Hindustan Everest Tools Limited

Dohil Chambers, 46 Nehru Place
New Delhi-110 019 (INDIA)
Ph. : 91-11-46692600,Fax : 011-41606788
E-mail : ho@everesttools.com
CIN : L74899DL1962PLC003634

FORM A

(Pursuant to Clause 31(a) of Listing Agreement)

No.	Paticulars	Details
1	Name of the Company	**Hindustan Everest Tools Ltd.**
2	Annual standalone financial statements for the year ended	**31st March, 2015**
3	Type of Audit observation	**Matter of Emphasis-** **a.** Trade Receivables and Trade payable are subject to reconcilation and confirmations. Adjustments in carrying amount, if any, shall be made on completion of rconcilation and confirmation thereof. In the opinion of the mangement, there shall not be any matterial impact on carrying amount of these accounts.(Refer note 28.2 to the financial statements). Our opinion is not qualified in respect of this matter. **b.** Inventories except work-in-progress have not been physically verified during the year and same has been considered as per quantity appearing in the books of accounts for variances, if any, shall be made on completion of physical varification of the inventories. In the opinion of the management there shall note be any material impact on carrying value of inventories (Refer note 13 to the financial statements). Our opinion is not qualified in respect of this matter.
4	Frequency of observation	**First Time**
5	To be signed by : * Chairman & Managing Director * Executive Director(Finance) & CFO * Audit Committee Chairman * Company Secretary & Compliance Officer * Auditors of the Company	 **Shri S.K.Mandelia** **Shri V.K.Khanna** **Shri Ambarish Raj** **Shri Govind Deora** Refer our Audit Report dated 3rd June, 2015 On the standalone financial statements of the Company **for SINGHI & CO.** Chartered Accountants (Firm Registration No. 302049E) **B.K.Sipani** Partner Membership No. 088926 New Delhi, 4th September 2015

HINDUSTAN EVEREST TOOLS LTD.
52ND ANNUAL REPORT 2014-15

Board of Directors

Shri Shravan Kumar Mandelia, Chairman & Mg. Director
Shri Balgopal Mandelia, Vice-Chairman & Jt. Mg. Director
Shri Pradeep Jain
Smt. Pooja Mehra Saigal
Shri Ambarish Raj
Shri Lokesh Sood
Shri V.K Khanna, Executive Director (Finance) & CFO

Company Secretary

Shri Govind Deora

AUDITORS

Singhi & Co,
Chartered Accountants,
401-408, Pragati House
44-45, Nehru Place
New Delhi - 110 019

BANKERS

UCO Bank,
Punjab National Bank
HDFC Bank
Citi 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. Sonepat,
Haryana

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 FIFTY SECOND 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 Tuesday, 29th September, 2015 at 11:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet for the year ended 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Balgopal Mandelia (Din 00040592), who retires by rotation and being eligible offers himself for re-appointment.

3. To appoint statutory Auditors of the Company and to fix their remuneration and in this regard 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 provisions of section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the appointment of M/s Singhi & Company, Chartered Accountants (Firm Registration No. 302049E) for continuance as Auditors for financial year 2015-16 be and hereby ratified by the members of the Company at such remuneration including Service Tax and out of pocket expenses to be fixed by the Board of Directors of the Company in consultation with the Auditors."

SPECIAL BUSINESS:

4. 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 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) or re-enactment thereof for the time being in force), Mrs. Pooja Mehra Saigal (holding DIN 07249183) a non-executive Director of the Company, who was appointed as an additional Director of the Company w.e.f. 30.07.2015 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member signifying his attention to propose Mrs. Pooja Mehra Saigal as a candidate for the office of Director of the Company and Mrs. Pooja Mehra Saigal has submitted a declaration stating that she meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment as such as recommended by the Nomination and Remuneration Committee of the Board, be and is hereby appointed as an Independent Director of the Company for a consecutive term of five years upto 28/09/2020"

By Order of the Board

Date : 30th July, 2015
Place : New Delhi

Sd/-
Govind Deora
Company Secretary
Membership No.9439

IMPORTANT NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, 22nd September, 2015 to Tuesday, 29th September, 2015 (both days inclusive)

2. 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.

3. **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 holding in the aggregate not more than ten percent of the total share capital of the Company.

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, is must .

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 form are, 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. 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.

6. (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-I, 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 there Corporate Identification number to either company or RTA of the company.

7. Members may also note that the Notice of the 52nd 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.

8. **Voting through electronic means**

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 and amendments thereof , the Company is pleased to provide members facility to exercise their right to vote at the 52nd 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. 22nd September,2015, are eligible to cast their vote.

The instructions for e-voting are as under:

(i) The Notice of 52nd 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 Even Number)	USER ID	PASSWORD

(ii) NSDL shall be sending the USER ID and Password, to those Members whoes 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: Active Voting Cycles. (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 voted on 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 Satyenderfcs@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 Shareholders and e-voting user manual for Shareholders 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 26th September, 2015 (9:00 am) and ends on 28th September 2015 (5:00 pm). 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 22nd September,2015, may cast their vote electronically. The e-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 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 22nd September, 2015.

VII. Mr. Satyender Kumar,Practising Company Secretary (CP No. 4087) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VIII. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith 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.

9. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No 4

The Board of Director of the Company had appointed Mrs. Pooja Mehra Saigal, a professionally qualified person, as a Additional Director of the Company w.e.f.30.07.2015 by the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee .

The Company has also received notice in writing from member proposing the candidature of the said Director of the Company at the ensuing Annual General Meeting. The company has received confirmation from said Director that she meets the criteria of Independent director as provided in Section 149(6) of the Companies Act 2013 and in the opinion of the Board she is person of integrity and possess the relevant expertise and experience.

The Directors recommend adoption of the resolution at item Nos. 4 of the Notice by the members.

None of the Directors or their relatives and key managerial personnel or their relatives, except Ms Pooja Mehra Saigal, are concerned with or interested in the Resolution set out at the Item No 4 of the Notice.

In compliance with the provisions of Section 149 read with the Schedule IV of the Act, the appointment of said Director as Independent Director is now being placed before the Members for their approval.

By Order of the Board

Date: 30th July, 2015
Place : New Delhi

Sd/-
Govind Deora
Company Secretary
Membership No.9439

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting 52nd Annual Report together with Audited Annual Accounts of the Company for the year ended 31st March, 2015.

I. FINANCIAL PERFORMANCE

Rs. In Lakhs

FINANCIAL RESULTS	2014- 2015	2013-2014
Profit/(Loss) before Finance Cost	78.65	256.25
Less: Finance Cost	154.80	136.66
Cash Profit/(Loss)	(76.15)	119.59
Depreciation	60.17	61.87
Net Profit/(Loss)	(136.32)	57.72
Add/Less:		
Provisions for Deferred Tax	8.17	14.57
	(144.49)	72.29
APPROPRIATION		
Transfer from General Reserve	-	-
Carried over to next year	(144.49)	72.29

DIVIDEND

In view of the Company having losses during the year, the Directors hereby express their inability to recommend any dividend for the year ended 31st March, 2015.

AMOUNTS PROPOSED TO BE CARRIED TO RESERVES

Particulars of the amounts proposed to be carried to reserves have been covered as part of the financial performance of the Company.

STATE OF COMPANY'S AFFAIRS

Although the turnover of the Company registered a marginal increase over the previous year, the operating margin was under severe strain, in exports as well as domestic market.

In order to maintain sales, heavy discounts had to be passed on to customers due to severe recessionary condition in the market.

The overseas market too faced very severe recessionary condition, resulting in severe drop in volumes and also the sharp depreciation of the major foreign currency against Indian Rupee which could not be covered up by way of adjustment of prices due to extreme recessionary market.

The above factors have resulted unsatisfactory final results.

BOARD OF DIRECTORS

Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1, 2014, Shri Pradeep Jain, Shri Lokesh Sood and Shri Ambarish Raj were appointed as independent directors at the annual general meeting of the Company held on 30th September, 2014. The terms and conditions of appointment of independent directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

Mrs Pallavi Joshi Bakhru, who was appointed as independent woman director in the last Annual General Meeting, have resigned from the Board and its committees w.e f. 30/04/2015. The Board places on record its appreciation of the invaluable contribution and guidance provided by her.

Mrs.Pooja Mehra Saigal (holding DIN 07249183) has been appointed as an additional director of the company w.e.f. 30.07.2015 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) or re-enactment thereof for the time being in force), and have submitted a declaration stating that she meets the criteria for independence as provided in section 149(6) of the act and who is eligible for appointment as an independent woman director for 5 years. Her appointment was recommended by the nomination and remuneration committee. In the opinion of the Board she is person of integrity and possess the relevant expertise and experience. The Board recommend their appointment.

Necessary resolution for appointment of aforesaid Director have been included in the Notice in ensuing AGM for the approval of the Shareholders.

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 :-

i. That in the preparation of the accounts for the financial year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures.

ii. 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.

iii. 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.

iv. That the Directors have prepared the accounts for the financial year ended 31st March, 2015 on a "going concern" basis.\

v. 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.

vi. That the Directors have revised 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.

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 2014-15 four Meeting of Board of directors were convened and held on 29/05/2104, 07/08/2104 ,14/11/2014 and 12/02/2015. The meetings of Audit Committee were convened and held twice during the year. The meeting of Nomination and Remuneration Committee was convened and held once during the year. Meetings of investor/shareholder grievance committee were held 4 times during the year.

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 are no qualifications, reservations or adverse remarks or disclaimer made by the statutory auditors in their audit report or by the practicing company secretary in the secretarial audit report. However,the observations made in the Auditors' Report are self explanatory and needs no further explanation.

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. Hence, no particulars are being provided in Form AOC-2.

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

There are no adverse material changes or commitments occurring after 31st March, 2015 which may affect the financial position of the Company or may require disclosure.

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, Jt 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.

DETAILS OF APPOINTMENT AND RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

During the year under review, there has been no appointment and resignation of Directors and Key managerial Personnel of the Company.

NAME OF THE COMPANIES WHICH HAVE BECOME/ CEASED TO SUBSIDARIES, JOINTVENTURES OR ASSOCIATE COMPANIES DURING THE YEAR.

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

DEPOSITS

The Company has not accepted deposits under Chapter V of the Companies Act, 2013.

SIGNIGICANT ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANYS 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.

GENERAL

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 Redressal) 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 has 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

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 , shall continue as Statutory Auditors of the for Financial Year 2015 -16 pursuant to approval given by the shareholders in last AGM appointing them as Statutory Auditors' of the company for three years. However as required under the provisions of Companies Act 2013, said appointment is being ratified in the ensuing AGM.

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 2014-15.

The Secretarial Audit Report is annexed herewith as Annexure "D" The secretarial Audit Report does not contain any qualification, reservation and adverse remark.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Particulars of remuneration paid to the employees as required to be disclosed under section 197(12) of the Act read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014, are set out in Annexure "E" attached hereto and form part of this Report.

CORPORATE GOVERNANCE

SEBI has exempted listed companies with equity share capital of up to Rs 10 crore and net worth not exceeding of Rs 25 crore and those also listed on SME platforms of the stock exchanges from the mandatory compliance of corporate governance code "for the time being". Our Company accordingly is not required to comply with mandatory compliance of corporate governance code.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation to employees for their continuous efforts and valuable services rendered by them at all levels.

FOR & ON BEHALF OF THE BOARD

Place: New Delhi
Dated: July 30, 2015

S.K.MANDELIA
CHAIRMAN

Annexure "A"

Form No. MGT-9

EXTRACTOFANNUALRETURN AS ON THEFINANCIALYEARENDEDON

[Pursuant to section92(3)of the Companies Act,2013 andrule12(1)of the Companies(Management and Administration)Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN	L74899DL1962PLC003634
ii. Registration Date	25.01.1962
iii. Name of the Company	HINDUSTAN EVEREST TOOLS LTD.
iv. Category/Sub-Category of the Company	Company limited by Shares/Indian
v. Address of the Registered office and contact details	Dohil Chambers,46, Nehru Place, New Delhi 110 019. Tel.No. 11-46692600 Fax No. 011-41606788 Email: ho@everesttools.com Website: htt:/www.everesttools.com
vi. Whether listed company	Yes
vii. Name, Address and Contact details of Registrar and TransferAgent,ifany	Link Intime India Pvt. Ltd. 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-1, Near PVR Naraina, New Delhi-110028 Tel.No. 011-41410592 Fax No. 011-41410591 E-mail: delhi@linkintime.co.in

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:-

Sr.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Hand Tools	8203,8204,8205	98.75%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	Mandelia Investments pvt.Ltd.	U67120DL1983PTC099224	Holding Company	51.92	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wiseShareHolding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	**817**	**-**	**817**	**0.05**	**817**	**-**	**817**	**0.05**	**-**
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp	**832902**	**-**	**832902**	**51.82**	**834470**	**-**	**834470**	**51.92**	**0.10**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
e) Banks / FI									
f) Any Other									
Sub-total(A)(1):-	**833719**	**-**	**833719**	**51.87**	**835287**	**-**	**835287**	**51.97**	**0.10**
2) Foreign									
g) NRIs-Individuals									
h) Other-Individuals									
i) Bodies Corp.									
j) Banks / FI									
k) Any Other….									
Sub-total(A)(2):-									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI	**32738**	**907**	**33645**	**2.09**	**32738**	**907**	**33645**	**2.09**	**-**
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total(B)(1)	**32738**	**907**	**33645**	**2.09**	**32738**	**907**	**33645**	**2.09**	**-**
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	**136294**	**55766**	**192060**	**11.95**	**141536**	**55766**	**197302**	**12.28**	**0.32**
(ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	**214988**	**211486**	**426474**	**25.54**	**215592**	**173437**	**389029**	**24.21**	**2.33**
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	**117579**	**-**	**117579**	**7.32**	**116943**	**31360**	**148303**	**9.23**	**1.91**
c) Others(Specify)	**3723**	**-**	**3723**	**0.23**	**3634**	**-**	**3634**	**0.22**	**0.005**
Sub-total(B)(2)	**472584**	**267242**	**739826**	**46.03**	**477705**	**260563**	**738268**	**45.94**	**0.09**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**505322**	**268159**	**773481**	**48.13**	**510969**	**262660**	**773629**	**48.03**	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**1339041**	**268159**	**1607200**	**100**	**1346256**	**260944**	**1607200**	**100**	**-**

Share holding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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.	Mandelia Investments Pvt. Ltd.	832902	51.82	-	834470	51.92	-	-
2.	Shravan Kumar Mandelia	405	0.02	-	405	0.02	-	-
3.	Balgopal Mandelia	406	0.03	-	406	0.03	-	-
4.	V.K.Khanna	6	0.00	-	6	0.00	-	-
	Total	**833719**	**51.87**	**-**	**835287**	**51.97**	**-**	**-**

ii. Change in Promoters' Shareholding(please specify, if there is no change

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	833719	51.87	833719	51.87
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Mandelia Investment Pvt. Ltd.- Shares Purchase on open market	1568	0.10	835287	51.97
	At the End of the year	**835287**	**51.97**	**835287**	**51.97**

Share holding Pattern of top ten Shareholders(Other than Directors & Promoters)

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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.	Transparent Agro Pvt. Ltd.	89990	5.599	-	89990	5.599	-	-
2.	Brijesh Sahu	60000	3.733	-	60000	3.733	-	-
3.	Pilani Investment Corn. Ltd.	52292	3.253	-	52292	3.253	-	-
4.	Raju Bandari	48889	3.041	-	52875	3.289	-	**0.248**
5.	Life Insurance Corporation India	32392	2.015	-	32392	2.015	-	-
6.	Taramani Mandelia	31360	1.921	-	31360	1.921	-	-
7.	Secure Traders Pvt. Ltd.	30000	1.866	-	30000	1.866	-	-
8.	Anshu Aggarwal	10690	0.665	-	6690	0.416	-	**0.248**
9.	Vinod Infotech Pvt. Ltd.	10002	0.622	-	10202	0.634	-	**0.012**
10.	Meenakshi Joglekar	6716	0.418	-	4760	0.296	-	**0.121**
	Total	**372331**	**23.166**	**-**	**370591**	**23.056**	**-**	**0.110**

Shareholding of Key Managerial Personnel

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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.	Sh.Shravan Kumar Mandelia	405	0.02	-	405	0.02	-	-
2.	Sh.Balgopal Mandelia	406	0.03	-	406	0.03	-	-
3.	Sh. V.K.khanna	6	0.00	-	6	0.00	-	-
4.	Sh. Govind Deora	17	0.00	-	17	0.00	-	-
	Total	**834**	**0.05**		**834**	**0.05**	**-**	**-**

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 1.4.2014				
i) Principal Amount	118249806	48513704	-	166763510
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not paid	-	2160000	-	2160000
Total(i+ii+iii)	**118249806**	**50673704**	**-**	**168923510**
Change in Indebtedness during the financial year				
- Addition	**1197312**	**-**	**-**	**1197312**
- Reduction	**-**	**9928361**	**-**	**9928361**
Net Change				
Indebtedness at the end of the financial year 31.3.2015				
i) Principal Amount	119447118	38045343	-	157492461
ii) Interest due but not paid	-	2700000	-	-
iii) Interest accrued but not due	**-**	**-**	**-**	**-**
Total (i+ii+iii)	**119447118**	**40745343**	**-**	**160192461**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Shri S. K. Mandelia	Shri B. G. Mandelia	Shri V. K. Khanna	
1.	Gross salary				
	(a) Salary as per provisions contained in section17(1) of the Income-tax Act, 1961	252000	240000	882720	1374720
	(b) Value of perquisites u/s 17(2)Income-tax Act, 1961	333307	338815	16875	688997
	(c) Profits in lieu of salary under section 17(3) Income- tax Act,1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Shri S. K. Mandelia	Shri B. G. Mandelia	Shri V. K. Khanna	
4.	Commission - as%ofprofit - others, specify…				
5.	Others, please specify				
6.	Total (A)	585307	578815	899595	2063717
	Ceiling as per the Act	954000	930000	899595	2783595

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Smr. Pallavi Joshi bakhru	Shri Pardeep Jain	Shri Ambarish Raj	Shri Lokesh Sood	
	Independent Directors •Fee for attending board committee meetings •Commission •Others,pleasespecify	4000	5000	8000	1000	18000
	Total(1)	4000	5000	8000	1000	18000
	Other Non-Executive Directors •Fee for attending board committee meetings •Commission •Others,pleasespecify					
	Total(2)	-	-	-	-	-
	Total(B)=(1+2)	4000	5000	8000	1000	18000
	Total Managerial Remuneration	-	-			-
	Overall Ceiling as per the Act	NA	NA	NA	NA	N.A.

C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	-	953400	-	953400
	(b) Value of perquisites u/s 17(2)Income-tax Act,1961	-	14945	-	14945
	(c) Profits in lieu of salary under section 17(3)Income-tax Act,1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as%of profit -others, specify…	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	-	**968345**	**-**	**968345**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

Annexure "B"

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 . This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Key Managerial Personnel" means:

i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
ii) Chief Financial Officer;
iii) Company Secretary; and
iv) such other officer as may be prescribed.

"Senior Managerial Personnel" mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective:

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial

  Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age

of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM / TENURE

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

PERFORMANCE EVALUATION

The committee shall carry out evaluation of performance of Directors, KMP and Senior Management Personnel as and when may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

i) The Services are rendered by such Director in his capacity as the professional; and

ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Key Managerial Personnel and Senior Management:

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.

c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

ANNEXURE "C"

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and outgo required under the Companies(Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2015.

A. CONSERVATION OF ENERGY

(a) Energy Conservation measures taken:

Energy conservation is an on-going activity in the Company and depending upon the average energy consumption per unit of each department, Internal Checking, necessary corrective measures are being taken to reduce the energy consumption per unit of Production.

(b) Additional Investments and Proposals:

With the help of equipment like Automatic Power Factor Correction Meter, Ammeter in each phase, the Company is monitoring the consumption of plant as well various equipment's as and where required. Installation of additional equipment is done to improve efficiency.

(c) Impact of measures:

With the implementation of various measures taken, total energy consumption and the energy consumption per unit of production should be considered satisfactory due to emphasis on production of high value added products and processes, which consume more specific energy.

(d) Total energy consumption and Energy

Consumption per Unit of production:

	Current Year	Previous Year
1. **Power & Fuel Consumption**		
(a) Electricity		
i. Purchased Units	**2059600**	2167900
Amount Rs.	**18513462**	18080929
Rate/Unit (average) Rs.	**8.99**	8.34
ii. Own generation DG Sets		
Units Generated	**72590**	62620
Units per Ltr. of Diesel	**2.89**	2.67
Rate per Ltr. of Fuel Rs.	**58.67**	58.43
Cost/Unit (average) Rs.	**20.30**	21.88
(b) PNG		
Quantity(SCM)	**256729**	264657
Amount Rs.	**11230279**	12434867
Average Rate Rs	**43.74**	46.98
2. **Consumption per Unit of Production**		
Product – Hand Tools		
Electricity Units/MT	**3620**	3832
PNG	**436**	455

B) TECHNOLOGY ABSORPTION

Research & Development :

(i) The Research & Development Center of the Company continuously endeavors to upgrade the existing product process and venture in new product development and process improvement. This has lead to enhance progress and efficiency throughout the plant. The benefits derived can be summed-up as under:-

a) Extension of Product Range & introduction of new product.

b) Upgradation of process leading to better quality, performance and efficiency.

c) Upgradation of existing product for better quality and performence.

d) Extensive study of process, product function vis-à-vis customer requirement and its modification.

(ii) Benefits derived as a result of the in-house R & D:

a) Improving productivity by designing better accuracy & aromatic production Tools & Fixtures.

b) Better and product with better performance.

c) Effective and better controls of process thereby increasing the consistency of quality.

(iii) Expenditure on R & D:

	(Rs. in Lakhs
a) Capital	-
b) Recurring	**4.34**
c) Total	**4.34**
d) Total R & D expenditure of total turnover	**0.10%**

(iv) Technology Imports:

No technology was imported during last five years.

C. FOREIGN EXCHANGE EARNING AND OUTGO:

Total Foreign Exchange used and earned:

(Rs. in Lakhs)

Total Foreign Exchange used	**43.28**
Total Foreign Exchange Earned	**2534.57**

Annexure "D"

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Hindustan Everest Tools Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hindustan Everest Tools Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Hindustan Everest Tools Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Hindustan Everest Tools Limited ("the Company") for the financial year ended on 31st March 2015 according to the provisions of:

(i) The Companies Act, 1956 and The Companies Act, 2013 (the Act) and the rules made thereunder, as applicable;

(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) 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 (There is no Foreign Direct Investment, Overseas Direct Investment or External Commercial Borrowings during the audit period);

(v) 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, 1992; and

(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;

(vi) Other laws applicable specifically to the company as per the representation made by the Management.

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

(i) The Listing Agreements entered into by the Company with BSE Limited;

I further report that , there were no actions/event in pursuance of:

(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;

(e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(f) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings are

applicable (Not applicable since notified and effective from 01/07/2015).

During the period under review and as per the explanations and clarifications given to me and the representation made by the Management, the Company has complied with the provisions of the applicable laws, rules, regulations and guidelines, etc as mentioned above. However, the Company has not published public notice in news papers convening the Board Meeting as required under Listing Agreement.

I 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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

I further report that as per the explanations given to me and the representation made by the Management and relied upon by me 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.

I further report that during the audit period there were no other specific events/actions in pursuance of the above referred laws, rules, regulations and guidelines etc, having a major bearing on the Company's affairs.

Sd/-
Pradip Kumar Muduli
(Practising Company Secretary)

FCS No.6170
C P No.:5730

Place : New Delhi
Date : 27th July 2015

Note : This report is to be read with my letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

Annexure

To The Members
Hindustan Everest Tools Limited

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
Pradip Kumar Muduli
(Practising Company Secretary)
FCS No.6170
C P No.:5730

Place : New Delhi
Date : 27th July 2015

Annexure "E"

Particulars of Employees

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

S.No.	Requirements of Rule 5(1)	Details
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. S.KMandelia 4 : 1 Mr. B.G. Mandeia 4: 1 Mr. V.K.Khanna 6 : 1
(ii)	The percentage of increase in remuneration of each director, Chief Financial Officer, Chief Executive or Manager, if any, in the Financial year;	As per Payout As per terms Mr S.K. Mandelia. NIL NIL Mr B.G. Mandelia Mr. V.K. Khanna
		Difference in remuneration as compared to last year is due variation in amount of perquisites.
(iii)	The percentage increase in the median remuneration; of employees in the financial year	4.80 %
(iv)	The number of permanent employees on the rolls of company;	296 employees as on 31.03.2015
(v)	The explanation on the relationship between average increase in remuneration and company performance; remuneration was only.	The Company's overall revenue increased by 5% during the year while the increase in median
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	Remuneration of the Key managerial personnel is in line with the performance of the company and individual.
(vii)	Variations in the market capitalization 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.	
(viii)	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 if there are any exceptional circumstances for increase in the managerial remuneration	Average Salary increase of non-managerial employees is 5% Average salary increase of managerial employees is NIL There are no exceptional circumstances in increase in managerial remuneration
(ix)	Comparison of each remuneration of the Key Managerial personnel.	No increase been given to any such employee in view of the losses being incurred.
(x)	The parameters for any variable component of remuneration availed by the directors;	No increase been given to any such employee in view of the losses being incurred.
(xi)	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;	1: 1.75
(xii)	Affirmation that the remuneration is as per the Remuneration Policy of the Company.	Remuneration paid during the year is as per the remuneration policy of the company.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HINDUSTAN EVEREST TOOLS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of HINDUST AN EVEREST TOOLS . LIMITED ("the Company"), which comprise the Balance Sheet as at 31 st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements)

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 of these 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 provision

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

ur responsibility is to express an opinion on these 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 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2015 and its Loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

a. Trade Receivables and Trade payables are subject to reconciliation and confirmations. Adjustments in carrying amount, if any, shall be made on completion of reconciliation and confirmation thereof. In the opinion of the management, there shall not be any material impact on carrying amount of these accounts. (Refer note 28.2 to the financial statements)

b. Inventories except work-in-progress have not been physically verified during the year and same has been considered as per quantity appearing in the books of accounts .Adjustments for variances, if any, shall be made on completion of physical verifica-

tion ofthe inventories .In the opinion of the management there shall not be any material impact on carrying value of inventories. (Refer note 13 to the financial statements).

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order '),issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act,2013 we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2013.

(e) Pending reconciliation and confirmation of Trade Receivables and Trade Payables and consideration of inventories as per quantity appearing in books of account as described in sub- paragraph (a) and (b) under the emphasis of matters paragraph above, in our opinion, shall have no adverse effect on the functioning of the Company.

(f) On the basis of the written representations received from the directors as on 31 st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

(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 no pending litigation having material impact on its financial position.

ii. There is no long term contract including derivative contract having material foreseeable losses.

iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company.

FOR SINGHI & CO.
Chartered Accountants
Firm Reg. No. 302049E

B.K.Sipani
Partner
Membership No. 088926

Place :New Delhi
Date: 3rd June, 2015

Annexure referred to in paragraph 1 of our report of even date on the other legal and regulatory requirements (Re: HINDUSTAN EVEREST TOOLS LIMITED)

(i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ,however same is under updation.

b. Fixed Assets of the Company have not been physically verified by the management during the year. In our opinion, the frequency of physical verification is need to be on yearly basis having regard to the size of the Company and nature of its assets.

(ii) a. Inventories except work in progress were not physically verified during the year.

b. In our opinion, the procedures of physical verification of inventories are not reasonable and adequate in relation to the size of the company and the nature of its business as the company has not conducted any physical verification of inventories except work in progress during the year .

c. In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of inventory.

(iii) The Company has not granted any loan to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventories and fixed assets and sale of goods . During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas except strengthening the procedure of the physical verification of inventories and fixed assets at regular intervals.

(v) The Company has not accepted any deposit from the public. Therefore clause 3(v) of the Order is not applicable.

(vi) The Central Government has not prescribed maintenance of cost records u/s 148(1) of the Companies Act, 2013.

(vii) a. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance ,income tax .sales tax, wealth tax, service tax, duty of customs, duty of excise ,value added tax. cess and any other statutory dues accrued in the books of accounts , with the appropriate authorities though there have been some delays. There was no undisputed outstanding statutory dues as at the year-end for a period of more than six months from the date they became payable.

b. According to the records of the Company, there are no dues outstanding of income tax , sales tax, wealth tax, duty of customs, duty of excise, value added tax, service tax and cess on account of any dispute .

c. There is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act ,1956 (1 of 1956) and rules made there under..

(viii) The Company has accumulated losses at the end of the financial year less than fifty percent of its net worth and it has incurred cash loss in the current financial year, but not in immediately preceding financial year.

(ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and it has no dues payable to financial institutions and debenture holders

(x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xi) According to the information and explanations given to us, the company has not obtained any term loan during the year.

(xii) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

FOR SINGHI & CO.
Chartered Accountants
Firm Reg. No. 302049E

B.K.Sipani
Partner
Membership No. 088926

Place :New Delhi
Date: 3rd June, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

		Note No.	As at 31st March, 2015 (Rs.)	As at 31st March, 2014 (Rs.)
I	**EQUITY AND LIABILITIES**			
(1)	**Shareholders' Funds**			
	(a) Share Capital	1	**16,072,000**	16,072,000
	(b) Reserve & Surplus	2	**(4,670,447)**	9,778,752
			11,401,553	25,850,752
(2)	**Non Current Liabilities**			
	(a) Long Term Borrowings	3	**39,414,369**	52,168,209
	(b) Long Term Provisions	4	**11,549,854**	11,554,076
	(c) Other Non Current Liabilities	5	**9,479,761**	9,756,662
			60,443,984	73,478,947
(3)	**Current Liabilities**			
	(a) Short Term Borrowings	6	**114,981,040**	111,230,431
	(b) Trade Payables	7	**71,784,436**	77,069,346
	(c) Other Current Liabilities	8	**26,499,081**	24,039,477
	(d) Short Term Provisions	4	**6,823,447**	5,513,619
			220,088,004	217,852,873
	Total		**291,933,541**	317,182,572
II	**ASSETS**			
	(1) Non Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	9	**64,324,187**	67,546,718
	(ii) Capital Work-in-progress		**22,669**	-
	(b) Non Current Investments	10	**682,649**	682,649
	(c) Deferred Tax Assets (Net)	11	**4,690,065**	5,507,788
	(d) Long Term Loan & Advances	12	**5,235,860**	4,677,543
			74,955,430	78,414,698
	(2) Current Assets			
	(a) Current Investments			
	(b) Inventories	13	**144,429,018**	165,418,173
	(c) Trade Receivables	14	**51,765,295**	49,577,926
	(d) Cash & Bank Balance	15	**6,640,796**	6,316,167
	(e) Short Term Loan & Advances	16	**6,109,965**	8449,551
	(f) Other Current Assets	17	**8,033,037**	9,006,057
			216,978,111	238,767,874
	Total		**291,933,541**	317,182,572
	Commitments and Contingent Liabilities	18		
	Significant accounting policies and other notes on accounts	28		

The notes referred to above form an integral part of the Balance Sheet.

As per our report even date attached
For **SINGHI & CO**.
Chartered Accountants
Firm Reg. No. 302049E
B.K.SIPANI
Partner
Membership No. 088926

Place: New Delhi
Dated: 3rd June,2015

For and on the behalf of the Board of Directors

AMBARISH RAJ
Director

S.K.MANDELIA
Chairman &
Managing Director

Govind Deora
Company Secretary

V.K.KHANNA
Executive Director
(Finance) & (CFO)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH,2015

		Note No.	For the Year ended 31st March, 2015 (Rs.)	For the Year ended 31st March, 2014 (Rs.)
I	**Revenue**			
	Revenue from operations	19	**45,29,17,043**	42,98,25,980
	Excise Duty		**(1,64,94,597)**	(1,56,37,877)
	Net Revenue from operations		**43,64,22,446**	41,41,88,103
II	Other Income	20	**10,04,440**	17,71,396
III	Total Revenue (I+II)		**43,74,26,886**	41,59,59,499
IV	Expenses			
	Raw Material Consumed	21	**5,89,43,245**	5,99,75,041
	Purchase of Stock in Trade		**11,06,84,865**	11,66,21,083
	Change in Inventories of Finished Goods work-in-progress and Stock-in-Trade,	22	**1,56,44,853**	(23,88,086)
	Employees Benefits Expenses	23	**9,66,49,571**	9,02,12,682
	Other Expenses	24	**14,76,37,960**	11,98,66,644
	Total Expenses		**42,95,60,494**	38,42,87,364
V	**Profit before Interest, Depreciation and Tax**		**78,66,392**	3,16,72,135
	Finance Cost	25	**1,54,80,322**	1,36,66,292
	Depreciation and amortization expenses	9	**60,17,542**	61,87,560
	Profit before exceptional items		**(1,36,31,472)**	1,18,18,283
	Exceptional Items	26	**-**	60,46,719
VI	**Profit after Exceptional items**		**(1,36,31,472)**	57,71,564
VII	Tax expenses			
	(1) Current tax		**-**	-
	(2) Deferred tax charged /(Credited)		**8,17,723**	14,56,975
VIII	**Profit/ (Loss) for the period for the period (VI-VII)**		**(1,44,49,195)**	72,28,539
	Earning Per Share (Equity share of Rs. 10 each)			
	Basic and Diluted	27	**(8.99)**	4.50
	Significant accounting policies and other notes on accounts	28		

The notes referred to above form an integral part of the Statement of Profit and Loss .

As per our report even date attached

For and on the behalf of the Board of Directors

For **SINGHI & CO**.
Chartered Accountants
Firm Reg. No. 302049E

B.K.SIPANI
Partner
Membership No. 088926

Place: New Delhi
Dated: 3rd June,2015

AMBARISH RAJ
Director

Govind Deora
Company Secretary

S.K.MANDELIA
Chairman &
Managing Director

V.K.KHANNA
Executive Director
(Finance) & (CFO)

Cash Flow Statement for the Year ended 31st March,2015

	Particulars	Current Year (Rs.)	Previous Year (Rs.)
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit/(Loss) before Tax and extra ordinary items	**(1,36,31,472)**	57,71,564
	Add: Depreciation	**60,17,542**	61,87,560
	Add: Finance Cost	**1,54,80,322**	1,36,66,292
	Add: (Profit)/Loss on sale of fixed Assets	**9,89,136**	5,37,367
	Less: Dividend Received	**(27,048)**	(8,400)
	Less: Interest Received	**(2,00,393)**	(1,68,019)
	Operating profit before working capital change	**86,28,087**	2,59,86,364
	Adjustment for :		
	Trade & Other Receivables	**6,97,865**	(35,21,468)
	Inventories	**2,09,89,155**	(7,88,625)
	Trade & Other Payables	**(20,68,786)**	1,41,73,475
	Cash Generated from Operations	**2,82,46,321**	3,58,49,746
	Less: Direct Tax (Paid)/Refund	**16,369**	(12,802)
	Net cash from/(used in) operating activities	**2,82,62,690**	3,58,36,944
B	**CASH FLOW FROM INVESTMENT ACTIVITIES**		
	Purchase of Fixed Assets	**(42,45,614)**	(69,48,035)
	Sale of Fixed Assets	**4,38,798**	5,35,520
	Movement in Fixed Deposit	-	-
	Movement in margin money	-	-
	Dividend Received	**27,048**	8,400
	Interest Received	**53,077**	(12,802)
	Net Cash Flow from investing activities	**(37,26,691)**	(64,16,917)
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Long Term Borrowings (Net)	**(1,30,21,657)**	(86,62,883)
	Proceeds from short Term borrowings (Net)	**37,50,609**	(48,32,417)
	Finance Cost	**(1,49,40,322)**	(1,32,16,020)
	Net Cash from/(used in) Financing Activities	**(2,42,11,370)**	(2,67,11,320)
	Net Cash Increase/Decrease in cash & equivalents (A+B+C)	**3,24,629**	27,08,707
	Cash & Cash Equivalents as at (Opening Balance)	**46,43,167**	19,34,460
	Cash & Cash Equivalents as at (Closing Balance)	**49,67,796**	46,43,167
	Cash & Cash Equivalents includes		
	Cash & Cheques in Hand	**72,800**	2,57,271
	Balance with schedule Banks	**48,94,996**	43,85,896
		49,67,796	46,43,167

As per our report even date attached

For and on the behalf of the Board of Directors

For **SINGHI & CO**.
Chartered Accountants
Firm Reg. No. 302049E

B.K.SIPANI
Partner
Membership No. 088926

Place: New Delhi
Dated: 3rd June,2015

AMBARISH RAJ
Director

Govind Deora
Company Secretary

S.K.MANDELIA
Chairman &
Managing Director

V.K.KHANNA
Executive Director
(Finance) & (CFO)

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2015

	As at 31st March,2015 (Rs)	As at 31st March,2014 (Rs)
NOTE 1: SHARE CAPITAL		
Authorised		
23,00,000 (Previous year 2300000) Equity Share of Rs. 10/- each	**2,30,00,000**	2,30,00,000
20,000 (Previous Year 20,000) Redeemable Cumulative Preference Shares of Rs. 100/- each.	**20,00,000**	20,00,000
	2,50,00,000	2,50,00,000
Issued Subscribed and paid-up:		
16,07,200. (Previous Year 16,07,200) Equity Share of Rs. 10/- each fully paid up.	**1,60,72,000**	1,60,72,000
	1,60,72,000	1,60,72,000

Notes:

(a) **Reconciliation of Shares Outstanding at the beginning and the end of the year are given below:**

	As at 31st March, 2015		As at 31st March, 2014	
	Numbers	**Rs.**	**Numbers**	**Rs.**
Equity Shares Outstanding at the begnning of the Year	**16,07,200**	**1,60,72,000**	16,07,200	1,60,72,000
Add: Equity Share issued during the Year	**-**	**-**	-	-
Equity Shares Outstanding at the end of the Year	**16,07,200**	**1,60,72,000**	16,07,200	1,60,72,000

(b) Detail of Shareholding more than 5% of the company as on reporting date are given below:

	As at 31st March, 2015		As at 31st March, 2014	
Name of the Shareholder	**No.of Shares**	**Percentage**	**No.of Shares**	**Percentage**
M/S Mandelia Investment Pvt. Ltd.	**834470**	**51.92%**	832902	51.82%
M/S Transparent Agro Pvt. Ltd.	**89990**	**5.60%**	89990	5.60%

(c) Right attached to Equity Shares:

The Company has one class of equity shares having at par value of Rs. 10/- per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directos is subject to the approval of the share holders in the ensuing Annual General Meeting, except in 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.

	As at 31st March, 2015 (Rs)	As at 31st March, 2014 (Rs)
NOTE 2: RESERVE AND SURPLUS		
(a) Capital Reserve:		
Opening Balance	**7,52,400**	7,52,400
(b) Revaluation of Fixed Assets Reserve		
Opening Balance	**14,71,751**	14,71,751
(c) Share Premium Account		
Opening Balance	**73,28,000**	73,28,000
(d) General Reserve		
Opening Balance	**2,26,597**	(70,01,938)
Less: Profit/(Loss) for the year as per Profit and Loss Statement	**(1,44,49,195)**	72,28,539
Total (a+b+c+d)	**(46,70,447)**	97,78,752

NOTE 3: LONG TERM BORROWINGS

		Ref.	Non Current Portion As at 31st March, 2015 (Rs)	Non Current Portion As at 31st March, 2014 (Rs)	Current Maturities As at 31st March, 2015 (Rs.)	Current Maturities As at 31st March, 2014 (Rs.)
(i)	**Secured**					
	Term Loan from Bank	**3.1**	**3,00,000**	15,00,000	**12,00,000**	12,00,000
	Vehicle Loan from Bank		**10,69,026**	21,54,505	**18,97,052**	21,64,869
	Total (i)		**13,69,026**	36,54,505	**30,97,052**	33,64,869
(ii)	**Unsecured**					
	Loan from Managing Director & Joint Mananging Director.	**28.9**	**3,30,45,343**	**-**	**-**	**-**
	Loan from Associates of Managing Director & Joint Mananging Director. (Interest free loan)			**4,35,13,704**		
	Loan fron a Body Corporate		**50,00,000**	50,00,000	**-**	**-**
	Total (ii)		**3,80,45,343**	4,85,13,704	**30,97,052**	**33,64,869**
	Total (i) + (ii)		**3,94,14,369**	5,21,68,209		
(iii)	Amount disclosed under the head Other Current Liabilities		**-**		**(30,97,052)**	**(33,64,869)**
	Total (iii)		**3,94,14,369**	**5,21,68,209**	**-**	**-**

3.1 (a) Secured against Land, Building and Plant & Machinery and other immovable & movable Fixed Assets of the Company. These Loans further secured by personal gurantees of Chairman & Managing Director of the Company. and carrying interest rate 15.45% (previous year 15.45% P.A.) and payable in quaterly installment of Rs.3,00,000/- (Previous Year Rs.3,00,000/-)

(b) Vehicle Loan from Bank secured by hypothecation of vehicles financed and carries interest rate of 10.50% to 12.50% per annum. Payable in monthly installments in balance 33 months.

NOTE 4: PROVISIONS

	Ref.	As at 31st March, 2015 (Rs)	As at 31st March, 2014 (Rs)	As at 31st March, 2015 (Rs.)	As at 31st March, 2014 (Rs.)
Provision for employees benefits					
Gratuity	**Note.28.8**	**1,04,51,029**	1,04,96,116	**60,50,163**	48,30,498
Accrued Leave		**10,98,825**	10,57,960	**7,73,284**	5,91,193
Provision for Wealth-tax					91,928
Total		**1,15,49,854**	**1,15,54,076**	**68,23,447**	55,13,619

	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
NOTE-5: OTHER NON CURRENT LIABILITIES		
Trade Deposits	**94,79,761**	97,56,662
	94,79,761	97,56,662

	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
NOTE-6: SHORT TERM BORROWINGS		
Short Term Loan from Banks (Repayable on demand):		
Secured		
Packing/ Cash credit facilities	**11,49,81,040**	11,12,30,431
	11,49,81,040	11,12,30,431

Nature of security

Packing/Cash Credit Limits from Bank secured by hypothecation of Raw Material, Stores, Tools & Dies (not forming part of Plant & Machinery) Finished Goods, Work-in progress,Bill of lading and /or Goods in course of clearance or in transit & First charge on Movable/Immovable Assets of the Company other than those having exclusive charge. These loans further secured by personal gurantees of Chairman & Mananging Director of the Company.

		As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
NOTE-7: TRADE PAYABLE			
Sundry Creditors for goods & services	**7.1 & 7.2**	**7,17,84,436**	7,70,69,346
		7,17,84,436	7,70,69,346

7.1 The Company has not received any intimation from any if its suppliers regarding their status under the Micro Small Medium Enterprises Act and hence disclosures, relating to amounts unpaid as at the year end along with interest if any payable as required under the said Act have not been given.

7.2 Refer Note 28.2

NOTE-8: OTHER CURRENT LIABILITIES		
Current maturities of long term debt	**30,97,052**	33,64,869
Interest accrued & due on from a body corporate.	**27,00,000**	21,60,000
Employee Emoluments	**96,64,335**	68,26,704
Statutory Dues Payable	**61,17,403**	74,80,258
Advance from & Credit balance of Customers	**49,20,291**	42,07,646
	2,64,99,081	2,40,39,477

NOTE-9: FIXED ASSETS -TANGIBLE ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Description of Assets -Tangible Assets	Cost as at 01.04.2014 (Rs.)	Additions Adjustments (Rs.)	Less Sale/ 31.03.2015 (Rs.)	Total Cost 01.04.2014 (Rs.)	Upto During the (Rs.)	Provided Adjustments Year (Rs.)	Less Sale/ 31.03.2015 (Rs.)	Total upto 31.03.2015 (Rs.)	As at 31.03.2014 (Rs.)	As at (Rs.)
Land (Free Hold)**	1871600			**1871600**				**-**	**1871600**	1871600
Building	22638481	235023		**22873504**	11794143	318594		**12112737**	**10760767**	10844338
Plant & Equipments	126774714	673926	52425	**127396215**	95945154	2619848	11227	**98553775**	**28842440**	30829560
Laboratory Apparatus	231939			**231939**	226163	432		**226595**	**5344**	5776
Jigs & Fixture*	1589213			**1589213**	1522225			**1522225**	**66988**	66988
Motor Vehicle & Cycles	21064710	1939832	1715689	**21288853**	8580347	1894711	1060154	**9414904**	**11873949**	12484363
Electric Installations	6796945			**6796945**	5543559	73988		**5617547**	**1179398**	1253386
Tubewell & Water Supply Installation	674084			**674084**	391012	14060		**405072**	**269012**	283072
Furniture & Fixture	5868399	286167	60021	**6094545**	3362689	233197	60021	**3535865**	**2558680**	2505710
Air Conditioner	4318098	220535	363822	**4174811**	2112767	128102		**2240869**	**1933942**	2205331
Computers	7341884	245800	574292	**7013392**	5662855	187082	562235	**5287702**	**1725690**	1679029
Other Office Equipments	11117815	621662	917558	**10821919**	7652336	542965	562236	**7633065**	**3188854**	3465479
Fire Extinguisher	188759			**188759**	154834	3025		**157859**	**30900**	33925
Weigh Bridge	336238			**336238**	318077	1538		**319615**	**16623**	18161
Total	210812879	4222945	3683807	**211352017**	143266161	6017542	2255873	**147027830**	**64324187**	67546718
Previous Year	206276474	6948035	2411630	**210812879**	138417344	6187560	1338743	**143266161**	**67546718**	

		As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
NOTE-10: NON CURRENT INVESTMENTS			
(Valued at cost) (Other than trade.)			
Fully paid up Equity Shares			
Quoted (At Cost)			
3508 (Previous Year 3508 shares) of Rs. 5/- each			
M/S Jay Shree Tea & Industries Ltd	10.1	**1,50,099**	1,50,099
6000 (Previous Year 6000 shares)of Rs. 1 each			
M/S Hindalco Industries Ltd		**5,32,550**	5,32,550
Unquoted (At Cost)			
4000 (Previous Year 4000 shares) of Rs. 10 each			
M/S Bharat Commerce & Industries Ltd		**1,21,404**	1,21,404
		8,04,053	8,04,053
Less: Provision for diminution In value of long Term Investment		**(1,21,404)**	1,21,404
		6,82,649	6,82,649
Aggregate Book Value of Quoted investment		**6,82,649**	6,82,649
Aggregate amount of Unquoted investment		**1,21,404**	1,21,404
Aggregate Market Value of Quoted investment		**10,25,523**	9,98,676

10.1 877 equity shares of Rs.10/- each received as bonus shares in earlier year

NOTE 11: Deferred Tax Assets			
On Unabsorbed Depreciation	11.1	**83,19,039**	89,70,134
On Retirement Benefits		**46,90,065**	55,07,788
		1,30,09,104	1,44,77,922
Less Deferred Tax Liabilities			
On Depreciation		**83,19,039**	89,70,134
Net Deferred Tax Assets		**46,90,065**	55,07,788

11.1 Deferred tax assets on unabsorbed depreciation has been recognised to the extent deferred tax liability on timing difference of depreciation provided, the reversal of which will result in sufficient income.

	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
NOTE-12: LONG TERM LOANS & ADVANCES		
Unsecured, Considered Good		
Deposit with Govt. Department & Others.	**52,35,860**	46,77,543
	52,35,860	46,77,543

	Ref.	As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
NOTE-13: INVENTORIES *	28.1(viii)		
(As taken. Valued and certified by the management)			
Raw Materials		**65,89,323**	1,03,11,442
Work-in-Progress (Hand Tools)		**1,85,72,413**	2,41,21,678
Finished Goods		**6,49,63,726**	7,33,21,380
Stock in trade		**2,00,38,646**	2,21,58,580
Stores,Spare Parts, Tools & Accessories etc.		**3,33,21,550**	3,49,43,733
(includes dies Rs. 8282477/-(previous Year Rs. 7905864/-)			
Others (Steel Scrap)		**9,43,360**	5,61,360
		14,44,29,018	16,54,18,173

* Note:- Inventories except work-in-progress has not been physically verified during the year and same has been considered as per quantity appearing in the books of accounts. Adjustments for variances, if any, shall be made on completion of physical verification of inventories. In the opinion of the management there shall not be any material impact on carrying value of inventories.

		As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
NOTE-14: TRADE RECEIVABLE	14.1		
(Considered good unless otherwise stated)			
Debts exceeding six months from due date:			
Considered good		**2,29,22,770**	83,09,162
Considered Doubtful		**23,93,762**	22,12,724
Less: Provision for doubtful debts.		**(23,93,763)**	(22,12,724)
Other Debts		**2,29,22,769**	83,09,162
Considered good		**2,88,42,526**	4,12,68,764
		5,17,65,295	4,95,77,926

14.1 (a) Trade Receivables become due on the date of Invoice.

(b) Export Debts are not covered by any hedge instrument or otherwise Rs. 1,72,71,128/- (previous year Rs.5540660/-)

(c) Refer Note 28.2

NOTE-15: CASH & BANK BALANCES		
Cash & Cash Equivalent		
Cash & Cheques in hand (As certified)	**72,800**	2,57,271
In Current Account	**48,94,996**	43,85,896
	49,67,796	46,43,167
Earmarked balances with banks		
Fixed Deposit (Maturity Beyond 90 Days from deposit date) 15.1	**1,90,000**	1,90,000
in Saving Account	**8,000**	8,000
Balances with bank to the extent held as margin money	**14,75,000**	14,75,000
	66,40,796	63,16,167

15.1 Pledged with Centeral Excise Authorities..

		As at 31st March,2015 (Rs.)	As at 31st March,2014 (Rs.)
NOTE-16: SHORT TERM LOANS & ADVANCES	16.1		
(Unsecured, Considered Good unless otherwise stated)			
Considered Good			
Pre-paid Expenses		**14,30,915**	17,00,549
Advances to Suppliers		**29,03,081**	36,63,768
Advances to Employees		**12,26,410**	15,72,738
Advance Tax /Tax deducted at source		**1,56,624**	1,40,255
Balance with Excise Authorities		**3,92,935**	13,72,241
Total (a)		**61,09,965**	84,49,551
Considered doubtful			
Advances to Suppliers		**3,85,203**	3,85,203
Less:Provision for doubtful		**3,85,203**	3,85,203
Total (b)		-	-
Total (a) + (b)		**61,09,965**	84,49,551

16.1 Advance to suppliers are subject to reconciliation and confirmation.

NOTE-17: OTHER CURRENT ASSETS			
Export Incentive Receivable		**55,43,445**	68,08,382
Insurance claim Receivable		**21,28,059**	19,83,458
Interest accrued on Fixed Deposit etc.		**3,61,533**	2,14,217
		80,33,037	90,06,057

NOTE-18: COMMITMENTS AND CONTINGENT LIABILITIES			
a) Commitments:			
Estimated amount of contract remaining to be executed and not provided for			
(Advance paid Rs.Nil Previous year Rs.Nil)			
b) Contingent Liabilities		Nil	Nil
Bonds & Bank Guarantees outstanding (Margine Money paid Rs. 183000/-			
(Previous year Rs. 1,83,000/-)			
		80,000	80,000
		80,000	80,000

NOTES ANNEXED TO AND FORMING PART OF STATEMENT OF PROFIT & LOSS

	For the Year ended 31st March, 2015 (Rs.)	For the Year ended 31st March, 2014 (Rs.)
NOTE-19 REVENUE FROM OPERATIONS		
Sales (Hand Tools)		
Export Sales	**25,35,09,738**	23,45,10,747
Domestic Sales	**17,31,47,416**	16,68,39,781
Other Operating Revenue		
- Export Incentives	**2,07,83,955**	2,06,86,494
- Scrap Sale	**54,75,934**	77,88,958
Gross Revenue from Operations	**45,29,17,043**	42,98,25,980
NOTE-20: OTHER INCOME		
Miscellaneous Income	**4,742**	9,720
Interest Received	**2,00,393**	1,68,019
Dividend Received	**27,048**	8,400
Exchange Rate Difference	**7,72,257**	15,85,257
	10,04,440	17,71,396
NOTE-21: Raw Material Consumed		
Steel	**4,82,43,562**	4,96,71,962
Components	**29,41,104**	43,91,856
Nickel	**30,57,460**	16,51,670
Others	**47,01,119**	42,59,553
	5,89,43,245	5,99,75,041
NOTE-22: CHANGE IN INVENTORIES		
Inventories at the end of the year		
Finished Goods	**6,49,63,726**	7,33,21,380
Stock in Trade	**2,00,38,646**	2,57,24,974
Work-in-Progress (Hand Tools)	**1,85,72,413**	2,41,21,678
Others (Steel Scrap)	**9,43,360**	5,61,360
	10,45,18,145	12,37,29,392
Inventories at the beginning of the year		
Finished Goods	**7,33,21,380**	8,02,15,101
Trading Goods	**2,21,58,580**	1,77,61,736
Work-in-Progress (Hand Tools)	**2,41,21,678**	2,18,98,219
Others (Steel Scrap)	**5,61,360**	14,66,250
	12,01,62,998	12,13,41,30
	(1,56,44,853)	(23,88,086)
NOTE-23: EMPLOYEES BEBEFITS EXPENSES		
Salaries,Wages,Bonus & Allowances	**8,86,61,362**	8,17,90,326
Contribution to Provident & other Fund	**35,30,154**	34,29,146
Workers & Staff welfare Expenses	**44,58,055**	49,93,210
	9,66,49,571	9,02,12,682

		For the Year ended 31st March, 2015 (Rs.)	For the Year ended 31st March, 2014 (Rs.)
NOTE-24: OTHER EXPENSES			
Stores dies Tools & Spare Parts Consumed	24.1	**1,29,07,232**	1,20,52,103
Packing Material Consumed		**3,57,50,295**	1,17,83,696
Power & Fuel		**3,12,06,153**	3,20,05,574
Increase/(Decrease) in Excise duty on Finished Goods Stocks		**(8,29,140)**	(1,92,483)
Repair Replacement& Renovation			
Machinery		**42,57,622**	57,47,212
Buildings		**20,47,341**	12,15,153
Others		**61,14,347**	51,79,581
Forwarding & Freight etc.		**1,06,45,624**	97,52,494
Commission to other selling Agents		**20,27,121**	23,59,059
Publicity & Advertisement		**7,65,078**	8,22,719
Cash Discount		**34,32,231**	35,37,427
Insurance		**20,10,008**	18,82,155
Sale Promotion Expenses		**16,25,397**	18,32,015
Rent		**32,34,798**	30,24,328
Rates & Taxes		**1,30,856**	1,19,950
Travelling & Conveyance (including Directors Travelling		**1,05,52,361**	74,77,611
Rs. 4385722/-(Previous year Rs.2020229/-))			
Vehicle Running & Maintenance		**42,64,200**	44,54,086
Printing & Stationery		**11,42,353**	11,60,809
Postage Telegram & Telephone		**28,71,729**	27,20,915
Miscellaneous Expenses		**77,78,116**	65,82,813
Professional & Legal expenses		**24,67,174**	26,10,710
Directors Fee		**14,928**	13,000
Payment to Auditors			
Audit Fee		**1,00,000**	1,00,000
Tax Audit Fee		**40,000**	40,000
For Limited Review.		**75,000**	60,000
Company Law Matter		**30,000**	30,000
For Expenses		**20,621**	17,990
Sales Tax & Purchase Tax		**1,09,827**	1,04,084
Bad Debts/Sundry Debit Balances etc. written off.		**70,486**	3,61,106
Exchange Rate Flucation.		**2,04,574**	9,07,504
Provision for bad & doubtful Debt/Advances		**4,00,000**	3,78,824
Loss on Sale of Fixed Assets/Discarded (Net)		**9,89,136**	5,37,367
Bank Charges		**11,82,492**	11,88,842
		14,76,37,960	11,98,66,644

24.1 Includes Cost of own Manufactured Dies & Tools during the year as certified and valued by the Management Rs.710145/ (Previous year Rs.1249197/-)

	For the Year ended 31st March, 2015 (Rs.)	For the Year ended 31st March, 2014 (Rs.)
NOTE-25: FINANCE COST		
(a) Interest expenses		
Interest Expenses	**1,39,35,032**	1,18,77,770
Other Borrowing Cost	**15,45,290**	17,88,522
	1,54,80,322	1,36,66,292
Note- 26 : EXCEPTIONAL ITEMS*		
(a) PNG Bill for Strike Period (Toward MGQ)	-	37,86,059
(b) Rent as per Court Order	-	16,03,362
(c) Interest on rent as above	-	6,57,298
	-	60,46,719

*Exceptional Items represents provisions made for

(a) Rs.3786059 towards minimum Gurantee charges demanded by GAIL. Which arised due to stopage of work by worker for 106 days. The Company has made representation to GAIL and hope for favourable consideration.

(b) Rs. 1603362 toward rent for an office primises and Rs. 657298 interest thereon for a period May,2005 till 31-3-14 as per direction by Court to pay to the Landlord.

NOTE-27: EARNING PER SHARE (EPS)		
Profit/(Loss) after Tax	**(1,44,49,195)**	72,28,539
No. of Equity share of Rs. 10 each	**16,07,200**	16,07,200
Basic & Diluted EPS	**(8.99)**	4.50

Note- 28: Summary of significant accounting policies and other notes on accounts

28.1 Summary of significant Accounting Policies

(i) General Information

Hindustan Everest Tools Limited (hereinafter referred to as `the Company` HETL)is a manufacturer of Hand Tools. The Company`s manufacturing facilities are located at village Jatheri P.O. Rai, Sonipat.

(ii) **Acconting Convention**

The financial statements are prepared under the historical cost convention, on the accural basis and in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standards Notified u/s 133 and the relevant provisions of Companies Act, 2013.

(iii) **Use of Estimates**

The Preparation of financial statement require estimates and assumptions to be made that effect the reported amount of Assets and Liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period which the results are known/ materialised.

(iv) **Fixed Assets**

i) Freehold Land is at revalued amount.

ii) Buildings, Plant and Machinery & Other Fixed Assets are stated at cost.

(v) **Depreciation**

Depreciation on Fixed Assets has been provided on Straight Line Method at the rates and in the manner specified in Schedule II of the Companies Act, 2013 (as amended)except in case of the following assets.

Description	Usefull Life Considered	Justification for deviation
Plant & Machinery	20 Years	Based on past history of usage and supported by Technical Evalution report
Laboratory Apparatus	20 Years	
Jigs & Fixtures	20 Years	
Electric Installation	20 Years	
Tubewell & Water Supply	20 Years	
Air-Conditioner.	20 Years	
Other Office Equipments	20 Years	
Fire Extiguisher	20 Years	
Weigh Bridge	20 Years	
Computer & Software	6 Years	
Motor Vehicles	10 Years	

(vi) **Investments**

Long term investments are stated at cost. The company provides diminution, other than temporary, in the value of long term investments.

(vii) **Impairement of Assets**

Impairement of Assets are assessed at Balance Sheet date if any indication of impairment exist, the same is assessed and provided for.

(viii) **Inventories**

Inventories are valued at cost or net reliasable value whichever is lower except dies, which is re-valued based on estimated useful life, Materials and other supplies held for the use in the production of inventories are not written down below cost of Finished products in which they will be incorporated are expected to be sold at or above cost. Cost is calculated on weighted average basis.cost comprises of all cost of purchases, cost of conversion and other costs incurred in bringing the inventory to their present condition and location. Excise Duty on finished goods lying inside factory/ customs duty on goods lying at warehouse is also provided at the year end.

(ix) **Foreign Currencies**

Transaction in foreign currency are accounted at exchange rates prevailing on the date of transaction. Foreign currency monetary as on Balance Sheet date are reconverted at the rate prevalling at the year end and the resultant net gains or losses are adjusted in the Profit and Loss Statement.

(x) **Retirement Benefits**

Year end liabilities in respect of retirement benefits towards Gratuity & Leave encashment to the employees of the company has been provided as per acturial valuation.

(xi) **Sales**

Sales is recognised on the transfer of significant risk and rewards of the ownership of the goods to the buyer and stated at net of sales returns (including related to earlier years). Discount & rebates.

(xii) **Recognition of Income and Expenditure**

All Income and expenditure are accounted on accrual basis except due to uncertainity in realisation, interest on overdues bills from customers is accounted for on receipt basis.

(xiii) **Deferred Taxation**

In accordance with Accounting standard-22` Accounting for Taxes on Income` notified u/s 133 of the Companies Act 2013. the deferred tax for timing differences between the accounting income and taxable income for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as on balance sheet date. Defrred Tax Assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets can be realised in future and the same is reviewed at each Balance Sheet date.

(xiv) **Others**

Profit/Loss on sale of raw material, components and stores, not being material, is being adjusted in respective consumption account and are not shown separately.

(xv) **Contingent Liabilities**

These are disclosed by way of notes on the Balance Sheet. Provision is made in the accounts on respect of those contingencies, which are likely to materialize into liabilities after the year end till the finalisation of accounts and have material effect on the the position stated in the Balance Sheet.

28.2. Trade Receivable and Trade Payable given are subject to reconciliation and confirmation. Adjusment in carrying amount, if any, shall be made on completion of reconciliation and confirmation thereof. In the opinion of the management, there shall not be any material impact on carrying amount of these accounts.

28.3 The company is engaged in the Hand tool business, which in the context of Accounting Standard-17 is considered the only primary business segment. However, Secondary segment reporting is performed on the basis of the location of the customer.

		Current Year (Rs.)	Previous Year (Rs.)
(i)	Overseas Sale*	**274293693**	255197241
(ii)	Domestic Sale	**178623350**	174628739

* Including export incentive Rs. 20783955/- (Previous year Rs. 20686494/-)

All the business assets of the company are situated in India except export debtors Rs17271128/-(Previous year Rs.5540660/-)

		Current Year (Rs.)	Previous Year (Rs.)
28.4	**CIF VALUE OF IMPORTS**		
	Stores & Spares	**273453**	93028
	Finished Goods	**1318553**	864327
		1592006	9,57,355
28.5	**EXPENSES IN FOREIGN CURRENCY**		
	Travelling	**3668007**	760285
	Commission	**507699**	735652
	Advertisement & Publicity	**-**	495226
	Miscellaneous Expenses	**152185**	274208
		4327891	2265371

28.6 **VALUE OF RAW MATERIAL,STORES AND SPARES PARTS CONSUMED**

	Current Year Amount (Rs.)	Current Year Percentage	Previous Year Amount (Rs.)	Previous Year Percentage
Raw Material & components				
Imported	**0**	**0**	0	0
Indigenous	**58943245**	**100**	59975041	100
	58943245	**100**	59975041	100
Stores, Dies, Tools & Spare Parts				
Imported	**46186**	**0.36**	44602	0.37
Indigenous	**12861046**	**99.64**	12007501	99.63
	12907232	**100.00**	12052103	100

		Current Year	Previous Year
28.7	**EARNING IN FOREIGN EXCHANGE**		
	Export of Hand Tools (On FOB Basis)	**253457260**	234386065

28.8 **DISCLOSURE PURSUANT TO ACCOUNTING STANDARD -15 ON EMPLOYEES BENEFITS**

1) Define Contribution Plan

The Company has recognised the following amounts in the profit & loss Statement for the year Contribution to Employees Provident Fund Rs.2235771/- (Previous year Rs.1536761/-)

II) Define Benefit Obligation (DBO)

The following table set out the status of unfunded gratuity plan as required under AS-15 (Revised -2005)

a) A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DOB)

A)	**Opening DOB as on 1st April,2014**	**15326614**	15155303
	Current Service Cost	**972487**	914303
	Interest Cost	**1302762**	1212424
	Actuarial (gain)/Loss	**7333**	-605944
	Benefit Paid	**-1108004**	-1349472
	Past Service Cost	-	
	Closing DOB as on 31st March,2015	**16501192**	15326614
B)	**Liability recognised in the Balance Sheet**		
	Present value of the defined obligation at the end of the period	**16501192**	15326614
	Fair value of the plan assets at the end of the year		
	Liability recognised in the Balance Sheet	**16501192**	15326614

		Current Year	Previous Year
C)	**The total expenses recognised in the Profit & Loss Account**		
	Current Service Cost	**972487**	914303
	Interest cost	**1302762**	1212424
	Past Service Cost		
	Actuarial (gain)/Loss	**7333**	-605944
	Net Gratuity Cost	**2282582**	1520783
D)	**Following are the Principal Actuarial Assumptions used as at the balance sheet date**		
	Discount rate	**7.75%**	8.50%
	Expected rate of return on any plan assets		
	Average salary escalation rate	**5.25%**	6.00%

The estimates of the future salary increase considered in actuarial valuation, take account of inflation,seniority, promotion and other relevant factors.Defined benefit obligation are not funded.

28.9 RELATED PARTY DISCLOSURES

a) Association of persons having significant influence on Key management personnel
S.K.Mandelia (HUF)
B.G.Mandelia (HUF)

b) Key Management Personnel
Shri S.K.Mandelia (Chairman & Managing Director)
Shri B.G.Mandelia (Vice Chairman & Jt. Managing Director)
Shri V.K.Khanna (Executive Director Finance)

c) Relative of the Key Management.
Mrs. Neeta Khanna-wife of Shri V.K.Khanna Executive Director (Finance)
Shri Anant Vijay Mandelia Marketing Executive son of Shri B.G.Mandelia.

Transaction with related Parties		**Current Year (Rs.)**	Previous Year (Rs.)
Remuneration Paid*			
a)	Sh. Shravan Kumar Mandelia	585307	547255
b)	Sh. Bal Gopal Mandelia	578815	521585
c)	Sh. Vinod Kumar Khanna	899595	899525
d)	Sh. Anant Vijay Mandelia	1222000	672000
	Loan Received During the year		
	Shri S.K.Mandelia	26900000	-
	Shri B.G.Mandelia	4949343	-
	Loan Paid During the year		
	Sh. S.K. Mandelia (HUF)	26900000	-

Sh. B.G.Mandelia (HUF)		15417704	6192062
Outstanding Payable During the year			
a)	Sh. Shravan Kumar Mandelia	27808000	908000
b)	Sh. Bal Gopal Mandelia	5237343	288000
c)	Sh. Shravan Kumar Mandelia (HUF)	-	26900000
d)	Sh. Bal Gopal Mandelia (HUF)	-	15417704
		33045343	43513704
Rent Paid (Net of Recovery)			
a)	Sh. Shravan Kumar Mandelia	118000	1,18,000
b)	Sh. Bal Gopal Mandelia	120000	1,20,000

* Including Rent Paid (net of recovery)

28.10. Previous Year figures has been reclassified/regrouped to confirm current year figures.

AAs per our report even date attached
For **SINGHI & CO**.
Chartered Accountants
Firm Reg. No. 302049E
B.K.SIPANI
Partner
Membership No. 088926

Place: New Delhi
Dated: 3rd June,2015

For and on the behalf of the Board of Directors

AMBARISH RAJ
Director

S.K.MANDELIA
Chairman &
Managing Director

Govind Deora
Company Secretary

V.K.KHANNA
Executive Director
(Finance) (CFO)

HINDUSTAN EVEREST TOOLS LIMITED

CIN: L74899DL1962PLC003634

Registered Office : Dohil Chambers, 46, Nehru Place, New delhi 110019

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of the meeting.

DP. Id* Folio No.

Client Id* No. of Shares

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **52st ANNUAL GENERAL MEETING** of the Company held on Tuesday the 29th days of September,2015, at 11.00 a.m. at PHD House, Opposite Asian Games Village, Siri Fort Road, New Delhi 110016

*Applicable for investors holding shares in electronic form
Signature of Shareholder / Proxy

HINDUSTAN EVEREST TOOLS LIMITED

CIN: L74899DL1962PLC003634

Registered Office : Dohil Chambers, 46, Nehru Place, New delhi 110019

Name of the member(s): e-mail id:

Registered address: Folio No./*Client id:

*DP Id:

I/We, being the member(s) of _____ shares of Hindustan Everest Tools Ltd., hereby appoint:

1) _____ of _____ having e-mail id _____ or failing him

2) _____ of _____ having e-mail id _____ or failing him

3) _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **52st ANNUAL GENERAL MEETING** of the Company held on **Tuesday the 29th days of September, 2015,** at 11.00 a.m. at PHD House, Opposite Asian Games Village, Siri Fort Road, New Delhi 110016 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	**Optional***	
Ordinary Business	**For**	**Against**
1. Consider and adopt Audited Financial Statement, Report of the Board of Directors and Auditors		
2. Reappointment of Mr. Balgopal Mandelia, who retires by rotation.		
3. Appointment of M/s Singhi & Company. Chartered Accountants as Auditors and fixing their remuneration		
Special Business		
4. Appointment of Smt. Pooja Mehra Saigal as an Independent Director		

* Applicable for investors holding shares in electronic form

Signed this _____ day of _____ 2015

Affix a Revenue Stamp

Signature of Shareholder

Signature of first proxy holder Signature of second proxy holder Signature of third proxy holder

Notes:

(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

(2) A Proxy need not be a member of the Company.

(3) 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.

**(4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate. (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

(6) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.