under dispute	0.38	0.38
Liquidated damages disputed	53.85	4.52
Bihar Sales Tax under dispute	4.50	4.50
Income tax under dispute	21.91	-
21 Revenue from Sale of Batteries & Testing Services		
Aerospace, Naval and Power System Batteries		
Silver Zinc Batteries and Cells	1972.83	2240.64
Nickel Cadmium Cells	205.49	421.38
Lead Acid Batteries**		
Lead Acid Batteries	101.78	659.27
Total	2280.10	3321.29
** Excludes Free / Test and Evaluation samples and includes imported batteries sold in domestic market net of sales return.		
22 Other Income		
Interest Income		
- Bank Deposits	8.80	4.78
- Others	7.09	1.24
Dividend Income - Long Term Investments	0.86	2.54
Profit on sale of Assets	-	11.09
Miscellaneous Income	0.07	1.04
Total	16.82	20.69



Notes on Financial Statements for the Year ended 31st March, 2016

	YEAR ENDED 31-03-2016	YEAR ENDED 31-03-2015
	(₹ in Lakhs)	
23 Cost of Materials and Components consumed		
Silver	198.47	409.02
Copper	20.13	11.40
Lead	14.31	335.12
Others	312.81	185.97
Components of various descriptions	506.11	718.90
Total	1051.83	1660.41
24 Change in Inventories		
Inventory at the end of the year		
- Work In Progress	382.94	815.93
- Finished Goods	13.54	233.13
- Stock in Trade	-	9.87
Total	396.48	1058.93
Inventory at the beginning of the year		
- Work In Progress	815.93	
- Less : Obsolete Inventories written down	<u>160.76</u>	
- Finished Goods	233.13	752.14
- Stock in Trade	9.87	44.79
Total	898.17	1394.62
(Increase) / Decrease in Inventory	501.69	335.69
25 Employee Benefits		
Salaries, Wages and Bonus	503.05	563.73
Contribution to Provident and Other Funds	36.57	60.61
Staff Welfare Expenses	47.58	54.22
Total	587.20	678.56
26 Other Expenses		
Consumption of Stores and Spares	37.86	40.24
Power and Fuel	77.23	91.55
Repairs and Maintenance		
- Plant and Machinery	5.21	13.02
- Buildings	10.61	16.68
- Others	23.71	30.19
Selling Expenses	98.59	146.87

Notes on Financial Statements for the Year ended 31st March, 2016

	YEAR ENDED 31-03-2016	YEAR ENDED 31-03-2015
	(₹ in Lakhs)	
Expenditure on Scientific Research	74.27	62.14
Rent	23.74	25.50
Increase/(Decrease) in respect of		
Excise Duty on Finished Goods	(8.55)	(10.09)
Rates and Taxes	19.68	8.35
Insurance	40.48	21.44
Postage and Telephone	12.03	18.02
Travelling and Conveyance	153.23	149.25
Directors' Sitting fees	4.04	3.33
Payment to Auditors (*)	6.25	6.74
Professional and Legal Charges	34.98	58.59
Exchange Difference (Net)	0.14	9.88
Miscellaneous Expenses	112.78	112.83
Bank Charges - Others	2.76	1.72
Claims	18.85	-
Provision for Doubtful Debts	38.75	22.11
Total	786.64	828.36
(*) Payments to Auditors		
- Audit Fees	4.65	4.49
- Tax Audit	1.15	1.12
- Certification	0.45	1.13
	6.25	6.74
27 Finance Cost		
Interest on Borrowings	483.36	536.84
Other Borrowing Cost	64.50	80.07
Total	547.86	616.91
28 Exceptional Item		
Profit on sale of land	-	639.69
Profit on Sale of Investments	503.84	-
Obsolete Inventories written off	(160.76)	-
Sales Returns / Others	(100.49)	-
Total	242.59	639.69



Notes on Financial Statements for the Year ended 31st March, 2016

29. Transfer to Deferred Tax is mainly on account of difference in charging depreciation prescribed under the Companies Act 2013, 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 view of the Management, the company will have adequate taxable income in future and there exists virtual certainty of the Deferred Tax Asset (DTA) getting realized.

30. Expenditure on Scientific Research includes salaries and allowances ₹ 74.27 lakhs (Previous year ₹ 62.14 lakhs) and materials is **Nil** (Previous year ₹1.02 lakhs)
31. 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.
32. Movement in estimated Liability towards Warranty as per Accounting Standard 29 (AS 29)

	31.03.2016	31.03.2015
	(₹ in Lakhs)	
Provision at the beginning of the year	9.74	12.86
Withdrawal during the year	(-) 2.62	(-) 4.18
Addition during the year	(+) 3.65	(+) 1.06
Used during the year	—	—
	10.77	9.74

33. Exceptional Items:

- a) During the current year the company has sold 280000 shares held in Ponni sugars Erode Limited and recognized profit on sale of such investments amounting to ₹ 503.84 lakhs. The profit on sale of investments is reflected under exceptional item.
- b) Exceptional items includes obsolete inventories written off amounting to ₹ 160.76 lakhs and sales returns amounting to ₹ 78.45 lakhs.

Notes on Financial Statements for the Year ended 31st March, 2016

34. 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
 - Dr. G. A. Pathanjali, Managing Director
 - Mr. T. R. Sivaraman, Director (Finance) Upto 13.08.2015
- (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:

S.No.	Name of the Party	Description of transactions and amount during the year			Amount Outstanding as on 31.03.2016
		Nature of Transaction	₹ in Lakhs		
			31.03.16	31.03.15	
1	Seshasayee Paper and Boards Ltd	Expenses Reimbursement Purchase of Paper Dividend Received SPB Loan SPB Loan Repayment Interest on Loan availed	2.92 0.51 0.41 561.00 561.00 27.03	0.75 0.59 1.68 - - -	Assets : Investments in : 0.10 lakhs Equity Shares (0.09%) Liabilities : ₹ 2.83 Lakhs Equity Shares (15.78%) Payables : ₹ 27.03 Lakhs towards ICD Interest (Nil) and ₹ 2.17 Lakhs towards reimbursement of expenses (Nil)
2	Esvi International (Engineers & Exporters) Limited	Rent Paid	5.95	5.04	Assets : Nil Liabilities : Nil Payables : ₹ 7.34 Lakhs
3	Dr. G. A. Pathanjali Managing Director	Salaries and Perquisites paid	30.09	30.05	Payables : ₹ 14.23 Lakhs (₹ 8.85 Lakhs)
4	Mr. T. R. Sivaraman Director (Finance) Upto 13.08.2015	Salaries and Perquisites paid	9.31	24.88	Payables : ₹11.95 Lakhs (₹7.37 Lakhs)

35. The disclosure as required under Accounting Standard AS-17 "Segment Reporting";

- a. The company has considered business segment as the primary segments for disclosure. The business segments are Aero Space, Naval, and Power System Batteries and Lead Acid Batteries. The above reportable segments have been identified based on the organization structure as well as differing risks and returns associated with the segments.



Notes on Financial Statements for the Year ended 31st March, 2016

- b. Segmental expenses and revenue wherever could not be identified to a particular segment has been treated as unallocated expenses and revenue.
- c. 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".

(₹ in Lakhs)

S.No.	Particulars	For the Year Ended 31st March 2016	For the Year Ended 31st March 2015
A)	Primary Segments		
1	Segment Revenue (Net of duties)		
	a) Aerospace, Naval and Power System Batteries	2144.84	2627.92
	b) Lead Acid Storage Batteries	90.70	600.38
	Net Sales / Income from Operations	2235.54	3228.30
2	Segment Results Profit / (Loss) Before Tax		
	a) Aerospace, Naval and Power System Batteries	(658.82)	145.82
	b) Lead Acid Storage Batteries	(362.41)	597.87
	Less : Unallocable expenditure net of unallocable income	38.92	22.78
	Profit / (Loss) Before Tax	(1060.15)	(429.27)
3	Other Information		
	Segment Assets		
	a) Aerospace, Naval and Power System Batteries	2574.60	3602.25
	b) Lead Acid Storage Batteries	1534.57	1760.42
	c) Unallocable (Net)	1227.64	1535.74
	Total (A)	5336.81	6898.41
	Segment Liabilities		
	a) Aerospace, Naval and Power System Batteries	2014.10	2252.94
	b) Lead Acid Storage Batteries	41.86	295.86
	c) Unallocable (Net)	3053.78	3434.58
	Total (B)	5109.74	5983.38
	Capital Employed (A) - (B)	227.07	915.04
	Total Capital Expenditure incurred during the year	4.27	4.86
	Depreciation for the year (including residual depreciation in respect of assets whose useful life is 'NIL')	122.22	178.79
B)	Secondary Segments (Geographical)		
	Segment Revenue (Net of duties)		
	a) Export sales (including deemed export)	61.91	817.86
	b) Domestic sales	2173.63	2410.44
	Total	2235.54	3228.30

Notes on Financial Statements for the Year ended 31st March, 2016

36. Employee Benefits

i) Defined Contribution Plans

Contribution of ₹ 34.45 Lakhs to defined contribution plans is recognized as an expense in the profit and loss account. (Previous year ₹ 39.23 Lakhs)

ii) Defined Benefit Plans

Disclosure for defined plans based on actuarial valuation as on 31.03.2016.

General Description		Post Employment Benefit		Long Term Compensated absence	
		Gratuity - Funded Plan - Non Contributory		Leave Encashment - Unfunded - Non Contributory	
		31.03.16	31.03.15	31.03.16	31.03.15
		₹ in Lakhs		₹ in Lakhs	
(i)	Change in Defined Benefit obligation				
	Present Value - Opening balance	171.36	144.55	26.91	30.40
	Current service cost	7.32	7.00	2.99	2.77
	Interest cost	12.59	12.73	2.10	2.51
	Past service cost	-	-	-	-
	Actuarial loss / (gain)	(6.24)	16.40	1.33	(3.08)
	Benefits paid	(19.83)	(9.32)	-	(5.69)
	Present Value - Closing balance	165.19	171.36	33.33	26.91
(ii)	Change in Fair Value of Plan Assets				
	Opening Balance	164.53	146.26	-	-
	Expected return on plan assets	13.75	13.03	-	-
	Actuarial gain/(loss)	(0.75)	(0.19)	-	-
	Contributions	20.15	14.75	-	5.69
	Benefits paid	(19.83)	(9.32)	-	(5.69)
	Closing balance	177.84	164.53	-	-
	Actual return	13.00	12.84	-	-
(iii)	Amount Recognised in the Balance Sheet				
	(as at year end)				
	Present value of the obligation	165.19	171.36	33.33	26.91
	Fair value of plan assets	177.84	164.53	-	-
	Net (asset) / liability recognised	(12.65)	6.83	33.33	26.91



Notes on Financial Statements for the Year ended 31st March, 2016

General Description	Post Employment Benefit		Long Term Compensated absence	
	Gratuity - Funded Plan - Non Contributory		Leave Encashment - Unfunded - Non Contributory	
	31.03.16	31.03.15	31.03.16	31.03.15
	₹ in Lakhs		₹ in Lakhs	
(iv) Expenses recognized in the profit and loss account				
Current service cost	7.32	7.00	2.99	2.77
Past service cost	-	-	-	-
Interest cost	12.59	12.73	2.10	2.51
Expected return on plan assets	(13.75)	(13.03)	-	-
Net actuarial (gain)/loss	(5.50)	16.59	1.33	(3.07)
Total included in 'Employee Cost' (Note 25)	0.67	23.29	6.42	2.21
(v) Asset Information	Insurance Policy 100%		-	
(vi) Principal actuarial assumptions	LIC (1994-96) Ultimate table		LIC (1994-96) Ultimate table	
Mortality				
Discount rate (%)	7.80	7.80	7.80	7.80
Future salary increase (%)	5.00	5.00	5.00	5.00
Rate of return of plan assets (%)	8.35	8.75	-	-
Expected average remaining working lives of employees (Years)	8.80	10.30	8.80	10.30
(vii) Expected Contribution (₹ in lakhs)	20.00	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				
	31.03.16	31.03.15	31.03.14	31.03.13	31.03.12	31.03.16	31.03.15	31.03.14	31.03.13	31.03.12
Defined Benefit Obligation	165.19	171.36	144.55	145.47	132.63	33.33	26.91	30.40	26.37	20.58
Plan Assets	177.84	164.53	146.27	137.42	121.21	-	-	-	-	-
Surplus / (Deficit)	12.65	(6.83)	1.72	(8.05)	(11.42)	(33.33)	(26.91)	(30.40)	(26.37)	(20.58)
Experience adjustments on Plan Liabilities	6.24	(2.24)	(7.36)	0.64	(3.05)	(1.33)	4.84	(4.71)	(2.95)	(0.41)
Experience adjustments on Plan Assets	(0.75)	(0.20)	0.17	(0.51)	(0.50)	-	-	-	-	-

Notes on Financial Statements for the Year ended 31st March, 2016

	31-03-2016	31-03-2015
	(₹ in Lakhs)	
37. Value of Imports on CIF Basis		
Raw materials and Components	149.35	187.24
Stores and Spares	0.87	0.42
Capital Goods	-	-
	<u>150.22</u>	<u>187.66</u>
38. Expenditure in Foreign Currency during the year		
Foreign Travel Expenditure	4.98	9.79
Consultancy Charges	-	4.98
Commission on sales	10.70	-
	<u>15.68</u>	<u>14.77</u>
39. Earnings in Foreign Currency during the year		
Export of Goods on F.O.B basis	61.91	817.86
	<u>61.91</u>	<u>817.86</u>

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

	31-03-2016		31-03-2015	
	Value	%	Value	%
	(₹ in Lakhs)			
Raw materials and Components :				
Imported - Landed Cost	191.96	18.00	227.99	14.00
Indigenous	859.87	82.00	1432.42	86.00
	<u>1051.83</u>	<u>100.00</u>	<u>1660.41</u>	<u>100.00</u>
Stores, Spares and Tools :				
Imported - Landed Cost	0.87	2.00	1.08	3.00
Indigenous	36.99	98.00	39.16	97.00
	<u>37.86</u>	<u>100.00</u>	<u>40.24</u>	<u>100.00</u>

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

	2015-2016	2014-2015
Net Profit/(Loss) as per Profit and Loss Account ₹	(687 97 994)	(281 13 629)
Weighted Average Number of Equity Shares Nos.	17 92 768	17 92 768
Face Value ₹	10	10
Basic and Diluted Earnings per share ₹	(38.38)	(15.68)

42. Disclosure as per Accounting Standard 19 - Leases

Operating Lease:

The Company has taken Office and Godown premises on operating lease and no substantial



risk and reward incidental to ownership of the assets has been obtained. All lease agreements are cancellable at the option of the company.

43. On Consideration of prudence the company during the current year has reversed MAT Credit entitlement outstanding at the beginning of the year aggregating to Rs.31.68 lakhs, and is reflected under Tax expenses.
44. Confirmation of balances are yet to be received/ reconciliation is pending in respect of certain Debtors/Creditors and advances from customers. Adjustment if any which may arise upon receipt of confirmation/ completion of reconciliation will be dealt with in the year of receipt of confirmation/completion of reconciliation.
45. Previous year figures have been regrouped and rearranged wherever necessary, to confirm to current year's classification.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

Description	FOR THE YEAR ENDED 31-03-2016	FOR THE YEAR ENDED 31-03-2015
	(₹ in Lakhs)	
A. Cash Flow from Operating Activities		
Net Profit before tax and after exceptional items	(1060.15)	(429.27)
Adjustments for :		
Depreciation	122.23	153.69
Finance Cost less Interest Received	531.98	610.89
Provision for Bad and doubtful debts	38.75	22.11
(Profit)/Loss on Sale of Assets	(503.84)	(650.78)
Dividend from Non Trade Investments	(0.86)	(2.54)
	<u>188.26</u>	<u>133.37</u>
Operating Profit / (Loss) before Working Capital Changes	(871.89)	(295.90)
Adjustments for :		
Trade and other Receivables	477.27	(420.71)
Inventories	825.85	(633.66)
Trade and other Payables	293.37	(372.62)
	<u>1596.49</u>	<u>681.75</u>
Cash generated from Operation	724.60	(385.85)
Income tax paid / Refund	(26.89)	1.24
Net cash from / (used) in Operating Activities	697.71	387.09

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016 (Continued)

Description	FOR THE YEAR ENDED 31-03-2016	FOR THE YEAR ENDED 31-03-2015
	(₹ in Lakhs)	
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(4.27)	(4.86)
Dividend from Non Trade Investments	0.86	2.54
Interest Received	15.89	6.02
Sale of Fixed Assets / Investments	558.10	664.24
Net Cash from / (used) in Investing Activities	570.58	667.94
C. Cash Flow from Financing Activities		
Unsecured loan received	12.00	70.00
Repayment of Long Term Borrowings	(223.15)	(103.96)
Working Capital Loan	(955.09)	(10.62)
Finance Cost Paid	(547.86)	(616.91)
Dividend and Dividend Tax Paid	-	-
Net Cash from / (used) in Financing Activities	(1714.10)	(661.49)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	(445.81)	393.54
Cash and Cash Equivalents at the beginning	599.72	206.18
Cash and Cash Equivalents at the end *	153.91	599.72
* Includes Fixed Deposits with Banks aggregating to ₹ 70.27 Lakhs (Previous year ₹ 68.84 Lakhs) given as security margin for certain Borrowings from Banks / Foreign Letter of Credit.		
G.A. PATHANJALI Managing Director	S.V. RAJU Secretary	Vide our Report of even date attached For M/s. R. SUBRAMANIAN AND COMPANY Chartered Accountants ICAI Registration No. 004137S
R. SWAMINATHAN Additional CFO	N. GOPALARATNAM R. VAIDYANATHAN A.L. SOMAYAJI CMDE R. P. PREM KUMAR, VSM (Retd.)	M. NATARAJAN RAAdm. S. MOHAPATRA RAJKUMAR LALITHA LAKSHMANAN
Chennai May 28, 2016		K. JAYASHANKAR Partner Membership No.14156



Financial Highlights - Ten years at Glance

	₹ in Lakhs									
For the Year	2006 - 07	2007 - 08	2008 - 09	2009 - 10	2010 - 11	2011 - 12	2012 - 13	2013 - 14	2014 - 15	2015 - 16
Total Income	2264.60	1858.53	2443.74	2772.29	3691.08	5611.85	6674.73	3164.77	3281.88	2294.71
Total Expenditure	1966.42	1642.05	2079.03	2602.63	3347.67	4903.15	6021.40	3409.66	3580.24	2927.36
PBIDT	298.18	216.48	364.71	169.66	343.41	708.70	653.33	(244.89)	(298.36)	(632.65)
Finance Cost	74.45	103.54	148.16	304.12	316.71	489.05	441.24	582.38	616.91	547.85
Depreciation	75.92	64.57	57.59	139.95	169.86	165.02	160.98	150.49	153.69	122.23
Profit before exceptional items	-	-	-	-	-	-	-	-	(1068.96)	(1302.74)
Exceptional items	-	-	-	-	-	-	-	-	639.69	242.59
PBT	147.81	48.37	158.96	(274.41)	(143.16)	54.63	51.11	(977.77)	(429.27)	(1060.15)
Tax Expenses	57.26	18.11	61.72	(93.61)	(98.96)	(15.52)	(14.51)	(355.23)	(148.13)	(403.85)
PAT	90.55	30.26	97.24	(180.80)	(44.19)	39.11	36.60	(622.54)	(281.14)	(687.98)
EPS (₹)	10.10	3.38	10.85	(11.09)	(2.47)	2.18	2.04	(34.73)	(15.68)	(38.38)
Cash EPS (₹)	17.01	10.59	17.28	(2.28)	7.01	11.38	11.02	(26.32)	(7.11)	(31.56)
Dividend %	40	25	35	-	-	-	10	-	-	-
As at the year end										
Gross Block	1598.50	1615.44	1618.36	3553.79	3546.23	3577.14	3600.08	3638.12	3591.81	3596.08
Net Block	689.05	641.42	587.66	2384.07	2212.10	2090.57	1954.96	1842.51	1655.12	1537.16
Loan Funds	690.21	809.79	2922.19	2595.29	2605.68	2457.73	3040.49	3744.34	3719.48	2775.20
Net Worth	1067.97	1072.01	1132.55	1824.74	1780.55	1819.66	1835.28	1212.75	915.03	227.06
Book Value per Share (₹)	119.14	119.59	126.35	101.78	99.32	101.50	102.37	67.65	51.04	12.67



HIGH ENERGY BATTERIES (INDIA) LIMITED

CIN : L36999TN1961PLC004606

Registered Office : 'ESVIN HOUSE',

13, Old Mahabalipuram Road, Perungudi, CHENNAI - 600 096.

ATTENDANCE SLIP

Folio No.	DP ID*	Client ID*	No. of Shares

*Applicable to Members holding shares in Electronic Form

I, _____ (Name of the Shareholders / Proxy) hereby record my presence at the 55th Annual General Meeting of the Company held on Saturday, the 30th July 2016 at 11.00 A.M. at New Woodlands Hotel Pvt Ltd., 72-75 Dr Radhakrishnan Road, Mylapore, Chennai - 600 004.

Signature of Shareholder / Proxy

Note :

1. Please complete this attendance slip and hand it over at the entrance of the meeting hall.
2. Only shareholders of the Company or their Proxies will be allowed to attend the meeting on production of the attendance slip duly completed and signed.



HIGH ENERGY BATTERIES (INDIA) LIMITED

CIN : L36999TN1961PLC004606

Registered Office : 'ESVIN HOUSE',

13, Old Mahabalipuram Road, Perungudi, CHENNAI - 600 096.

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)		Email ID	
Registered Address		Folio	
		DP ID / Client ID	

I / We, being the member (s) holding _____ shares of the above named company, hereby appoint

1. Name :

Address

Email id :

Signature :

(, or failing him)

2. Name :

Address

Email id :

Signature :

(, or failing him)

3. Name :

Address

Email id :

Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 55th Annual General Meeting of the Company, to be held on Saturday, the 30th day of July 2016 at 11.00 A.M at New Woodlands Hotel Pvt Ltd., 72-75 Dr Radhakrishnan Road, Mylapore, Chennai 600 004 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Resolution No	Business	Vote (Optional see Note 4) (Please mention no. of shares)		
		For	Against	Abstain
1	Adoption of Financial Statements for the year ended 31st March 2016			
2	Reappointment of Mr. N. Gopalaratnam, who retires by rotation			
3	Ratification of Auditors Appointment			
4	Appointment of Mrs. Laliitha Lakshmanan as an Independent Non-Executive Director			

Signed this _____ day of _____ 2016

Signature of Shareholder

Signature of Proxy holder(s)

Affix ₹ 1
Revenue
Stamp

Note:

1. **Proxy**

A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself and such proxy need not be a Member of the company.

Deposit of proxy

Proxies in order to be effective, must be received at the Registered Office of the Company not later than 48 hours before the meeting or in the case of poll not less than 24 hours before the time appointed for the taking of the poll.

2. A person can act as a Proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
4. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.