



HIGH ENERGY BATTERIES (INDIA) LIMITED

(ISO 9001 : 2008 & ISO 14001 : 2004 Company) CIN L36999TN1961PLC004606

Registered Office :
Esvin House,
P.B. No.5068, Perungudi,
Chennai - 600 096.
India

Ref: SECY/2017 -18/072

October 3, 2017

BSE Ltd
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai – 400 001.

Dear Sirs,

Sub: AGM Proceedings

In deference to Regulation 30 read with Part –A of the Listing Regulations, we send herewith a copy of the proceedings of the 56th Annual General Meeting of our Company, held on 5th August 2017 , for your reference and records.

Thanking you

Yours' faithfully,

For High Energy Batteries (India) Limited


S V Raju

Company Secretary

Encl: as above

Phone : 91-44-24960335, 39279319 Fax: 91-44-24961785, E-mail: hebcnn@md4.vsnl.net.in



Works : Pakkudi Road, Mathur 622 515, Pudukottai District. Phone: 91-431- 2660 323, 2660 324 Fax: 91-4339-250 516 E-mail: info@highenergytld.com

Accounts Office : Pakkudi Road, Mathur 622 515, Near Trichirappalli, India

Delhi Office : No. B-213, IInd Floor, Phase - 1, Naraina Industrial Area, New Delhi - 110 028. Phone : 91-11-25792559 Fax : 91-11-25792560

LAB / Unit : IV High Energy Batteries (India) Ltd., (Lead Acid Battery Plant) SFNo. 22-24, Rasipuram Road, Mathur - 622 515, Pudukkottai Dist. Phone 91-431-2905554, 2905559

Website : www.highenergytld.com

HIGH ENERGY BATTERIES (INDIA) LIMITED

Proceedings of the 56th Annual General Meeting of the Company held at 11.00 A.M. on Saturday, the 5th August 2017 at New Woodlands Hotel Pvt. Ltd. No.72 -75 Dr. Radhakrishnan Road, Mylapore, Chennai 600 004.

Present

Mr N Gopalaratnam	Chairman
Dr G.A. Pathanjali	Managing Director
Mr R Vaidyanathan	Director
Mr A L Somayaji	Independent Director, Chairman of the Nomination-cum-Remuneration Committee and Chairman of the Audit Committee.
Cmde R P Premkumar	Independent Director
Mr M Natarajan	Independent Director
Mrs Lalitha Lakshmanan	Independent Director
Mr Rajeev Chaturvedi	Nominee Director, LIC
Mr S V Raju	Company Secretary
Mr R Swaminathan	Additional Chief Financial Officer

Members Attendance and Quorum

Present in Person:

781 Members holding 804014 shares

Present by Proxy:

3 Members holding 711 shares

Chairman of the Meeting

Mr N Gopalaratnam, Chairman of the Board of Directors, who by virtue of Article 75 of the Articles of Association of the Company is also the Chairman of the General Meetings of the Company, took the Chair.

Quorum

Chairman noted that 781 members were present in person and 3 members by proxy. Having ascertained that the requisite quorum of thirty members stipulated under Section 103 of the Companies Act, 2013 as applicable to the company was present in person, Chairman called the Meeting to order. The Meeting commenced at 11.00 A.M.

Introduction

Chairman welcomed all the shareholders to the 56th Annual General Meeting. Chairman introduced all the Directors seated on the dais. He also introduced the Statutory Auditor Mr. R Prakash representing M/s. R Subramanian and Company LLP, the Internal Auditor Mr. N R Suresh, representing M/s. Maharaj N R Suresh and Company to the Members. Chairman conveyed the Leave of Absence of Mr. RAdm S Mohapatra, Independent Director and the Secretarial Auditor Mr B Kalyanasundaram of M/s. B.K.Sundaram & Associates. Chairman informed the Members that Mr A S Kalyanaraman has been appointed as the scrutinizer for the polls.

Notice & Board's Report

The Notice for the Meeting and the Board's Report to Shareholders was taken as read with the consent of the Members present.

Audit Report

Chairman informed that the company has obtained Auditors' Report from M/s. R Subramanian and Company LLP and included in page 49 of the Annual Report pursuant to Section 134(2) of the Companies Act, 2013. He confirmed to the members that there were no qualifications, observations or comments or other remarks by the Auditors which have adverse effect on the functioning of the company. Thereupon the Auditors' Report to shareholders was taken as read.

Secretarial Audit Report

Chairman informed that the company has obtained Secretarial Audit Report from M/s.B.K.Sundaram & Associates, Company Secretaries pursuant to Section 204 (1) of the Companies Act, 2013 which is included in page 46 of the Annual Report. He confirmed to the members that there were no qualifications, observations or comments or other remarks mentioned in the Secretarial Audit Report.

Registers & Reports

Chairman announced that following were kept open and made accessible for members at the meeting venue:

- (i) The Register of Directors and Key Managerial Personnel and their shareholdings.
- (ii) Auditors' Report
- (iii) Secretarial Audit Report
- (iv) Documents referred to in the Statement pursuant to Sec.102(1) of the Companies Act, 2013 attached to AGM Notice.

Presentation

Dr G A Pathanjali, Managing Director made a brief technical presentation about the Company's Products, Customers and application requirements.

Chairman's speech

Chairman delivered his speech. Printed text of the Chairman's speech was distributed to the members and others present. Chairman covered the state of economy, company performance and outlook in his address.

Introduction to resolutions

Chairman observed that there were 4 resolutions proposed to be passed at the 56th AGM and all were Ordinary resolutions. He briefly narrated the background and purpose of each of these resolutions.

Voting options

Chairman mentioned that the company has offered two alternative voting options to shareholders (i) Remote e-voting (ii) Poll at AGM venue.

Shareholders holding shares as on the cut-off date fixed for the purpose, namely, 29th July 2017 alone were entitled to cast the vote under any one of the aforesaid options.

Remote E-voting

Chairman mentioned that remote E-voting facility has been offered pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has engaged the services of Central Depository Services (India) Limited (CDSL) for this purpose. The remote E-voting commenced at 9.00 A.M. on 2nd August 2017 and ended at 5.00 PM on 4th August 2017.

Conduct of Poll

Chairman informed the members that pursuant to Rule 20 of the Companies (Management and Administration) Rules, 2014, the company was also offering the facility to vote on a polling paper at this meeting. However, only shareholders who had not already exercised their voting rights under remote e-voting would now be entitled to cast their vote on the polling paper. The Polling papers were distributed for polling by the members who had not availed the remote e-Voting facility, to cast their vote in the Polling box.

Scrutinizer

The Scrutinizer conducted the poll which included showing of empty Polling Box to the Members, locking and sealing of empty polling box in the presence of members. Chairman informed that the results of voting on each resolution shall be determined by adding the votes of the Poll in favour of or against a resolution with electronic votes in favour of or against the same resolution.

Issues and Clarifications

Chairman then invited queries from the Members on the Statement of Accounts and clarified the issues raised by them.

SI.No	Issues	Clarifications
01	Is the Capacity Utilisation enough for our company? Will there be need to expand our capacity?	Capacity Utilization – We have adequate capacity for achieving an annual turnover of about Rs.100 crores. Therefore capacity addition to improve the turnover is not the main issue.
02	What are the activities carried out in our R&D? Are we planning to increase our R&D expenditure?	All the areas that we are working in our R&D, are indicated in page 43 of the Annual Report.

03	What is the plan to improve the Export Market?	This year we expect to make shipments to middle east countries and Algeria.
04	Some of the shareholdings are still in physical form. So, while sending the annual report to the shareholders, make an appeal to Demat their shares	We have been trying our best to provide adequate assistance to those who hold shares in physical form to convert into Demat form but for some reason they don't seem to be interested, especially, those who are holding shares in small denomination.
05	Marketing is very weak in Lead Acid Battery segment. Why Private labeling works are being undertaken in the LAB?	Under utilization of Lead Acid Battery plant is a major concern. It is found extremely difficult to compete with the two well established players - Amaraja and Exide. who have control over the market. We are hence obliged to resort to private labeling.
06	What is the plan for LAB?	Presently we are catering to Automotive and VRLA for UPS applications, Two other areas are Battery for EV and Solar. We expect that during II half of this year, we will be able to cater to this market.
07	When Dividend?	We are working internally to double the turnover of the last year as a target. We will be probably be back in dividend in this coming year.
08	Our company is supplying batteries to BrahMos, Kindly explain about that	BrahMos is a huge success. Somebody was mentioning it was a failure It has succeeded in all trials. BrahMos is now available for commercial exploitation and Govt of India is also commercially exploiting it. We are happy that we have been participating in BrahMos which is supersonic missile.

09	Why you are not approaching Sriharikota? You can approach them for our business development.	We are very much known in Sriharikota and all their launches are mostly with our batteries alone.
10	Factory visit?	We can arrange for those interested.

There being no further query, Chairman informed that the Poll would end in 30 minutes after the conclusion of the meeting. He further informed the members that the Scrutinizer would submit his report in the evening and thereafter the results would be declared in the evening and also uploaded in the website of the company, Stock Exchange, and CDSL.

Conclusion of Meeting

Mr. Parthiv Vijay Shah, a shareholder proposed vote of thanks to the Chairman and the members.

Chairman declared the meeting as closed at 12.30 P.M.

Scrutinizer Report

The Scrutinizer furnished his report to Chairman as under:

Resolution Nos. as given in the Notice of 56 th Annual General Meeting	Particulars of Votes Cast							Result declared
	Electronic Voting		Poll		Voting (Total)		Result	
	Nos.	%	Nos.	%	Nos.	%		
Ordinary Business								
1. Ordinary Resolution for Adoption of Financial Statements for the FY 2016 - 17	Votes cast in favour	1067810	100	20826	99.99	1088636	99.99	Passed the resolution with requisite Majority
	Votes cast against	-	-	2	0.01	2	0.01	
	Invalid Votes	-	-	-	-	-	-	
2. Ordinary Resolution for Re-appointment of Mr. R Vaidyanathan who retires by rotation	Votes cast in favour	1067810	100	20826	99.99	1088636	99.99	Passed the resolution with requisite Majority
	Votes cast against	-	-	2	0.01	2	0.01	
	Invalid Votes	-	-	-	-	-	-	
3. Ordinary Resolution for Appointment of Auditors.	Votes cast in favour	1067810	100	20819	99.96	1088629	99.99	Passed the resolution with requisite Majority
	Votes cast against	-	-	9	0.04	9	0.01	
	Invalid Votes	-	-	-	-	-	-	

Special Business								
4. Ordinary Resolution for ReAppointment of Dr G A Pathanjali as Managing Director	Votes cast in favour	1067810	100	20826	99.99	1088636	99.99	Passed the resolution with requisite Majority
	Votes cast against	-	-	2	0.01	2	0.01	
	Invalid Votes	-	-	-	-	-	-	

Voting Results

The Scrutinizer submitted the voting results to the Chairman on 5th August 2017.

Chairman's Declaration

Chairman announced the overall results in respect of each and every resolution at 4.00 P.M on 5th August 2017. All the Ordinary resolutions for the Ordinary and Special Business as set out in item No.1 to 4 in the Notice of the 56th Annual General Meeting of the Company have been duly passed with requisite majority.

The Ordinary resolutions duly approved by the Members with requisite majority are recorded hereunder as part of the proceedings of the 56th Annual General Meeting held on 5th August 2017.

Item No.1 Ordinary Resolution for Adoption of Financial Statements for the FY 2016 -2017.

“RESOLVED THAT the Statement of Profit and Loss of the Company for the year ended 31st March 2017, the Balance Sheet as at that date and the Cash Flow Statement for the year ended 31st March 2017, the Auditors' Report thereon and the Directors' Report be and are hereby considered and adopted”.

Item No.2. Ordinary Resolution for re-appointment of Mr. R Vaidyanathan, who retires by rotation.

“RESOLVED THAT Mr R Vaidyanathan, who retires by rotation, in accordance with the provisions of Article 104 of the Articles of Association of the Company and the Companies Act, 2013 and who has offered himself for reappointment, be and is hereby reappointed as a Director of the Company”.

Item No.3 Ordinary Resolution for Appointment of Auditors'

“RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder the Company do hereby appoint M/s. Maharaj N R Suresh and Company, Chartered Accountants, Chennai (Firm Registration no. 001931S) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of this Annual General Meeting till the conclusion of the 61st Annual General Meeting of the company on such remuneration fixed by the Board of Directors on the recommendation of Audit Committee from time to time.

PROVIDED THAT the appointment as above shall be subject to ratification by members at every Annual General Meeting in accordance with the first proviso to Section 139(1) of the Companies Act, 2013 or as may be amended from time to time”:

Item No.4 Ordinary Resolution for Reappointment Dr G A Pathanjali as Managing Director

“RESOLVED that Dr G A Pathanjali (DIN 05297665), whose current term of office expired on 31.03.2017 be and is hereby re-appointed as Managing Director of the Company for a period of three years from 01.04.2017 to 31.03.2020.

RESOLVED FURTHER that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval be and is hereby accorded for the re-appointment of Dr. G.A. Pathanjali as Managing Director with effect from 1st April 2017 , on the terms and conditions of appointment and remuneration as set out below and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Section II of Part II of Schedule V to the Companies Act, 2013.”

TERMS AND CONDITIONS:

1	Period	1 st April 2017 to 31 st March 2020
2	Remuneration	
	a) Salary	Rs.1,50,000/-(Rupees One lakh Fifty Thousand only) per month including Dearness Allowance and all other allowances.
	b) Commission	Equivalent to 1% of the net profits of the Company subject to a ceiling of an amount equal to the annual Salary.
3	Perquisites	Perquisites will be in addition to salary and commission and shall be restricted to an amount equal to the annual salary.
	a) House Rent Allowance	Rs. 20,000/-(Rupees Twenty Thousand only) per month.
	b) Gas, Electricity, Water and Furnishings	The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income-tax Rules, 1962, subject to a ceiling of 10% of the salary of the Managing Director.
	c) Medical Reimbursement	Reimbursement of expenses incurred for self and family subject to a ceiling of one month salary in a year or three months' salary over a period of three years.
	d) Club Fees	Fees of Clubs subject to a maximum of two clubs. No admission and life membership fee will be paid.

	e) Personal Accident Insurance	Personal Accident Insurance of an amount, the annual premium of which does not exceed Rs.5000/- (Rupees Five thousand only) per annum.
	f) Contribution to Provident Fund and Superannuation Fund	a) Company's contribution towards Provident Fund as per the Rules of the Company. b) Company's contribution towards Superannuation Fund as per the Rules of the Company. Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-tax Act.
	g) Gratuity	As per the Rules of the Company and will not be included in the computation of ceiling on perquisites.
	h) Leave Salary	As per the Rules of the Company. Leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
	i) Use of Car and Telephone	Car for use on Company's business and telephone at residence will not be considered as perquisites. However, personal long distance calls and use of car for private purposes shall be billed by the Company.
4	Minimum Remuneration	In the event of loss or inadequacy of profits in any financial year, the Board may decide the quantum of special allowance to be paid to Managing Director in addition to the salary and perquisites as specified above. In any event, the total of salary, perquisites and special allowance will be within the overall ceiling as specified in Section II of Part II of Schedule – V to the Companies Act, 2013. No commission is payable in such year.

Note: Net Profits for this purpose shall be as per computation of Net Profits under Section 198 of the Companies Act, 2013.

All the above Ordinary resolutions which were put to vote were passed with requisite majority.

Place: Chennai
Date: 05.08.2017

N. GOPALARATNAM
Chairman