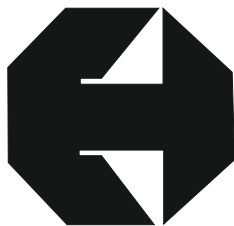


55th
Annual Report
2017 - 2018



**Hindustan
Everest
Tools Ltd.**

"The First ISO 9001 Hand Tools Company in India"



LATE SYT. D.P. MANDELIA



HINDUSTAN EVEREST TOOLS LTD.

55th ANNUAL REPORT 2017-18

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

Company Secretary

Sonam Gupta

AUDITORS

SSRA & Co
Chartered Accountants
M-13, LGF
South Extension, Part 2
New Delhi - 110049

BANKERS

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>

SHARES LISTED AT

Bombay Stock Exchange

REGISTAR & TRANSFR 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 hereby given that the 55TH **Annual General Meeting** of the members of **HINDUSTAN EVEREST TOOLS LIMITED** will be held at “**PHD House**” opposite **Asian Games Village, Siri Fort Road, New Delhi - 110016** on **Saturday, 29th September, 2018 at 10:00 A.M. (IST)** to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the company for the financial year ended 31st March, 2018 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Saurabh Kumar Parasramka (DIN: 00935199), Director, who retires by rotation and being eligible, offers himself for re-appointment.

**By Order of the Board of Directors
For Hindustan Everest Tools Limited**

**Date: 10.08.2018
Place: New Delhi**

**Sd/
Sonam Gupta
(Company Secretary)
M. No. 51329**

IMPORTANT NOTES

1. At the 54th AGM, M/s. SSRA & Co., Chartered Accountants (Firm Registration No. 014266N) were appointed as Statutory Auditors of the Company for a term of 5 years until the conclusion of 59th AGM of the Company.

Pursuant to Notification issued by Ministry of Corporate Affairs, ratification of their appointment under Section 139 of the Companies Act, 2013, is not required and accordingly, the item has not been included in the Ordinary Business of the AGM Notice.

2. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standard 2 in respect of the Director seeking reappointment at the 55th AGM are annexed hereto to the Notice. The Company has received relevant disclosure/ consent from the Director seeking re-appointment.

3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 55TH ANNUAL GENERAL MEETING (“THE MEETING”) IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND 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 holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. 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.



4. 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.
5. The Securities and Exchange Board of India (SEBI) vide its notification no SEBI/LAD-NRO/GN/2018/24 dated 08th June, 2018 mandated that, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. W.e.f. 05.12.2018 it shall be mandatory to demat the securities for getting the shares transferred. Members holding shares in physical form are, therefore, requested to convert their holding in demat form before 05.12.2018.
6. 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 from the financial year 1999-2000 onwards.
7. The Register of Members and the Share Transfer books of the Company will remain closed from Monday, 24th September, 2018 to Saturday, 29th September, 2018 (both days inclusive) for the purpose of 55th AGM of the Company.
8.
 - (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. Link Intime 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.
9. The Annual Report 2017-18 is being sent through electronic mode only to those members whose email address are registered with the Company/Depository Participant(s). Members may also note that the Notice of the 55th 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.
10. The Annual Report along with Notice of AGM is being sent to the members, whose names appear in the Register of Members/depositories as at close of business hours on Friday, 24th August, 2018.
11. **Voting through electronic means**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 55th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). The Facility for voting through ballot paper will also be made available at the AGM and the members attending



HINDUSTAN EVEREST TOOLS LTD.

the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again.

- II Shareholders of the company holding shares either in physical form or dematerialized form, as on record date i.e. 21st September, 2018 are eligible to cast their vote.

The instructions for e-voting are as under:

- (i) The Notice of 55th 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 be sending 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](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 pass word confidential.
- (vii) Home page of e-voting opens. Click on e-voting to activate voting cycle.
- (viii) Select “EVEN” of Hindustan Everest Tools 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 slathiads71@yahoo.co.in or admin@everesttools.com with a copy marked to evoting@nsdl.co.in.

- III In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

- IV 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.

- V 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).

- VI The e-voting period commences on 26th September, 2018 (9:00am) and ends on 28th September, 2018 (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 21st September, 2018 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on are solution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - VII The voting rights of shareholders 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 21st September, 2018.
 - VIII A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - IX Mr. Shiv Paul Singh, Practicing Company Secretary (M. No.: 5690 and CP No. 5553) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - X 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.
12. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours on all working days except Saturdays, upto and including the date of the Annual General Meeting of the Company.

**By Order of the Board of Directors
For Hindustan Everest Tools Limited**

**Date: 10.08.2018
Place: New Delhi**

**Sd/-
Sonam Gupta
(Company Secretary)
M. No. 51329**



HINDUSTAN EVEREST TOOLS LTD.

BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT OR RE-APPOINTMENT AT FORTHCOMING ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India.)

Particulars	
Name	Mr. Saurabh Kumar Parasramka
Date of Birth and Age of Director	12/10/1970, 47 years
Director Identification Number (DIN)	00935199
Qualification	B. Com.
Expertise in specific functional areas	Has an experience of 24 years in the field of marketing.
Terms and Conditions of appointment re-appointment along with details of remuneration sought to be paid	He is a Non-executive non independent director and is eligible for sitting or fees only.
Last Drawn Remuneration	NIL
Date of first appointment on the Board	19/08/2016
Directorship held in other Listed companies and Unlisted companies	1) SHAILJA NIWES & NIRYAT LTD. 2) SAURAV FISCAL SERVICES PVT. LTD.
No. of Board Meetings attended during the year 2017-2018	4
Membership/Chairmanship of the Committees across the Companies (as on 31.03.2018)*	Member – 1 Chairman - 0
No. of equity shares held	Nil
Relationship with other Directors	He is not related /associated with any director of the Company
Brief Resume	Mr. Saurabh Parasramka have graduated in B. Commerce and had started a marketing company in the year 1994 in Kolkata and eventually expanded it to Delhi. He had been appointed distributors for various multinational corporate such as Timex Watches, Mattel toys, Bauch & Lomb, Morphy Richards (Bajaj Electricals Ltd.), Pepsi Etc. He has an experience of 24 years in field of marketing of various products.

*Committee position only of the Audit Committee and Stakeholder's Relationship Committee in Public Companies (whether listed or not) have been considered.



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 55th Annual Report together with Audited Financial Statements of the Company for the year ended 31st March, 2018.

I. FINANCIAL PERFORMANCE

	Rs. In Lakhs	
FINANCIAL RESULTS	2017- 2018	2016-2017
Profit/(Loss) before Finance Cost	5292.23	(1229.87)
Less: Finance Cost	(89.49)	(124.67)
Cash Profit/(Loss)	5202.74	(1354.54)
Depreciation	25.85	58.81
Net Profit/(Loss)	5176.89	(1413.35)
Provisions for Deferred Tax/tax expense	-	18.02
Profit/(loss) for the period	5176.89	(1431.37)
APPROPRIATION		
Transfer from General Reserve	-	-
Carried over to next year	5176.89	(1431.37)

DIVIDEND

The company has discontinued its business activities and has sold the plants and has monetized all the assets. The Directors considered it prudent not to distribute dividend at this stage keeping in view the future plans of the company.

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 company had 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 has successfully monetized entire land of its plant alongwith plant machinery and stocks. From the realisation thereof, the Company has paid off all its liabilities. Further as on date of this report, the Company is now entirely debt free.

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 the stakeholders for standing with it in times of crisis.

The Total no. of employees as on 31.3.2018 was 32.

DETAILS OF APPOINTMENT AND RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Saurabh Kumar Parasramka is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Further, Mr. Govind Deora, Company Secretary of the Company has resigned from the Company w.e.f 31st August 2017, and Ms. Sonam Gupta has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. 01st June, 2018.

Further, there is no change in the composition of the Board of Directors of the Company and no directors and Key Managerial Personnel have been appointed/re-appointed or resigned from the company during the year under review i.e. 2017 - 2018, except as specified above.

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, 2018, 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, 2018 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



HINDUSTAN EVEREST TOOLS LTD.

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 is in place as required under section 134(3)(n) of the Companies Act 2013 which defines the risk assessment and minimization procedures. As per view of board, there is no risk in operation of company, which may impact the existence of company.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is available on company's website <http://www.everesttools.com/investors/MGT-9-2017-2018pdf>.

NUMBER OF MEETING OF THE BOARD

During the financial year 2017-18, the board met 4 (Four) times. Meetings of Board of directors were convened and held on 09/06/2017, 15/09/2017, 23/10/2017 and 25/01/2018. The meetings of Audit Committee were convened and held three 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 2017-18
Shri Shravan Kumar Mandelia	04
Shri Balgopal Mandelia	04
Shri Pradeep Jain	01
Shri Ambarish Raj	04
Shri Lokesh Sood	01
Shri Saurabh Kumar Parasramka	04

NUMBER OF MEETING OF AUDIT COMMITTEE

Name of the Member	Number of meetings attended during the financial year 2017-18
Shri Pradeep Jain	01
Shri Ambarish Raj	03
Shri Lokesh Sood	01
Shri Saurabh Parasramka	03

NUMBER OF MEETING OF NOMINATION & REMUNERATION COMMITTEE

Name of the Member	Number of meetings attended during the financial year 2017-18
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 and Regulation 16(1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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 "A".

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 SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

EXPLANATION OR COMMENTS ON AUDITORS' REPORT AND SECRETARIAL AUDIT REPORT

The auditor's report and notes on accounts referred to in the Auditor's Report are self-explanatory and there are no adverse remarks or qualification in the Report and therefore, do not need any further comment.

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 FINANCIAL POSITION OF THE COMPANY

During the year under review, the Company has discontinued its operation at its sole manufacturing plant at Sonapat and finally declared closure of the plant w.e.f 15/12/2016.

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

Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required