

HIGH ENERGY BATTERIES (INDIA) LIMITED

Proceedings of the 59th Annual General Meeting of the Company held at 11.00 A.M. on Saturday, the 29th August, 2020 through Video Conference.

Present through Video Conference

Mr N Gopalaratnam	Chairman
Dr G.A. Pathanjali	Managing Director
Mr M Ignatius	Director (Operations)
Mr A L Somayaji	Independent Director, Chairman of the Nomination and Remuneration Committee and Chairman of the Audit Committee.
Cmde R P Premkumar	Independent Director
Mr M Natarajan	Independent Director
Mrs Lalitha Lakshmanan	Independent Director
Dr Vijayamohanan K Pillai	Independent Director
Mrs Jayashree Ajit Shankar	Nominee Director, LIC
Mr S V Raju	Company Secretary
Mr R Swaminathan	Chief Financial Officer

Statutory Auditor

Mr N R Suresh M/s. Maharaj N R Suresh and Co

Internal Auditor

Mr R Prakash M/s. R Subramanian and Co LLP

Secretarial Auditor

Mr K Karthikeyan M/s. B K Sundaram & Associates

Scrutinizer – Mr A S Kalyanaraman

Members Present through Video Conference

41 Members representing 765067 shares

(A) 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.

(B) Quorum

- (i) The Chairman noted that 41 members were present through Video Conference that could be reckoned for purpose of quorum under Section 103 of the Companies Act, 2013 in accordance with extant MCA circulars.
- (ii) The Chairman observed that the requirement for the presence at least one independent director and the auditor or his authorized representative in terms of relevant MCA circular has been complied with.
- (iii) The Chairman accordingly called the meeting to order and welcomed the members. The meeting commenced at 11.00 A.M.

(C) Introduction

The Chairman welcomed the shareholders, who have joined through Video Conference to the 59th Annual General Meeting.

The Chairman thereupon requested the directors to introduce themselves. All the directors present briefly introduced themselves to the shareholders.

The Chairman then requested the Statutory Auditor, Internal Auditor, Secretarial Auditor and the Scrutinizer present at the meeting to introduce themselves to the members. All of them did so accordingly.

(D) General Information to the Shareholders

Dr G A Pathanjali, Managing Director read out the general instructions to the shareholders regarding participation in the 59th Annual General Meeting.

- (i) Shareholders may note that this 59th AGM is being held through Video Conference (e-AGM) in accordance with the Companies Act, 2013 and circulars issued by MCA and SEBI.
- (ii) Facility for joining the meeting through Video Conference is made available for the shareholders on first come, first served basis. In the case of our Company, all our shareholders desiring to join the AGM would be able to do so.
- (iii) The facility for joining the meeting was opened at 10.30 A.M. which is 30 minutes before the time scheduled to start the meeting. It will be kept open for joining till the meeting is closed by the Chairman.

- (iv) This being an e-AGM, physical attendance of shareholders is dispensed with. Attendance through Video Conference would be reckoned for the purpose of quorum. Further, the facility for appointment of proxies by the shareholders is not applicable for this e-AGM and hence the proxy register for inspection is not available.
- (v) The Register of directors and key managerial personnel and the Register of contracts or agreements are made available electronically for inspection by the shareholders during the AGM. Shareholders desirous of inspecting such documents may send their request to hebcnn@highenergy.co.in
- (vi) The company has received requests from a few shareholders to register them as speakers at the meeting. Accordingly the floor will be open for them to ask questions or express their views. The moderator will facilitate this session once the Chairman opens the floor for same. The Company reserves the right to limit the number of shareholders asking questions depending on the availability of time at the AGM.
- (vii) Shareholders can also post their views or questions on the 'chat box' of the Video Conference screen at any time during the meeting. The Company would respond to them at the meeting and / or through e-mail.
- (viii) The Company had provided Remote E-voting facility for shareholders to cast their votes electronically on all the resolutions set forth in the Notice. This was closed on 28th August 2020 at 5.00 pm. Shareholders who have not cast their vote yet and are participating in this meeting may cast their votes during the meeting through E-voting system provided by CDSL. Shareholders can click on the EVSN 200801014 in the CDSL E-voting system already logged into avail this facility.
- (ix) Shareholders are requested to refer to instructions provided in the AGM Notice for seamless participation through Video Conference. In case they face any difficulty, they may reach out on the helpline contact provided in Page 8 (Sl.No.8) of Annual Report.

(E) Chairman of Committees

The Chairman mentioned that Mr A L Somayaji, Chairman of Audit Committee and Nomination and Remuneration Committee and himself as Chairman of Stakeholders Relationship Committee are present at the meeting.

(F) Chairman's speech

The Chairman delivered his speech. Chairman covered the state of economy and company performance and outlook in his address.

(G) Presentation

Dr G A Pathanjali, Managing Director made a short presentation on the Company's Operational and Financial Performance in FY 2019 – 20.

(H) Notice & Board's Report

The Chairman informed that the 59th Annual Report containing the AGM Notice, Board's Report and Financial Statements were circulated through email to all shareholders. With the consent of members, these were taken as read.

The Chairman advised the Managing Director to provide a summary of the Auditors' Reports.

(I) Audit Report

Dr G A Pathanjali, Managing Director, informed the Shareholders that the company has obtained Statutory Auditors' Report on Standalone Financial Statements from M/s. Maharaj N R Suresh and Co and included in page 51 - 60 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 on financial statements 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.

(J) Secretarial Audit Report

Dr G A Pathanjali, Managing Director, informed the Shareholders 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 48 - 50 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.

(K) Introduction to resolutions

Chairman observed that there were 3 resolutions proposed to be passed at the 59th AGM and all three are Ordinary resolutions. He briefly narrated the background and purpose of each of these resolutions.

(L) Voting options

The Chairman mentioned that the Company has offered two alternative voting options to Shareholders, viz., (i) Remote e-voting and (ii) E-voting during AGM. Shareholders holding shares as on the cut-off date fixed for the purpose, namely, 22nd August, 2020 alone were entitled to cast the vote under any one of the aforesaid options.

(M) Remote E-voting

The 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 26th August, 2020 and closed on 28th August, 2020 at 5.00 P.M.

(N) E-Voting during AGM

The Chairman informed the Shareholders that pursuant to the amended Rule 20 of the Companies (Management and Administration) Rules, 2014 and the circulars issued by the Ministry of Corporate Affairs in this regard, the Company is also offering the facility to vote through electronic means during the meeting. He further informed that only Shareholders who have not already exercised their voting rights under Remote e-voting would now be entitled to cast their vote at the AGM.

(O) Scrutinizer

The Chairman mentioned that Mr A S Kalyanaraman, Practicing Chartered Accountant (Membership No. 201149) has been appointed as Scrutiniser for all the two modes of voting. He would furnish individual as well as combined report in respect of votes cast for all the three Resolutions proposed at this meeting.

(P) Queries and Reply

- (i) The Chairman observed that there are 8 Shareholders who have registered as speakers at the e-AGM. He invited them individually to raise their queries and give their views / suggestions.
- (ii) Of this, 6 shareholders spoke at the meeting appreciating the performance of the Company and raise queries on Dividend, Credit rating, Market share, orders on hand, competitors, despatch status during Covid situation and working capital status and suggesting to the management to consider special dividend, Bonus share for the 60th year.
- (iii) The Chairman observed that 2 shareholders have raised query through Chat box about CAPEX, Lithium Ion Battery diversification, expansion and development of products.
- (iv) The Chairman furnished clarification to all the queries, of the shareholders.
- (v) The Chairman thereupon thanked the Shareholders for their participation as Speaker and through Chat box.

(Q) Ordering E-voting

At this stage, the Chairman ordered E-voting at the AGM. He requested the shareholders to follow instructions for E-voting. He mentioned that the E-voting facility would remain open for 30 minutes.

(R) Transcript of e-AGM Proceedings

The Chairman mentioned that the transcript of the proceedings of 59th AGM will be maintained in safe custody by the Company. The recorded transcript is also being posted on the Company website.

(S) Conclusion of Meeting

Chairman thanked the shareholders for their participation, views and suggestions. He declared the meeting closed at 12.45 P.M.

(T) Scrutinizer Report

Post completion of the e-AGM and conclusion of E-voting, the scrutinizer furnished his report. This report contains summary of the votes cast at Remote E-voting and E-voting at AGM as under:

Resolution Nos. as given in the Notice of 59 th Annual General Meeting	Particulars of Votes Cast							Result declared
		Remote E-voting	E-voting during AGM		Voting Result (Total)			
		Nos.	%	Nos.	%	Nos.	%	
Ordinary Business								
1. Ordinary Resolution for Adoption of Financial Statements for the FY 2019 - 20	Votes cast in favour	1004095	99.99	-	-	1004095	99.99	Resolution passed with requisite majority
	Votes cast against	29	0.01	-	-	29	0.01	
	Invalid Votes	-	-	-	-	-	-	
2. Ordinary Resolution for Re-appointment of Mr M Ignatius, who retires by rotation	Votes cast in favour	1004093	99.9	-	-	1004093	99.99	Resolution passed with requisite majority
	Votes cast against	31	0.01	-	-	31	0.01	
	Invalid Votes	-	-	-	-	-	-	
Special Business – Ordinary Resolution								
3. Reappointment of Dr G A Pathanjali as Managing Director	Votes cast in favour	1004089	99.99	-	-	1004089	99.99	Resolution passed with requisite majority
	Votes cast against	35	0.01	-	-	35	0.01	
	Invalid Votes	-	-	-	-	-	-	

(U) Voting Results

The Scrutinizer submitted the voting results on 29th August, 2020 itself. The Chairman noted that all the three Resolutions proposed as Ordinary Resolutions, as mentioned in the Notice for the 59th Annual General Meeting have been duly passed with requisite majority and in due compliance of relevant provisions of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Chairman's Declaration

The following Resolutions have been duly passed by the Shareholders in terms of the voting done through Remote e-voting and voting at the AGM based on the Scrutiniser's Report on the Results of voting dated 29.08.2020 and these Resolutions shall be deemed to be passed on the date of the General Meeting, viz., 29th August 2020.

ORDINARY BUSINESS**1. Adoption of Financial Statements for the FY 2019 - 20**

"RESOLVED THAT the Audited Financial Statements of the Company for the year ended 31st March 2020, the Auditors' Report thereon and the Board's Report be and are hereby approved and adopted".

2. Reappointment of Mr. M Ignatius, who retires by rotation

"RESOLVED THAT Mr. M Ignatius (DIN:08463140), 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 re-appointment, be and is hereby reappointed as a Director of the Company".

SPECIAL BUSINESS – ORDINARY RESOLUTION**3. Reappointment of Dr G A Pathanjali as Managing Director**

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

“RESOLVED that Dr G A Pathanjali (DIN 05297665), whose current term of office expired on 31.03.2020 be and is hereby re-appointed as Managing Director of the Company for a period of three years from 01.04.2020 to 31.03.2023.

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 2020, on the terms and conditions of appointment and remuneration as set out below and the Board of Directors be and are 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	From 01.04.2020 to 31.03.2023
2	Remuneration	
	a) Salary	Rs.2,00,000/- (Rupees Two lakhs 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. 21,000/- (Rupees Twenty one 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 of the Companies Act, 2013. No commission is payable in such year.

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

N. GOPALARATNAM
Chairman

Date: 29.08.2020