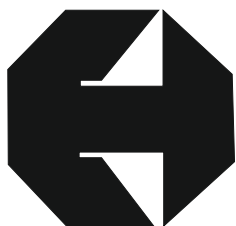


54th
Annual Report
2016 - 2017



**Hindustan
Everest
Tools Ltd.**

"The First ISO 9001 Hand Tools Company in India"



LATE SYT. D.P. MANDELIA



HINDUSTAN EVEREST TOOLS LTD.

54th ANNUAL REPORT 2016-17

Board of Directors

Shri Shravan Kumar Mandelia, Managing Director
Shri Balgopal Mandelia, Managing Director
Shri Pradeep Jain
Shri Ambarish Raj
Shri Lokesh Sood
Shri Saurabh Parasramka

Compliance Officer

Shri Surender Singh Rauthan

AUDITORS

Singhi & Co,
Chartered Accountants,
Unit - 1704 -B World Trade Tower
Wing B, Noida (U.P.)

BANKERS

UCO Bank,
HDFC Bank
State Bank Of India

REGISTERED OFFICE

Dohil Chambers,
46, Nehru Place,
New Delhi-110 019
Ph. : 91-11-46692600 Fax : 011-41606788
Email : ho@everesttools.com
CIN : L74899 DL1962 PLC003634
Website : <http://www.everesttools.com>

WORKS

Village Jatheri,
Distt. Sonapat,
Haryana

SHARES LISTED AT

Bombay Stock Exchange

REGISTAR & TRANSFER AGENT

LINK INTIME INDIA PVT. LTD.

44 Community Centre,
2nd Floor
Naraina Industrial Area, Phase-I, Near PVR Naraina
New Delhi- 110 028
Ph. : 41410592 Fax : 41410591
Email : delhi@linkintime.co.in



HINDUSTAN EVEREST TOOLS LIMITED

(CIN : L74899DL1962PLC003634)

Registered Office: Dohil Chambers, 46, Nehru Place, New Delhi 110 019

Email: admin@everesttools.com, Website: everesttools.com

Phone: 011-46692600, Fax: 011-41606788

NOTICE

NOTICE IS HERE BY GIVEN THAT THE FIFTY FOURTH ANNUAL GENERAL MEETING OF **HINDUSTAN EVEREST TOOLS LIMITED** will be held at "PHD House" opposite Asian Games Village, Siri Fort Road, New Delhi 110016 on Thursday, 30th November, 2017 at 11:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements for the year ended 31st March, 2017 and the Reports of the Board of Directors and Auditors thereon.
2. Appointment of Mr. Balgopal Mandelia as director liable to retire by rotation Explanation: Both Managing directors of the company are subject to retirement by rotation based on the terms of their appointment. Last year, Shri Shravan Kumar Mandelia was subjected to retirement by rotation and was reappointed by shareholders. Shri Balgopal Mandelia was appointed as a Managing Director liable to retire by rotation on 1st January 2014 and was thereafter reappointed as at the AGM held on September 2015. To the extent that Shri Balgopal Mandelia is required to retire by rotation, he would need to be reappointed as a managing Director.

Therefore, shareholders are requested to consider and if thought fit, to pass the following resolution as ordinary resolution:

RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the members of the Company be, and is hereby accorded to the reappointment of Shri Balgopal Mandelia (DIN : 0040592) as a managing director, to the extent that he is required to retire by rotation

3. Appointment of Auditors

Explanation:-The Companies Act, 2013 ('the Act') was notified effective April 1, 2014. Section 139 of the Act lays down the criteria for appointment and mandatory rotation of statutory auditors. Pursuant to Section 139 of the Act and the Rules made there under, it is mandatory to rotate the statutory auditors on completion of two terms of five consecutive years. The Rules also lay down the transitional period that can be served by the existing auditors depending on the number of consecutive years for which an audit firm has been functioning as auditor in the same company. The incumbent auditors, M/s Singhi & Co., Chartered Accountants have served the Company for over 10 years before the Act was notified and will be completing the maximum number of transitional period (three years) at the ensuing 54th AGM.

The audit committee of the Company has proposed and on 23rd October, 2017 the Board has recommended the appointment of M/s SSRA & Co., Chartered Accountants (Firm registration number 014266N) as the statutory auditors of the Company. They will hold office for a period of five consecutive years from the conclusion of the 54th Annual General Meeting of the Company till the conclusion of the 59th Annual General Meeting to be held in 2022. The first year of audit will be of the financial statements for the year ending March 31, 2018, which will include the audit of the quarterly financial statements for the year. Therefore, shareholders are requested to consider and if thought fit, to pass the Following resolution as ordinary resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), M/s. SSRA & co., Chartered Accountants (Firm Registration No. 014266N), in place of M/s



Singhi & Company, Chartered Accountants, (Firm registration no. 302049E) be and are hereby appointed as statutory auditors of the Company for a period of five (5) years from the conclusion of this AGM till the conclusion of the AGM to be held in the calendar year 2022, subject to ratification of the appointment by the Members at every Annual General Meeting and the Board of Directors be and is hereby authorized to fix remuneration payable to them for the financial year ended March 31, 2018 in consultation with the Auditors.”

By Order of the Board

Shravan Kumar Mandelia
Managing Director
DIN 0040532

Date: 23rd October, 2017

Place: New Delhi

IMPORTANT NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from Friday, 24th November, 2017 to Thursday, 30th November, 2017 (both days inclusive) for annual closing.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and hold in the aggregate not more than ten percent of the total share capital of the Company.
3. The instrument of Proxy in order to be effective should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be accompanied with a duly certified copy of the Resolution.
3. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic format, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
4. Pursuant to Section 124 of the Companies Act, 2013, dividend which remain unclaimed for a period of 7 years will be transferred by the Company to the Investor Education and Protection Fund established by the Central government. However please note that company have not declared any dividend for the financial year 1999-2000 onwards.
5.
 - (a) Members holding shares in physical form are requested to notify/inform any change in their address/e-mail/mandate/bank details to the Registrar and Transfer Agent (RTA) of the Company M/s. LinkIntime India Pvt. Limited 44, Community Centre, 2nd Floor, Naraina Industrial area, Phase-II, Near PVR Naraina, New Delhi-110028, Phone No. 41410592, Fax : 41410591, E-Mail : delhi@linkintime.Co.in and Company's - E-mail: admin@everesttools.com
 - b) Members holding shares in the dematerialized form are requested to notify all changes with respect to their address, mandate and bank details to their Depository Participant.
 - c) Shareholders are also requested to quote their Folio No./DP ID-Client Id and details of shares held in physical/demat mode, E-mail ids and Telephone/Fax numbers for prompt reply to their communications.
 - d) All corporate members are requested to communicate their Corporate Identification number to either company or RTA of the company.



HINDUSTAN EVEREST TOOLS LTD.

6. Members may also note that the Notice of the 54th Annual General Meeting and the Annual Report will also be available on the Company's website :-www.everesttools.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: admin@everesttools.com.

7. **Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 54th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). Shareholders of the company holding shares either physical form or dematerialized form, as on record date, i.e. 23rd November, 2017 are eligible to cast their vote. The instructions for e-voting are as under:

- (i) The Notice of 54th Annual General Meeting of the Company inter alia indicating the process and the manner of e-voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members, Login Id and initial password is mentioned in the attendance slip attached to the Notice of AGM as below:-

EVEN (E Voting Event Number)	USER ID	PASSWORD
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- (ii) NSDL shall send the USER ID and Password, to those Members who shareholding is in dematerialized format and whose email address are registered with the Company/Depository Participant(s) for members who have not registered their email address can use the details as provided above.
- (iii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- (iv) Click on Shareholder - Login
- (v) Enter the login credential i.e. User ID and password mentioned in the attendance slip attached with the notice of the annual general meeting.
- (vi) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) Home page of e-voting opens. Click on e-voting to activate voting cycle.
- (viii) Select "EVEN" of Hindustan Everest limited.
- (ix) Now you are ready for e-voting as Cast Vote page opens.
- (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (xi) Upon confirmation, the message "Vote cast successfully" will be displayed
- (xii) Once you have vote done the resolution, you will not be allowed to modify your vote
- (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to bskashtwal@gmail.com or admin@everesttools.com with a copy marked to evoting@nsdl.co.in
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Share holders and e-voting user manual for Share holders available at the Downloads section of www.evoting.nsdl.com



- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/ PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on 27th November, 2017 (9:00am) and ends on 29th November 2017 (5:00pm).

During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd November, 2017 may cast their vote electronically. The voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- VI. The voting rights of share holders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 23rd November, 2017.
 - VII. Mr. Baldev Singh Kashtwal, Practicing Company Secretary (CP No. 3169) has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.
 - VIII. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website: www.everesttools.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
8. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00am to 5.00 pm) on all working days except Saturdays, upto and including the date of the Annual General Meeting of the Company.

By the Order of the Board

Shravan Kumar Mandelia
Managing Director
DIN 0040532

Dated:-23rd October, 2017
Place: New Delhi



HINDUSTAN EVEREST TOOLS LTD.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present the 54rd Annual Report together with Audited Annual Accounts of the Company for the year ended 31st March, 2017.

I. FINANCIAL PERFORMANCE

	Rs. In Lakhs	
FINANCIAL RESULTS	2016- 2017	2015-2016
Profit/(Loss) before Finance Cost	(1236.66)	(393.58)
Less: Finance Cost	124.67	139.99
Cash Profit/(Loss)	(1361.33)	(533.57)
Depreciation	58.81	59.90
Net Profit/(Loss)	(1420.14)	(593.47)
Provisions for Deferred Tax	18.02	(46.90)
Profit/(loss) for the period	(1438.16)	(640.37)
APPROPRIATION		
Transfer from General Reserve	-	-
Carried over to next year	(1438.16)	(640.37)

DIVIDEND

In view of the Company having incurred losses during the year, and negative net worth, the Directors express their inability to recommend any dividend for the year ended 31st March, 2017.

AMOUNTS PROPOSED TO BE CARRIED TO RESERVES

The financial situation as enumerated above does not permit any transfer to General Reserves.

MANAGEMENT DISCUSSION AND ANALYSIS/STATE OF AFFAIRS OF THE COMPANY

(This covers all the matters on which discussion and analysis is required to be made in Annual Report under Regulation 34(3) of SEBI (LODR) Regulation 2015)

As reported in the previous annual report, the business outlook for the Company's products remained very bleak, and due to several adverse factors, the Board concluded that the on-going business is commercially unviable. Therefore the Company discontinued its operation at its sole manufacturing plant at Sonapat and finally declared closure of the plant w.e.f 15/12/2016.

During the current financial year, the Company was able to dispose off certain surplus assets and utilise the sale proceeds thereof to pay off its liabilities and as on date the Company has paid off its entire secured as well as majority of unsecured liabilities including all dues to its employees.

Your Directors are actively in the process of identifying alternate line of business, but due to prevailing uncertain economic conditions it is considered prudent to be cautious in committing to a particular line of activity till the overall economic condition improves.

The Board is thankful to all stakeholders for standing with it in times of crisis.

The Total no. of employees as on 31.3.2017 was 83.

DETAILS OF APPOINTMENT AND RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Vinod Kumar Khanna, Executive Directors (Finance) and also designated as CFO has tender his unwillingness to continue as director upon expiry of his current term on 16/08/2016. However he will continue as Chief Financial Officer of the company as on 31.03.2017.

Mr. Balgopal Mandelia retires by rotation and being eligible, offers himself for reappointment.

Further, Mr. Govind Deora, Company Secretary of the Company has resigned from the Company w.e.f 30th August 2017, however Company is proposing to appoint new Company Secretary.

Mr Saurabh Parasramka (DIN 00935199) has been appointed as an additional director of the company w.e.f.19/08/2016 under provisions of sections 149, 152 and any other applicable provisions of the companies act, 2013 and the rules made there under (including any statutory modification(s). Appointment of Mr. Saurabh Parasramka was also regularized by the shareholders in the Annual General Meeting held on 29th September 2016.

DIRECTORS' RESPONSIBILITY STATEMENTS

In compliance to the Provisions of Section 134(5) of the Companies Act, 2013, with respect to Directors' responsibility statement, it is hereby confirmed :-

- That in the preparation of the accounts for the financial year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the Directors have prepared the accounts for the financial year ended 31st March, 2017 on a "going concern" basis.
- That the Directors had laid down proper internal Financial control to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate systems of internal control



commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable Financial and Operational information, complying with applicable statutes, safeguarding assets from authorized use or losses, executing transactions with proper authorization and ensuring compliance of internal policies.

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

RISK MANAGEMENT POLICY

A risk management policy duly approved by the Board in place as required under section 134(3)(n) of the Companies Act 2013

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 are annexed herewith as **Annexure "A"**.

NUMBER OF MEETING OF THE BOARD

During the financial year 2016-17 Six(6).Meeting of Board of directors were convened and held on 18/05/2016, 19/08/2016, 12/10/2016, 04/11/2016, 12/12/2016, 20/02/2017. The meetings of Audit Committee were convened and held four times during the year. The meeting of Nomination and Remuneration Committee was convened and held one time during the year.

Requisite quorum was present in all the meetings.

Name of the Director	Number of Board meetings attended during the Financial year 2016-17
Shravan Kumar Mandelia	06
Balgopal Mandelia	06
Pradeep Jain	06
Ambarish Raj	06
Lokesh Sood	02
Saurabh Kumar Parasramka	04
Vinod Kumar Khanna	01
Chhavi Sharma	00

*Mr. Vinod Kumar Khanna has tenders his unwillingness to continue as directors after expiry of his current term on 16/08/2016

*Ms. Chhavi sharma has resigned from the board w.e.f 12/08/2016

*Mr. Saurabh Kumar Parasramka has appointed as additional director w.e.f 19/08/2017

Name of the Director	Number of meetings attended during the Financial year 2016-17
Shri Pradeep Jain	04
Shri Ambaruish Raj	04
Shri Lokesh Sood	02
Shri Saurabh Parasramka	03

Name of the Director	Number of meetings attended during the Financial year 2016-17
Shri Pradeep Jain	01
Shri Ambarish Raj	01
Shri Lokesh Sood	01

STATEMENT ON DECLARATION BY THE INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 ..

NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, KMPs and Senior Management Personnel and their remuneration. The Policy is annexed herewith as **Annexure "B"**.

The composition, role, functions and powers of the Nomination and Remuneration Committee are in accordance with the Provisions of the Companies Act 2013 and the listing agreements with the Stock Exchange.

EXPLANATION OR COMMENTS ON AUDITORS' REPORT AND SECRETARIAL AUDIT REPORT.

There is adverse opinion by the Statutory Auditors, however according to management, the company is very much going concern and solvent post realization from sale of surplus assets. Further Management is actively exploring alternate avenues of the business.

Regarding observations made by the Secretarial Auditors, most of observations are self –explanatory, however regarding appointment of woman director, it may be please noted that due existing crisis in the company, no woman director was ready to be on the Board of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.

These primarily consist of loans to employees as per the policies of the Company and loans to suppliers in the normal course of business of the company. The closing balances of these loans are disclosed under the schedule of Loans and Advances in the financial Statements. The Company has not given any guarantees or made any investments during the year, which would be covered by Section 186 of the Companies Act, 2013

RELATED PARTY TRANSACTIONS

Pursuant to Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements entered into by the Company with Related parties have been done at arm's length and are in the ordinary course of business are material in nature. Therefore it's not required to be provided in Form AOC-2.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING FIANCIAL POSITION OF THE COMPANY

As reported in the previous annual report, the business outlook for the Company's products remained very bleak, and due to several adverse factors, the Board concluded that the on-going business is commercially unviable. Therefore the Company discontinued its operation at its sole manufacturing plant at Sonapat and finally declared closure of the plant w.e.f 15/12/2016.

Besides above company has entered into agreements for sale its surplus assets including land at sonapat, old plant & machinery and Brand "EVEREST" which under process.



HINDUSTAN EVEREST TOOLS LTD.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION FOREIGN EXCHANGE EARNINGS & OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as

Annexure- "C".

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual performance evaluation of its own performance as a whole and individually for Chairman & Managing Directors, Managing Director, Executive Director and Independent Directors.

The performance is being evaluated on the Basis of their attendance in the meetings, compliance of Code of conduct of the Company and applicable provisions of the companies Act, their participation level in the meetings etc.

The performance is evaluated by each director for themselves and for conduct and performance of Board from their point of view. Independent Directors evaluated the performance of Chairman and other non independent directors and Board as a whole in their separate meeting. The performance of Independent Director is evaluated by the Board.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company.

NAME OF THE COMPANIES WHICH HAVE BECOME/CEASED TO SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR.

The Company did not have any subsidiaries, associates or Joint ventures during the year.

PUBLIC DEPOSITS

During the financial year the Company has not accepted any deposits from the public under Section 73 and 74 of the Companies Act, 2013 along with the rules made there under during the year under review.

SIGNIFICANT ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATIONS.

To the best of our knowledge, the Company has not received any such orders from Regulators, Court or Tribunals during the year, which may impact the going concern status or the Company's operations in future.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has formulated a policy on Prevention of Sexual Harassment approved by the Board. The policy may be accessed on the Company's website. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressed) Act, 2013.

WHISTLE BLOWER POLICY

The Board of Directors has adopted the Whistle Blower Policy. The Policy has provided a mechanism for Directors, Employees and other persons dealing with the Company to report to the Chairman of the Audit Committee, any instance of unethical behavior, actual or suspected fraud or violation of the Code of Conduct of the Company.

The details of the policy have been uploaded at the website of the Company.

COMPOSITION OF AUDIT COMMITTEE

The composition of the Audit Committee is mentioned as under:-

Sh. Ambarish Raj	Independent Director
Sh. Pradeep Jain	Independent Director
Sh. Lokesh Sood	Independent Director
Sh. Saurabh Parasramka	Non Executive Director

The composition, role, functions and powers of the Audit Committee are in accordance with the Provisions of the Companies Act 2013 and the listing agreements with the Stock Exchange.

AUDITORS

M/s Singhi & Company, Chartered Accountants (Firm Registration No. Firm Reg. No. 302049E) were appointed as the Statutory Auditors of the Company. The current tenure of M/s Singhi & Company, Chartered Accountants has expired.

M/s. SSRA & Co., Chartered Accountants (Firm Registration No. 014266N), in place of M/s ,Singhi & Company, Chartered Accountants (Firm Registration No. Firm Reg. No. 302049E) be and are hereby proposed to be appointed as statutory auditors of the Company for a period of five (5) years from the conclusion of this AGM till the conclusion of the AGM to be held in the calendar year 2022, subject to ratification of the appointment by the Members at every Annual General Meeting and the Board of Directors be and is hereby authorized to fix remuneration payable to them for the financial year ended March 31, 2018 in consultation with the Auditors."

The Company has received a certificate from the proposed auditors to the effect that their appointment, if made would be within the limits prescribed u/s 139 of the Companies Act, 2013, and they are not disqualified for such an appointment, under the provisions of the Companies Act, 2013. The Board recommends their appointment as Statutory Auditors of the Company and a resolution to the effect is placed for your consideration and approval in the Notice for ensuing annual general meeting.

SECRETARIAL AUDITOR

Pursuant to the provisions of section 204 of the Act the Companies(Appointment and Remuneration of Managerial Personnel) rules, 2014, the of Directors has appointed Mr. Pradip Kumar Muduli, practicing Company Secretary for conducting secretarial audit of the company for the financial year 2016-17.

The Secretarial Audit Report is annexed herewith as Annexure D. The secretarial Audit Report contained few qualifications which have been duly explained.