

# Hindustan Everest Tools Limited



Date: October 06, 2021

To,  
Manager (Listing)  
BSE Limited,  
Floor 25, P J Tower,  
Dalal Street,  
Mumbai -400001

CIN: L74110DL1962PLC003634  
4/11, 1<sup>st</sup> Floor, Asaf Ali Road,  
New Delhi - 110 002 (INDIA)  
Ph. No.: +91 - 9910032394  
Email: [admin@everesttools.com](mailto:admin@everesttools.com)  
Website: [www.everesttools.com](http://www.everesttools.com)

**Re: Company's Code No. 505725**

**Subject: Corrigendum to the Annual Report 2020-21**

Dear Sir/Madam,

This is in furtherance to our letter dated 01.10.2021 wherein Company has submitted its Integrated Annual Report along with the Notice of the 58<sup>th</sup> AGM to be held on 27<sup>th</sup> October, 2021 at 04:30 PM (IST) via Video Conference/ Other Audio -Visual Means and other Statutory Reports for Financial Year 2020-21.

This is to inform you that a draft pdf copy of Annual Report has been attached inadvertently in said disclosure.

We are hereby enclosing the corrected version of Annual Report for the Financial Year 2020-21 and it can also be downloaded from the website at [www.everesttools.com](http://www.everesttools.com).

This is for your information and records.

For **Hindustan Everest Tools Limited**

DEVANS  
H GUPTA

Digitally signed by DEVANSH GUPTA  
DN: cn=DEVANSH GUPTA, title=5675,  
pseudonym=8334509d445ef6676c02b  
3f61ff9196a00296a6326d14a4b94d7a  
18b01db75e, postalCode=110092,  
st=Delhi,  
serialNumber=2c78f59e0d069a664536  
c4b64a99ff684ab2640cc5f32429620fa  
6fbb0ef6fd, cn=DEVANSH GUPTA  
Date: 2021.10.06 19:35:00 +05'30'

**Devansh Gupta**  
**Managing Director**  
**DIN: 06920376**

**58<sup>th</sup>**  
**ANNUAL REPORT**  
**2020-2021**



**Hindustan Everest Tools Limited**

CIN: L74110DL1962PLC003634

## CORPORATE INFORMATION

## BOARD OF DIRECTORS

<b>Mr. Shravan Kumar Mandelia</b> (Resigned w.e.f. February 11, 2021)	<i>Managing Director</i>
<b>Mr. Balgopal Mandelia</b> (Resigned w.e.f. February 11, 2021)	<i>Managing Director</i>
<b>Mr. Pradeep Jain</b> (Resigned w.e.f. February 24, 2021)	<i>Independent Director</i>
<b>Mr. Amitav</b> (Resigned w.e.f. March 03, 2021)	<i>Independent Director</i>
<b>Ms. Shifa Nagar</b> (Resigned w.e.f. February 19, 2021)	<i>Independent Director</i>
<b>Mr. Saurabh Parasramka</b> (Resigned w.e.f. March 02, 2021)	<i>Director</i>
<b>Mr. Devansh Gupta</b> (Appointed w.e.f. June 30, 2021)	<i>Managing Director</i>
<b>Mr. Dhruv Gupta</b> (Appointed w.e.f. February 09, 2021)	<i>Director</i>
<b>Mr. Amit Gupta</b> (Appointed w.e.f. February 09, 2021)	<i>Independent Director</i>
<b>Mrs. Preeti Arora</b> (Appointed w.e.f. February 09, 2021)	<i>Independent Director</i>

## REGISTRAR &amp; SHARE TRANSFER AGENT

Link Intime India (P) Ltd  
Noble Heights, 1st Floor, C-1 Block, Janakpuri,  
New Delhi – 110058  
Phone: +011-41410592  
Email: delhi@linkintime.co.in

## REGISTERED OFFICE

4/11, First Floor, Asaf Ali Road, New Delhi: 110002\*  
Phone no: +91-9910032394  
Email id: admin@everesttools.com  
Website: www.everesttools.com

\* The registered office of the Company shifted from "Dohil Chambers, 46, Nehru Place, New Delhi-110019" to "4/11, First Floor, Asaf Ali Road New Delhi: 110002" w.e.f. February 15, 2021.

## KEY MANAGERIAL PERSONNEL

<b>Mr. Deepak Gupta</b> (Resigned w.e.f. March 04, 2021)	<i>Chief Financial officer</i>
<b>Ms. Sonam Gupta</b> (Resigned w.e.f. March 09, 2021)	<i>Company Secretary &amp; Compliance officer</i>
<b>Mr. Yogesh Gusain</b> (Appointed w.e.f. June 30, 2021)	<i>Chief Financial officer</i>
<b>Ms. Ayushi Jain</b> (Appointed w.e.f. August 14, 2021)	<i>Company Secretary &amp; Compliance Officer</i>

## STATUTORY AUDITOR

M/s SSRA & Associates  
FRN: 014266N  
M-13, LGF, South Extension Part-2,  
New Delhi-110049

## SECRETARIAL AUDITOR

M/s Parth P. Shah,  
Practicing Company Secretaries  
Membership No: 48591; COP NO: 18640

## INTERNAL AUDITOR

M/s V B R G & Associates  
04, Rainbow Complex, Bazarlia, Ghaziabad,  
Uttar Pradesh – 201001

## SHARES LISTED AT

Bombay Stock Exchange

## BANKERS

Citi Bank Limited  
HDFC Bank Limited  
Punjab National Bank Limited  
UCO Bank Limited  
Yes Bank Limited

## COMPOSITION OF THE COMMITTEES

## AUDIT COMMITTEE MEMBERS

Name of Director	Designation	Position
Amit Gupta	Independent Director	Chairperson
Preeti Arora	Independent Director	Member
Devansh Gupta	Managing Director	Member

## STAKEHOLDERS RELATIONSHIP COMMITTEE MEMBERS

Name of Director	Designation	Position
Amit Gupta	Independent Director	Chairperson
Preeti Arora	Independent Director	Member
Devansh Gupta	Managing Director	Member

## NOMINATION &amp; REMUNERATION COMMITTEE MEMBERS

Name of Director	Designation	Position
Amit Gupta	Independent Director	Chairperson
Preeti Gupta	Independent Director	Member
Dhruv Gupta	Director	Member

Note: -The composition of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee has been reviewed and reconstituted w.e.f. March 22, 2021.

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**HINDUSTAN EVEREST TOOLS LIMITED**

(CIN: L74110DL1962PLC003634)

Registered Office: 4/11, 1st Floor Asaf Ali Road New Delhi Central Delhi-110002

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

Phone: +91-9910032394

**Notice of the 58<sup>th</sup> Annual General Meeting**

**NOTICE** is hereby given that the 58<sup>TH</sup> Annual General Meeting ("AGM") of Members of **HINDUSTAN EVEREST TOOLS LIMITED** will be held on Wednesday, October 27, 2021 at 04:30 P.M. (IST) through video conferencing/ other Audio-visual means (OVAM) for which purpose the registered office of the company situated at 4/11, 1<sup>st</sup> Floor, Asaf Ali Road, New Delhi-110002 shall be deemed as the venue for the Annual General Meeting and the proceedings of the AGM shall be deemed to be made there at, to transact the following business:-

**ORDINARY BUSINESS:****1. Adoption of Financial Statements**

To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2021 together with the reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Standalone Financial Statements of the Company including the Balance sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information and schedules thereto forming part thereof and the reports of the Board of Directors and the Auditors' thereon as laid before this meeting, be and are hereby received, considered and adopted."

**SPECIAL BUSINESS: -****2. To Approve the appointment of Mr. Devansh Gupta as Managing Director of the Company**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 ('Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force, and the recommendations of the Nomination and Remuneration Committee, the consent of the Members, be and is hereby accorded to the appointment of Mr. Devansh Gupta (DIN: 06920376) as the Managing Director of the Company for a period of 5 (Five) years commencing from June 30, 2021, upon the terms and conditions as set out in the Statement annexed to the Notice, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure (subject to provisions of the Act and the overall limits and conditions set out in Section 197 read with Schedule V of the Act, by undertaking such compliances as provided therein), with liberty and power to the Board of Directors (hereinafter referred to as the 'Board', which expression shall also include the 'Nomination and Remuneration Committee' of the Board) to grant increments and to alter and vary from time to time, the terms and conditions of the said re-appointment, including remuneration, within the overall limits prescribed under the Act as it may deem fit and in such manner, as may be agreed between the Board and Mr. Devansh Gupta, and his office is not liable to retire by rotation."

**RESOLVED FURTHER THAT** any of the Director and KMP of the Company be and are hereby severally authorized to do all such acts, deeds and things as maybe required, settle any/or all questions/ matters arising with respect to the above matter including filing of requisite forms / returns/ applications with the Registrar of Companies or other regulatory authorities and to approve the execution of all such

documents, instruments and writings as may be necessary in connection to give effect to the aforesaid resolution.”

**3. To confirm the appointment of Mr. Dhruv Gupta as Director of the Company**

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 other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Dhruv Gupta (DIN: 06920431), who was appointed by the Board of Directors as an Additional Director with effect from February 09, 2021 and whose term of office expires at this Annual General Meeting and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and has consented to act as Director of the Company and submitted a notice proposing his candidature for the office of a Director under Section 160 of the Companies Act, 2013, be and is hereby appointed as a Non-Executive Director of the company, whose office is liable to retire by rotation.

**FURTHER RESOLVED THAT** any of the Director and KMP of the Company be and are hereby authorized to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the Registrar of Companies.”

**4. To confirm the appointment of Mr. Amit Gupta (DIN: 07085538) as a Non-Executive, Independent Director for a First Term of 05 (Five) consecutive years w.e.f. 09<sup>th</sup> February, 2021 to 08<sup>th</sup> February, 2026**

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, 150, 152, 160 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Amit Gupta (DIN: 07085538), who was appointed by the Board of Directors as an Additional Independent Director with effect from February 09, 2021 and whose term of office expires at this Annual General Meeting and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and who has submitted a notice proposing his candidature for the office of a Director under Section 160 of the Companies Act, 2013 and a declaration of independence under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as a Non-Executive Independent Director of the company to hold office for a term of 5 (Five) consecutive years with effect from conclusion of this Annual General Meeting and whose office shall not be liable to retire by rotation.”

**FURTHER RESOLVED THAT** any of the Directors and KMP of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the Registrar of Companies.”

**5. To confirm the appointment of Mrs. Preeti Arora (DIN:00094055) as a Non-Executive Independent Director for a First Term of 05 (Five) consecutive years w.e.f. 09<sup>th</sup> February, 2021 to 08<sup>th</sup> February, 2026**

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, 150, 160 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 and the applicable provisions of the

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mrs. Preeti Arora (DIN: 00094055), who was appointed by the Board of Directors as an Additional Independent Director with effect from February 09, 2021 and whose term of office expires at this Annual General Meeting and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and who has submitted a notice proposing her candidature for the office of a Director under Section 160 of the Companies Act, 2013 and a declaration of independence under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as a Non-Executive Independent Director of the company to hold office for a term of 5 (Five) consecutive years with effect from conclusion of this Annual General Meeting and whose office shall not be liable to retire by rotation.”

**FURTHER RESOLVED THAT**, any of the Directors and KMP of the Company, be and are hereby severally authorized to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the Registrar of Companies.

6. **Approval for change of name of the Company and consequential amendment to Memorandum of Association and Articles of Association of the Company**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 4, 13 and 14 of the Companies Act, 2013 read with the rules made there under including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Regulation 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, the Memorandum of Association and Articles of Association of the Company and all other applicable law(s) and subject to requisite approval(s) as may be required, if any, from appropriate authorities, consent of the members be and is hereby accorded to change the name of the Company from ‘Hindustan Everest Tools Limited’ to ‘Algoquant Fintech Limited’.

**RESOLVED FURTHER THAT** the new name of the Company be given effect from the date of issue of fresh certificate of incorporation by the Registrar of Companies and accordingly the name “**Hindustan Everest Tools Limited**” wherever it occurs in the Memorandum of Association, Articles of Association of the Company, and other documents, etc. be substituted by the name “Algoquant Fintech Limited”.

**RESOLVED FURTHER THAT** any Director or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary for the effective implementation of the above resolution including necessary changes to the CIN of the Company as may be required by the Registrar of Companies, filing of necessary applications, forms, returns, documents with the Registrar of Companies and all other regulatory or statutory authorities, as may be required and to settle all questions, difficulties or doubts that may arise in this regard at any stage, without requiring the Director(s) or Company Secretary of the Company to secure any further consent or approval of the members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

7. **To Take approval of Material Related Party Transaction held with Mandelia Investments Private Limited, Promoter of the Company**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 179(3), 180(1) and any other applicable provisions of Companies Act, 2013 read with rules thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) and in accordance with Regulation 23 of SEBI (LODR) Regulations, 2015, consent of the shareholders of the Company be and is hereby accorded to avail an unsecured loan of INR 1,31,50,000 (Rupees One Crore Thirty One Lakh Fifty Thousand only) at a rate of interest of not exceeding 10% per annum from Mandelia Investments Private Limited, Promoter Shareholder of the Company and on such terms and conditions as may be agreed upon.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalize the terms and conditions

and take such steps as may be necessary for obtaining approvals or otherwise, if any, required in relation to the above and to settle all the matters arising out of and incidental thereto, and to sign and execute all deeds, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds and things that may be necessary, proper and expedient or incidental for the purpose of giving effect to the above resolution.”

**8. To Take Approval of Material Related Party Transaction held with Mr. Devansh Gupta, Managing Director of the Company**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 179(3), 180(1) and any other applicable provisions of Companies Act, 2013 read with rules there under (including any statutory modifications or re-enactment thereof, for the time being in force) and in accordance with Regulation 23 of SEBI (LODR) Regulations, 2015 consent of the shareholders of the Company be and is hereby accorded to avail INR 1,97,00,000 (Rupees One Crore Ninety Seven Lakh only) towards unsecured loan from Mr. Devansh Gupta, Managing Director of the Company and on such terms and conditions as may be agreed upon.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalize the terms and conditions and take such steps as may be necessary for obtaining approvals or otherwise, if any, required in relation to the above and to settle all the matters arising out of and incidental thereto, and to sign and execute all deeds, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds and things that may be necessary, proper and expedient or incidental for the purpose of giving effect to the above resolution.”

**9. To take approval for Sub-Division (Stock split) of every 1(One) equity share of Face Value of Rs.10/- each into 5(Five) equity shares of Rs. 2/- each.**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 61(1)(d), 64 and other applicable provisions of the Companies Act, 2013 (‘the Act’) and Rules framed thereunder including the statutory modifications thereto and re-enactments thereof for the time being in force and the provision of Memorandum and Articles of Association of the Company and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other rules, regulations, circulars, notifications etc. issued thereunder, the consent of the members of the Company be and is hereby accorded that each equity share of the Company having face value of Rs.10/- (Rupees Ten Only) each fully paid be subdivided (stock split) into 5 (Five) equity shares of face value of Rs 2/-(Rupees Two Only) each fully paid and consequently, the authorized share capital of the Company of Rs. 2,50,00,000 (Rupees Two Crore Fifty Lakhs only) shall comprise of 1,25,00,000 (One Crore Twenty Five Lakhs) equity shares of Rs.2 (Rupees Two only) each;

**RESOLVED FURTHER THAT** pursuant to the sub-division(stock split) of the equity shares of the Company, each issued, subscribed and paid up equity share of the Company having face value of Rs 10/-(Rupees Ten Only) each fully paid existing on the Record date to be fixed by the Company shall stand subdivided into 5 (Five) equity share of a face value of Re. 2/- (Rupee Two Only) each fully paid up, without altering the aggregate amount of such capital and such shares shall rank pari passu in all respects with the existing equity shares with effect from the record date;

**RESOLVED FURTHER THAT** upon sub-division of equity shares, as aforesaid, the existing shares certificate(s) in relation to the existing equity shares of the face value of Rs. 10/- (Rupees Ten Only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the record date to be fixed by the Company and the Company may without requiring surrender of the existing share certificate(s), directly issue and dispatch the new share certificate(s) of the Company, in lieu of such existing share certificates subject to the provisions of Companies (Share Capital and Debentures) Rules, 2014 and in the case of members who hold the equity shares in dematerialized



form, the sub-divided equity shares of face value of Rs. 2/- (Rupees Two Only) each shall be credited proportionately to the respective beneficiary demat accounts of the Members, with their respective depository participants in lieu of the existing credits present in the respective beneficiary demat accounts and the Company shall undertake such Corporate Action(s) as may be necessary in relation to the existing equity shares, whether in physical form or in dematerialized form of the Company;

**RESOLVED FURTHER THAT** any of the Director and KMP of the Company be and are hereby authorized to take all such steps as may be required to obtain approvals in relation to the above and do all such further acts, deeds or things as may be required to give effect to the sub-division of equity shares of the Company."

**10. Alteration of Capital Clause of Memorandum of Association of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and 64 and other applicable provisions, if any of the Companies Act, 2013 read with the relevant Rules framed thereunder and applicable regulations, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any amendment(s), modification(s), variation(s), or reenactment(s) thereof from time to time], and subject to approval of subdivision of the equity shares by the members, consent of the members of the Company be and is hereby accorded to alter and substitute the existing Clause V of the Memorandum of Association of the Company with the following new Clause:

***"V. The Authorised Share Capital of the Company is Rs. 2,50,00,000/- (Rupees Two Crore and Fifty lakh only) divided into 1,25,00,000 (One Crore Twenty-Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each."***

**RESOLVED FURTHER THAT** any of the Director and KMP of the Company be and are hereby authorized to take all such steps as may be required to obtain approvals in relation to the above and do all such further acts, deeds or things as may be required to give effect to the abovesaid resolution of the Company."

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

Sd/-

**Ayushi Jain  
(Company Secretary & Compliance Officer)  
M. No.: ACS 66504**

**Date:30-09-2021  
Place:New Delhi**

## NOTES

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 2 to 10 of the accompanying Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4), 17(11) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/reappointment at this Annual General Meeting ("AGM") are also annexed.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its Circular Nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, read with Circular Nos. 20/2020 dated May 5, 2020 and 02/2021 dated January 13, 2021 (collectively referred to as 'MCA Circulars'), and Securities and Exchange Board of India ('SEBI') vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to as 'SEBI Circulars'), have permitted the holding of AGM through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In accordance with the MCA Circulars and SEBI Circulars, the 58th AGM of the Company is being held through VC/OAVM on Wednesday, October 27, 2021 at 04:30 P.M. (IST). The deemed venue for the 58th AGM will be the registered office of the Company i.e., 4/11, 1st Floor, Asaf Ali Road, New Delhi, Central Delhi-110002.
3. Brief profile and other information about the Directors proposed to be appointed as required under Regulation 36(3) of Listing Regulations and Secretarial Standard on General Meetings ('SS-2') are forming part of the explanatory statement of this Notice.
4. Since, the AGM is being conducted through VC/OAVM pursuant to MCA Circulars, physical attendance of Members, route map has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
5. The Members can join the AGM in the VC / OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The facility of participation at the AGM through VC / OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.
6. Institutional Investors, who are Members of the Company, are encouraged to attend the 58th AGM through VC/OAVM mode and vote electronically. Pursuant to the provisions of the Act, the Institutional/ Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer at [sachinkhuranacs@gmail.com](mailto:sachinkhuranacs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. In case of joint holders, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the Meeting.
9. **Book Closure**

The Register of Members and Share Transfer Books of the Company will be closed from Thursday,

October 21, 2021 to Wednesday, October 27, 2021 (both days inclusive) for the purpose of the AGM.

10. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report and Annual Accounts 2020-21 is being sent only through electronic mode (i.e., through e-mail) to those Members whose email addresses are registered with the Company/RTA/ Depositories. Members may note that the Notice and Annual Report and Annual Accounts 2020-21 will also be available on the Company's website [www.everesttools.com](http://www.everesttools.com) under relevant section of the websites of the Stock Exchange i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com), and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
11. The Register of Directors and Key Managerial Personnel and their shareholding and Register of Contracts or Arrangements in which the Directors are interested, shall be available for online inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members desirous of inspecting the same may send their requests at [admin@everesttools.com](mailto:admin@everesttools.com) from their registered e-mail addresses mentioning their names and folio numbers / DP ID and Client ID.

**General instructions for accessing and participating in the 58<sup>TH</sup> AGM through VC/OAVM Facility and voting through electronic means including remote E-Voting:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.everesttools.com](http://www.everesttools.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on **Saturday, October 23, 2021 at 09:00 A.M.** to **Tuesday, October 26, 2021 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e.,

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*





**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the " <b>Beneficial Owner</b> " icon under " <b>Login</b> " which is available under ' <b>IDeAS</b> ' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on " <b>Access to e-Voting</b> " under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.  If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> . Select " <b>Register Online for IDeAS Portal</b> " or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>

	<p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>1. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p>

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sachinkhuranacs@gmail.com with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

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 download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Abhishek at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR



(self attested scanned copy of Aadhar Card) by email to [admin@everesttools.com](mailto:admin@everesttools.com).

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [admin@everesttools.com](mailto:admin@everesttools.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL E-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at admin@everesttools.com. The same will be replied by the company suitably.
6. Shareholders who would like to register as speaker can contact to Ms. Ayushi Jain, Company Secretary at contact No.: 9910032394. The same will be replied expiditly..

**BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT OR RE-APPOINTMENT AT FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)**

Name	Mr. Devansh Gupta	Mr. Dhruv Gupta	Mrs. Preeti Arora	Mr. Amit Gupta
Date of Birth and Age of Director	20/06/1996 25 years	29/12/1993 27 years	01/12/1981 39 Years	06/12/1978 42 years
Director Identification Number (DIN)	06920376	06920431	00094055	07085538
Designation	Managing Director	Director	Independent Director	Independent Director
Category	Executive	Non-Executive	Non -Executive	Non-Executive
Qualification	B.com (Hons.)	B.A. (Hons.) and CFA Level-3 Candidate	Company Secretary	Chartered Accountant
Expertise in specific functional areas	Over 5 years of experience in managing business and trading operations of capital market intermediaries.	Over 6 years in Capital Market	Over 15 years of post-qualification experience in Regulatory & Compliance matters	Over 18 years of post-qualification experience in corporate tax, international taxation, tax technology and regulatory matters.
Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid	As per the Nomination & Remuneration Policy	As per Nomination & Remuneration Policy	As per the Nomination & Remuneration Policy	As per Nomination & Remuneration Policy
Last Drawn Remuneration	N.A.	N.A.	N.A.	N.A.
Date of first appointment on the Board	*Mr. Devansh Gupta was appointed on 30.06.2021 as a Managing Director of the Company by the Board of Director of the Company subject to the approval of the Shareholder in the ensuing AGM.	09-02-2021	09-02-2021	09-02-2021

Directorship held in other Listed companies and Unlisted companies	Growth Securities Private Limited Devansh Real Estate Pvt. Ltd. Mandelia Investment Pvt. Ltd. Algoquant Properties Private Limited	Growth Securities Private Limited Devansh Real Estate Pvt. Ltd. Mandelia Investments Pvt. Ltd. S3 Craft Technologies Pvt. Ltd.* Sigmaquant Technologies Pvt. Ltd. Algoquant Properties Private Limited	Bytedance (India) Technology Private Limited Guidepoint India Private Limited	Rollatainers Limited Ahlers India Private Limited Alliance Integrated Metaliks Limited**
No. of Board Meetings attended during the year 2020-2021	2	2	2	2
Membership/ Chairmanship of the Committees across the Companies (as on 31.03.2021)	Member of Audit Committee- Hindustan Everest Tools Limited Member of Stakeholders & Relationship Committee- Hindustan Everest Tools Limited	Member of Nomination & Remuneration Committee- Hindustan Everest Tools Limited	Member of Audit Committee- Hindustan Everest Tools Limited Member of Stakeholders & Relationship Committee- Hindustan Everest Tools Limited Member of Nomination & Remuneration Committee- Hindustan Everest Tools Limited	Chairperson of Audit Committee- Hindustan Everest Tools Limited Chairperson of Stakeholders & Relationship Committee- Hindustan Everest Tools Limited Member of Nomination & Remuneration Committee- Hindustan Everest Tools Limited
Relationship with other Directors.	Yes, Brother of Mr. Dhruv Gupta (Non-Executive Director)	Yes, Brother of Mr. Devansh Gupta	None	None
Shareholding of Directors (in percentage)	0.76	0.68	Nil	Nil

\* S3 Craft Technologies Pvt. Ltd. is under the process of striking off.

\*\* Mr. Amit Gupta has been resigned from Alliance Intergrated Metaliks Limited w.e.f. 10.05.2021.

**EXPLANATORY STATEMENT IN PURSUANT TO PROVISIONS OF THE SECTION 102(1) OF THE COMPANIES ACT, 2013****ITEM NO. 2**

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, and pursuant to the provisions of Section 161 and 203 of the Companies Act, 2013 appointed Mr. Devansh Gupta (DIN: 06920376) as an Additional Director of the Company and he has also been nominated as Managing Director of the Company from that day. As per Companies Act, 2013, his appointment is subject to the approval of the Members by way of Ordinary Resolution. A brief profile of Mr. Devansh Gupta is set out in the section Annexure to the Notice. The Company has received the consent of Mr. Devansh Gupta to act as Managing Director of the Company. He has excellent grasp and thorough knowledge and experience of over 5 years in managing business and trading operations of capital market intermediaries. The remuneration and other terms and conditions of Mr. Devansh Gupta as Managing Director is Rs. 2,00,000 (Rupees Two Lakh Per month) are set out herein are subject to your approval.

The Board feels that presence of Mr. Devansh Gupta on the Board is desirable and would be beneficial to the company and hence your directors recommend the Resolution at item no. 02 of the accompanying Notice, for the approval of the Members of the Company by way of Ordinary Resolution on following remuneration and other terms and conditions.

**A. Basic Salary-**

INR 24,00,000 per annum

**B. Increments-**

The annual increments which will be effective 1st April each year, will be decided by the Board based on the recommendation of the Nomination and Remuneration Committee

**C. Perquisites and allowances-**

- The Managing Director shall be entitled to be reimbursed in respect of all expenses incurred by him for and on behalf of the Company. However, no sitting fees will be paid to the Chairman & Managing Director for attending the Meetings of the Board of Directors or Committee thereof.

**D. Minimum Remuneration**

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 as may for the time being in force.

**E. Duties & Responsibilities as the Managing Director**

- As the Managing Director of the Company, Mr. Devansh Gupta will carry out such functions, exercise such powers and perform such duties as the Board of Directors of the Company (hereinafter called "the Board") shall from time to time in its absolute discretion determine and entrust to him, subject, nevertheless to the provisions of the Companies Act, 2013 or any statutory modifications or re-enactment thereof for the time being in force.
- MD will, to the best of his skill and ability, endeavor to promote the interests and welfare of the Company and to conform to and comply with the directions & regulations of the Company and also such orders and directions as may from time to time be given to him by the Board of Directors of the Company.
- MD shall devote the whole of his time, attention and abilities to manage the business of the Company and shall use his best endeavor to promote its interest and welfare.

Except Mr. Dhruv Gupta & Mr. Devansh Gupta, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution set out at

item no. 02 of the Notice.

### **ITEM NO. 3**

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, on and pursuant to the provisions of Section 149 and Section 161 of the Companies Act, 2013 appointed Mr. Dhruv Gupta (DIN: 06920431) as an Additional Director and then designated him as Director of the Company. As per Companies Act, 2013, his appointment is subject to the approval of the Members by way of Ordinary Resolution. A brief profile of Mr. Dhruv Gupta is set out in the section Annexure to the Notice. The Company has received the consent of Mr. Dhruv Gupta to act as Director of the Company. The terms and conditions of Mr. Dhruv Gupta appointment as Director are set out herein below are subject to your approval.

The Board feels that presence of Mr. Dhruv Gupta on the Board is desirable and would be beneficial to the company and hence your directors recommend the Resolution at item no. 03 of the accompanying Notice, for the approval of the Members of the Company by way of Ordinary Resolution.

Except Mr. Devansh Gupta & Mr. Dhruv Gupta, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution set out at item no. 03 of the Notice.

### **ITEM NO. 4**

Mr. Amit Gupta (DIN: 07085538) was appointed as an Additional Non- Executive Independent Director w.e.f February 9, 2021 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company. In this regard the Company has received request in writing from Mr. Amit Gupta proposing his candidature for appointment as an Independent Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

The Company has received declaration to this effect that he meets the criteria of Independent Director as provided under section 149 (6) of the Act and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on the confirmation and declaration received from Mr. Amit Gupta, The Board of directors of your company opine that Mr. Amit Gupta fulfills the conditions specified in the Companies Act, 2013 for such an appointment.

A brief profile of Mr. Amit Gupta is set out in the section Annexure to the Notice.

A copy of the draft letter of appointment which will be issued to Mr. Amit Gupta setting out the terms and conditions of his appointment as Independent Director will be available for inspection by the members seeking to inspect such documents by sending an email to [admin@everesttools.com](mailto:admin@everesttools.com). Terms and Conditions for appointment of Independent Director is also available on the Company's website [www.everesttools.com](http://www.everesttools.com).

The Board feels that presence of Mr. Amit Gupta on the Board is desirable and would be beneficial to the company and hence your directors recommend the Resolution at item no. 04 of the accompanying Notice, for the approval of the Members of the Company by way of Ordinary Resolution.

Except Mr. Amit Gupta, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution set out at item no. 04 of the Notice.

### **ITEM NO. 5**

Mrs. Preeti Arora (DIN: 00094055) was appointed as an Additional Non- Executive Independent Director w.e.f. 09.02.2021 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company. In this regard the Company has received request in writing from Mrs. Preeti Arora proposing her candidature for appointment as an Independent Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

The Company has received declaration to this effect that he meets the criteria of Independent Director as provided under section 149 (6) of the Act and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on the confirmation and declaration received from Mrs. Preeti Arora. The Board of directors of your company opine that Mrs. Preeti Arora fulfills the conditions specified in the Companies Act, 2013 for such an appointment.

A brief profile of Mrs. Preeti Arora is set out in the section Annexure to the Notice.

A copy of the draft letter of appointment which will be issued to Mrs. Preeti Arora setting out the terms and conditions of her appointment as Independent Director will be available for inspection by the members seeking to inspect such documents by sending an email to [admin@everesttools.com](mailto:admin@everesttools.com). Terms and Conditions for appointment of Independent Director is also available on the Company's website [www.everesttools.com](http://www.everesttools.com).

The Board feels that presence of Mrs. Preeti Arora on the Board is desirable and would be beneficial to the company and hence your Directors recommend the Resolution at item no. 05 of the accompanying Notice, for the approval of the Members of the Company by way of Ordinary Resolution.

Except Mrs. Preeti Arora, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution set out at item no. 05 of the Notice.

#### **ITEM NO. 6**

Due to the change in Management of the Company, it is proposed to rename and rebrand the Company, under the brand name "Algoquant", subject to requisite regulatory approvals.

In this regard, the Company has received the name availability through a letter dated 10 September, 2021 from the Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs, wherein the name "Algoquant Fintech Limited" has been reserved and made available to the Company for changing its existing name.

Pursuant to the above, the Board of Directors of the Company on 30 June, 2021 has approved the proposal for change in name of the Company from "Hindustan Everest Tools Limited" to "Algoquant Fintech Limited", subject to requisite approval(s) as may be required, if any, from appropriate authorities, and subject to the approval of the members of the Company.

Further, it is hereby confirmed that the Company is in compliance with the conditions prescribed in Regulation 45(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and M/s VGG & Co, Chartered Accountants vide its certificate dated September 24, 2021 has confirmed the same, which is enclosed. The certificate is also available on the Company's website at [www.everesttools.com](http://www.everesttools.com).

The proposed change in name of the Company shall be subject to the approval, consent and permission, if any, from appropriate authorities, and shall become effective from the date of issue of a fresh certificate of incorporation.

As required under the provisions of Sections 4, 13 and 14 of the Companies Act, 2013 and the rules made thereunder, the change in name of the Company and the consequential alteration of Memorandum of Association and Articles of Association of the Company requires approval of the members by way of a special resolution.

Copies of the draft amended Memorandum of Association and Articles of Association reflecting the aforesaid changes is available for inspection by the members, at the Registered Office of the Company, between 10.00 A.M. and 12:00 Noon and on the Company's website at till the last date of voting by the shareholders.

None of the directors, Key Managerial Personnel and their relatives is concerned or interested in the passing of the aforesaid resolution, except to the extent of their shareholding, if any. The resolution set out in Item no. 6 of this Notice is accordingly recommended for the approval by the members as Special Resolution.

#### **ITEM No. 7**

The Directors of your Company in its Board Meeting held on March 22, 2021 accorded approval which was subject to approval of members for entering into the transaction with its promoter namely Mandelia Investment Private Limited of an amount of Rs. 1,31,50,000/- (Rupees One Crore Thirty-One Lakh Fifty Thousand Rupees Only).

Therefore, the Board set out the above matter herein for your approval by way of Special Resolution on the basis of materiality in accordance with provisions of Regulation 23 of SEBI (LODR) Regulations, 2015.

#### **ITEM NO. 8**

The Directors of your Company in its Board Meeting held on March 22, 2021 accorded approval which was subject to approval of members for entering into the transaction with its director namely Mr. Devansh Gupta

of an amount of Rs. 1,97,00,000/- (Rupees One Crore Ninety Seven Lakh Only).

Therefore, the Board set out the above matter herein for your approval by way of Special Resolution on the basis of materiality in accordance with provisions of Regulation 23 of SEBI (LODR) Regulations, 2015.

#### **ITEM NO. 9 and 10**

With a view to encourage the participation of small investors, make the shares more accessible to retail investors and provide enhanced liquidity to the equity shares in the Stock Market, the Board of Directors has considered and approved the sub-division (stock split) of **One** equity shares of the Company having a face value of Rs. 10 each into **Five** (5) equity shares of face value of Rs.2 each subject to approval of the members and any other statutory & regulatory approvals, as may be applicable. The proposed sub-division (stock split) of shares will not have any effect/result on the voting percentage / rights of any shareholders of the Company.

The record date for the aforesaid sub-division of equity shares shall be fixed by the Board after the approval of the members is obtained for the proposed sub-division (stock split).

In the opinion of the Board, proposed sub-division of the equity shares is in the best interest of its investors and therefore the Board at its meeting held on September 30, 2021, recommend the aforesaid sub-division (stock split) to the shareholders. Proposed sub-division (stock split) will not have any impact on the amount of authorized, subscribed and paid-up Share Capital of the Company on account of Sub-division (stock split) of equity shares. The sub-division of equity shares proposed under business item No. 10 of this Notice shall also require amendment to the existing Clause 5 of the Memorandum of Association of the Company and Article 5 (1) of the Articles of Association of the Company as set out under item no. 10 of this Notice. Pursuant to Sections 13, 14, 61 and other applicable provisions of the Act and the Rules made thereunder, approval of the members by way of Special Resolution is required for sub-division and carrying out any amendment to the Memorandum and Articles of Association of the Company.

Presently the Authorised Share Capital of the Company is Rs. 2,50,00,000/-(Rupees Two Crores Fifty Lakhs Only) divided into 25,00,000 (Rupees Twenty Five Lakhs) equity shares of Rs.10 (Rupees Ten Only) each. The issued and paid up share capital is Rs. 1,60,72,000/-(One Crore Sixty Lakhs Seventy-Two Thousand Only) divided into 16,07,200 (Sixteen Lakhs Seven Thousand and Two Hundred Only) equity shares of Rs. 10/- each.

The sub-division (stock split) as aforesaid would require consequential amendments to the existing Clause V of the Memorandum of Association of the Company as set out in Item 10 of the Notice respectively.

Accordingly, your directors recommend the Resolution at item Nos. 9 and 10 of this Notice, for your approval as Ordinary Resolution.

None of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the said resolution except to the extent of the equity shares held by them in the Company.

A copy of the existing Memorandum of Association of the Company along with the proposed draft alteration is available for inspection by any shareholder at the Registered Office of the Company between 10 A.M. to 1.00 P.M. on all working days (except Saturdays, Sundays and Public Holidays) up to Wednesday, October 27, 2021.

The sub-division of equity shares proposed under business item No. 10 of this Notice shall also require amendment to the existing Clause 5 of the Memorandum of Association of the Company and Article 5 (1) of the Articles of Association of the Company as set out under item no. 10 of this Notice. Pursuant to Sections 13, 14, 61 and other applicable provisions of the Act and the Rules made thereunder, approval of the members by way of Special Resolution is required for sub-division and carrying out any amendment to the Memorandum and Articles of Association of the Company.

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

**Sd/-**

**Ayushi Jain**

**(Company Secretary & Compliance officer)**

**M. No.: ACS 66504**

**Date: 30.09.2021**

**Place: New Delhi**

**VGG & Co**

CHARTERED ACCOUNTANTS  
B-225 5<sup>th</sup> Floor  
Okhla Industrial Area  
Phase-1 New Delhi – 110020  
Firm Reg No. 031985N

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**24-September-2021**

**The Board of Directors  
Hindustan Everest Tools Limited  
4/11, First Floor, Asaf Ali Road,  
New Delhi -110002**

We, VGG & Co., Chartered Accountants, have examined the relevant records of the Company and information provided by the management of the Company in relation to issue a certificate for Compliance with the conditions at Sub-regulation (1) of Regulation 45 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for change of Company's name from "**Hindustan Everest Tools Limited**" to "**Algoquant Fintech Limited**".

Based on our examination and according to the information and explanation given to us, pursuant to the requirement of provisions of Regulation 45 of SEBI (Listing obligation and Disclosure Requirement) Regulation, 2015, we do hereby confirm that;

- (a) time period of at least one year has been elapsed from the last change of name that was occurred in the year;
- (b) at least Fifty percent of the total revenue of the Company in the preceding one-year period has been accounted for by the new business activity suggested by the new name; and
- (c) the amount invested in the new business activity is at least fifty percent of the assets of the Listed company.

The Certificate is issued at the request of the Company pursuant to requirements of Regulation 45(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for onward submission to the stock Exchanges, where the equity shares of the company are listed.

**For VGG & Co.**  
Chartered Accountants  
Firm registration No.: 031985N

Sd/-

**Vaibhav Gupta**  
Partner  
Membership no.: 099715  
**UDIN: 21099715AAAALM6920**

**Place: New Delhi**



**DIRECTORS' REPORT**

To,  
The Members of,  
Hindustan Everest Tools Limited  
Delhi

Your Directors are pleased to present the 58th Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021.

**1. FINANCIAL PERFORMANCE**

The Company's Financial Performance for the year ended 31st March, 2021, is summarized below:

	<b>Amount in Rs.</b>	
<b>FINANCIAL RESULTS</b>	<b>2020-2021</b>	<b>2019-2020</b>
Total Revenue from continuing operations	5,21,03,440	1,60,77,974
Total expenses from continuing operations	2,24,65,013	3,93,95,284
Profit/ (Loss) before tax from continuing operations	2,96,38,427	(2,33,17,310)
Provisions for Deferred Tax/tax expense	-	10,75,19,032
Profit/(Loss) for the year from continuing operations	3,74,43,987	(13,08,36,342)
Profit/(Loss) for the year from discontinued operations	(1,46,250)	(1,54,50,692)
Profit/(Loss) for the year	3,72,97,737	(14,62,87,034)

**2. OPERATIONAL REVIEW**

The performance of the Company during the year under consideration was satisfactory. During the year ended 31-March-2021, the new management has commenced operations in the Company and your Company's Total Revenue for the financial year 2020-21 is Rs. 521.03 Lakh (operational revenue being Rs.279.50 Lakh and other income is Rs.241.53 Lakh) in comparison to Rs. 160.78 Lakh in the previous financial year comprising of only other income.

The Company has earned a net profit after tax of Rs. 372.98 Lakh in year under review against net loss after tax of Rs. 1,462.87 Lakh in previous financial year. The loss in the previous year was due to provisions recorded to cover potential financial obligations under various litigations against the Company and de-recognition of deferred tax asset.

**3. IMPACT OF COVID -19**

The impact of Covid on the Company is limited. There is no significant impact on capital or financial resources of the Company. None of the assets are impaired. We have no threat in meeting our financial obligations. The Company stands adequately funded to aptly support its operating plan. It is difficult to estimate the future impact of Covid-19. We continue to keep a close eye on the situation for ensuring

continued corrective action wherever required.

#### 4. DIVIDEND

The Directors considered it prudent not to distribute dividend at this stage keeping in view the future plans of the company.

#### 5. SHARE CAPITAL

The Authorized Share Capital of the Company is Rs. 2,50,00,000/- (Rupees Two Crores Fifty Lakh Only) comprising of 23,00,000 Equity Shares (Twenty Three Lakh Shares) of Rs. 10/- each and 20,000 cumulative preference shares (Twenty Thousand Shares) of Rs. 100/- each. The Issued, Subscribed and Paid-up Equity Share Capital of the Company is Rs. 1,60,72,000/- (Rupees One crore Sixty Lakh Seventy-Two Thousand only) consisting of 16,07,200 Equity Shares of Rs. 10/- each.

#### 6. AMOUNTS PROPOSED TO BE CARRIED TO RESERVES

During the year under review, no amount has been transferred to any specific reserve.

#### 7. MANAGEMENT DISCUSSION AND ANALYSIS/STATE OF AFFAIRS OF THE COMPANY

**This covers all the matters on which discussion and analysis is required to be made in Annual Report under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Board is thankful to the stakeholders for standing with it.

The Total no. of employees as on 31.03.2021 was Nil.

Managements' Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming **Annexure "A"** to the Director's Report.

#### 8. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING FINANCIAL POSITION OF THE COMPANY

The Erst-while promoters and the erst-while directors of the company Shri Shravan Kumar Mandelia and Shri Balgopal Mandelia had entered into a Share Purchase Agreement (SPA) dated 24th October 2020 for sale and transfer of entire promoter shareholding held in Hindustan Everest Tools Limited (Target Company) along with the shares held by them in M/s Mandelia Investments Private Limited (MIPL) (the Holding Company of HETL) in favour of Algoquant Financials LLP (Acquirer), which made an Open Offer to the public equity shareholders of the Company i.e., Hindustan Everest Tools Limited in terms of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto. MIPL holds 8,34,470 Equity Shares constituting 51.92% of the Voting Share Capital of the Target Company. Consequent to the entering of the said SPA, the Acquirer acquired : (i) indirectly exercise 51.92% of Voting Share Capital of the Target Company and directly exercise 0.05% of Voting Share Capital of the Target Company and (ii) exercise substantial control and management of the Target Company. The Open Offer was made to acquire up to 4,17,872 Equity Shares of face value Rs.10/- each constituting 26% of the paid-up equity share capital at an offer price of Rs. 97/- (Offer Price) per equity share aggregating to Rs.4,05,33,584/- (Offer Size) in cash from the Public Shareholders of the Target Company, subject to terms and conditions mentioned in the Public Announcement dated 24th October, 2020 and the Detailed Public Statement –DPS dated 30th October, 2020 published in newspaper and submitted to BSE Ltd. (BSE) on 02nd November, 2020. The draft Letter of Offer –DLOO was prepared in accordance with SAST Regulations filed with SEBI and informed to BSE on 09th November, 2020. Pursuant to the open offer there was complete change in management which became effective from February 09, 2021. Post open offer the Holding of the acquirer directly or indirectly is 12.49% and the Shareholding of new management comprises of 0.76 & 0.68 of Mr. Devansh Gupta and Mr. Dhruv Gupta, Director of the Company respectively.

Also, during the period under review the Company reformed its main object from "**Manufacturing of Tools**" to "**Trading in Financial Instruments**" by due amendment in Memorandum of Association with

Shareholder's approval w.e.f. June 22, 2021.

Also, the Board of Directors accorded approval for shifting of Registered Office of the Company from "Dohil Chambers, 46, Nehru Place, New Delhi-110019" to "4/11, 1st Floor, Asaf Ali Road, New Delhi-110002." w.e.f. February 16, 2021.

Also, during the year under review, the Board of Directors accorded approval of Shareholders passed by way of Postal Ballot on May 22, 2021 enhanced borrowings limit under section 180 (1)(C) upto Rs. 100,00,00,000 (Rs. One hundred Crore Only) and Increasing the limits for Loans/ Investments/ Corporate Guarantees by the Company under section 186 upto Rs. 100,00,00,000 (Rs. One hundred Crore Only).

The Company has also applied for Change in the name of the Company in its Board Meeting held on June 30, 2021 from "Hindustan Everest Tools Limited" to "Algoquant Fintech Limited" and the same is subject to approval of Shareholders and various regulatory authorities.

Except as mentioned above, there are no other material changes and commitment which affects the financial position of Company after the closure of financial year 2020-21 till the date of report.

## 9. INDIAN ACCOUNTING STANDARDS (IND-AS)

Financial Statements of your Company for the financial year ended 31st March, 2021, are prepared in accordance with Indian Accounting Standards (Ind-AS), as notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

## 10. PUBLIC DEPOSITS

During the financial year under review, the Company has not accepted any deposits from the public under Section 73 and 74 of the Companies Act, 2013 along with the rules made thereunder and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

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

Pursuant to Section 152, Rule 8(4) and 8(5) Companies (Accounts) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting. But pursuant to takeover there is complete change in Management took place during the Financial Year 2020-21 which has been produced herein below:-

1. Mr. Shravan Kumar Mandelia and Balgopal Mandelia resigned from the post of Directorship of the Company w.e.f. 11-02-2021.
2. Mr. Pradeep Jain, Mrs. Shifa Nagar and Mr. Amitav resigned from the post of Independent Director of the Company with effect from 24-02-2021, 02-03-2021 and 03-03-2021 respectively.
3. Mr. Saurabh Parasramka resigned from the post of Director w.e.f. 19-02-2021.

Further, as recommended by Nomination and Remuneration Committee and subject to the approval of the members of the Company in the ensuing Annual General Meeting scheduled to be held on October 27, 2021, Mr. Dhruv Gupta and Mr. Devansh Gupta were appointed as Additional Director and Mrs. Preeti Arora and Mr. Amit Gupta were appointed as Additional Independent Director of the Company w.e.f. February 09, 2021 on the Board of the Company.

Furthermore, on recommendation of Nomination and Remuneration Committee and subject to the approval of the members of the Company Mr. Devansh Gupta got appointed as Managing Director of the Company w.e.f. June 30, 2021.

Furthermore, In the opinion of the Board, Mrs. Preeti Arora and Mr. Amit Gupta, the Independent Directors appointed during the year, is of high integrity and possess the relevant expertise and experience in

their field. Regarding their 'proficiency, as defined in explanation to Rule 8(5)(iia) [as inserted by the Companies (Accounts) Amendment Rules, 2019, effective from 1st December 2019], they has enrolled themselves in Independent Directors Databank portal as provided by Indian Institute of Corporate Affairs (IICA) and got Registration therein.

However, they are yet to appear in online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs (IICA).

Also, the Board at its meeting has appointed Mr. Yogesh Gusain as Chief Financial Officer of the Company w.e.f. June 30, 2021 and Ms. Ayushi Jain has been appointed as Company Secretary & Compliance officer of the Company w.e.f. August 14, 2021.

### Key Managerial Personnel

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 as on 31st March, 2021 are as follows:-

Mr. Devansh Gupta, Managing Director (w.e.f. June 30, 2021)

Mr. Yogesh Gusain, Chief Financial Officer (w.e.f. June 30, 2021)

Ms. Ayushi Jain, Company Secretary & Compliance Officer (w.e.f. August 14, 2021)

There are following changes occurred during the year in composition of Board Directors and Key Managerial Personnel from the company during the year under review i.e., 2020-21:-

Mr. Shravan Kumar Mandelia and Balgopal Mandelia resigned from the post of Managing Director of the Company w.e.f. 11-02-2021.

Mr. Pradeep Jain, Mrs. Shifa Nagar and Mr. Amitav resigned from the post of Independent Director of the Company with effect from 24-02-2021, 02-03-2021 and 03-03-2021 respectively.

Mr. Saurabh Parasramka resigned from the post of Director w.e.f. 19-02-2021.

Mr. Deepak Gupta resigned from the post of Chief financial Officer w.e.f. March 04, 2021 and Mr. Yogesh Gusain has been appointed as CFO w.e.f. June 30, 2021.

Ms. Sonam Gupta resigned from the post of Company Secretary & Compliance officer w.e.f. March 09, 2021 and Ms. Ayushi Jain has been appointed w.e.f. August 14, 2021.

## 12. 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 annual accounts for the financial year ended 31st March, 2021, the applicable Indian Accounting Standards (Ind-AS) read with requirements set out under Schedule III to the Companies Act, 2013 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 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 financial statements for the financial year ended 31st March, 2021 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 devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 13. INTERNAL FINANCIAL CONTROLS SYSTEMS AND THEIR ADEQUACY

In terms of Section 134 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, 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.

### 14. RISK MANAGEMENT POLICY

A risk management policy duly approved by the Board is in place as required under section 134(3)(n) of the Companies Act 2013 which defines the risk assessment and minimization procedures. The Company's Risk Management Policy is well defined to identify and evaluate business risks across all businesses. It assesses all risks at both pre and post-mitigation levels and looks at the actual or potential impact that a risk may have on the business together with an evaluation of the probability of the same occurring. Risk mapping exercises are carried out with a view to regularly monitor and review the risks, identify ownership of the risk, assessing monetary value of such risk and methods to mitigate the same. As per view of board, there is no risk in operation of company, which may impact the existence of company.

### 15. WEBLINK OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, as amended, the Annual Return of the Company for the financial year 2020-21 is placed on the website of the Company and may be accessed on the company's website <http://www.everesttools.com/pdfs/MGT-7%20for%20financial%20year%202020-2021.pdf>.

### 16. NUMBER OF MEETING OF THE BOARD AND COMMITTEE

The Board duly met at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice along with agenda and notes on agenda of each Board Meeting was given in writing to each Director.

Six (6) meetings of Board of Directors were held during the year. The interval between two meetings was well within the maximum period mentioned under section 173 of Companies Act, 2013 and Regulation 17(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Board Committees

Your Company has constituted several Committees of the Board which have been established as part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

As on 31st March, 2021, your Board has 03 (three) mandatory Committees, namely:

- 1) Audit Committee,
- 2) Nomination, Remuneration & Compensation (NRC) Committee; &
- 3) Stakeholders' Relationship Committee (SRC)

The details with respect to the composition, powers, roles, terms of reference, number of meetings etc. of the Committees held during the FY2020-21 and attendance of the Members at each Committee Meeting, are provided in the Corporate Governance Report which forms part of this Report.

The meetings of Audit Committee were convened and held Five (5) times during the year. The meeting of Nomination and Remuneration Committee was convened and held One (1) time during the year. The meeting of Stakeholders Relationship Committee was convened and held One (1) time during the year.

For further details, please refer report on Corporate Governance of this Annual Report.

#### **AUDIT COMMITTEE**

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

Mr. Amit Gupta	Independent Director
Mrs. Preeti Arora	Independent Director
Mr. Devansh Gupta	Managing Director

All the recommendations made by the Audit Committee were accepted by the Board.

Further, the Roles and Responsibilities and other related matters of Audit Committee forms an integral part of Corporate Governance Report as part of this Annual Report.

#### **STAKEHOLDER RELATIONSHIP COMMITTEE**

The composition of the Stakeholder Relationship Committee is mentioned as under:

Mr. Amit Gupta	Independent Director
Mrs. Preeti Arora	Independent Director
Mr. Devansh Gupta	Managing Director

Further, the Roles and Responsibilities and other related matters of Stakeholder Relationship Committee forms an integral part of Corporate Governance Report as part of this Annual Report

#### **NOMINATION AND REMUNERATION COMMITTEE**

The composition of the Nomination and Remuneration Committee is mentioned as under:

Mr. Amit Gupta	Independent Director
Mrs. Preeti Arora	Independent Director
Mr. Dhruv Gupta	Managing Director

Further, the Roles and Responsibilities and other related matters of Nomination and Remuneration Committee forms an integral part of Corporate Governance Report as part of this Annual Report.

### **17. STATEMENT ON DECLARATION BY THE INDEPENDENT DIRECTORS**

The Company has received necessary declarations from all the independent directors of the Company under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence in terms of Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Independent Directors fulfill the conditions as specified in the Companies Act, 2013, Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the Management.

#### **18. FAMILIARISATION PROGRAMME AND TRAINING OF INDEPENDENT DIRECTORS**

The detail of programmes conducted during the year 2020-21 for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at link:

[http://www.everesttools.com/pdfs/b\)Familiarisation%20of%20independent%20director%20for%20financial%20year.pdf](http://www.everesttools.com/pdfs/b)Familiarisation%20of%20independent%20director%20for%20financial%20year.pdf)

#### **19. NOMINATION AND REMUNERATION POLICY**

The Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other relevant matters. The Remuneration Policy of your Company can be viewed at the following link: <http://www.everesttools.com/pdfs/Nomination%20and%20Remuneration%20Policy.pdf>. There has been no material change in the Remuneration Policy of the Company.

The composition, role, functions and powers of the Nomination and Remuneration Committee are in accordance with the Provisions of the Companies Act 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

#### **20. BOARD EVALUATION**

Pursuant to the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance as a whole, its Committees and individually for Managing Director, Executive Director and Independent Directors .

The performance was 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 2013, their participation level in the meetings etc.

The performance was 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 was evaluated by the Board.

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

The Company has not given any loans or guarantees or provided security during the financial year 2020-21.

Further, the company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments made by the company in securities of other body corporates.

#### **22. 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.

During the year under review, there have been material significant transactions approved by the Board of Directors in their meeting held on 22 March 2021 with Mr. Devansh Gupta Managing director of the Company & Mandelia Investment Private Limited, promoter of the Company.

Detail of related party transactions have been disclosed in notes to the financial statements. Attention of the members is drawn to the disclosures of transactions with related parties set out in Note No. 23 of the Standalone Financial Statements forming part of the Annual Report.

Pursuant to Clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rules 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements or transactions entered into by the Company with related parties has been disclosed in Form No. AOC- 2 which is attached as Annexure "B".

The policy on related party transactions are approved by the Board and may be accessed on the Company's website.

### **23. COST RECORDS**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to your Company.

### **24. CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to Section 135 of Companies Act, 2013 and rules made there under, every company having net worth of Rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board.

However, it is not applicable in case of your Company. Hence there is no need to form Corporate Social Responsibility Committee and Corporate Social Responsibility Policy for the company as per the requirement of the Companies Act, 2013.

### **25. CHANGE IN THE NATURE OF BUSINESS**

Pursuant to indirect acquisition of the Company by Algoquant Financials LLP, the company filed application for reform in objects and is carrying on the business of Trading in financial instruments.

Except as mentioned above, during the year under review, there has been no change in the nature of business of the Company.

### **26. AUDITORS AND AUDITOR'S REPORT**

#### **STATUTORY AUDITOR**

M/s. SSRA & Co., Chartered Accountants, New Delhi (Firm Registration No. 014266N) were appointed in 2017 as Statutory Auditors of the Company, for a period of five (5) years from the conclusion of 54th AGM till the conclusion of the 59th AGM to be held in the calendar year 2022. They have audited the financial statements of the Company for the financial year under review. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Statutory Auditors Report read with relevant Notes to Accounts are self-explanatory and therefore, do not require further explanation. Further the Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer.

#### **SECRETARIAL AUDITOR**

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s Parth P Shah, Practicing



Company Secretary was appointed as Secretarial Auditor of the Company w.e.f. June 30, 2021 for the Financial Year 2020-21.

The Secretarial Audit Report is annexed herewith as Annexure "C".

The Secretarial Audit Report dated 15th September, 2021 is self explanatory and does not contain any qualification.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS**

During the year under review, the company has complied with all the applicable secretarial standards issued by the Institute of Company Secretaries of India on Meetings of Board of Directors and General Meetings.

#### **27. CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION FOREIGN EXCHANGE EARNINGS & OUTGO**

Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, is given hereunder:

##### **Conservation of Energy-**

- i) Steps taken or impact on conservation of energy: Energy conservation efforts are ongoing activities. During the year under review further efforts were made to ensure optimum utilization of electricity.
- ii) Steps taken by the company for utilizing alternate sources of energy: Nil, as your company has not carried out any manufacturing activities during the year.
- iii) The Capital investment on energy conservation equipments: Nil

##### **Technology Absorption, Adaption & Innovation and Research & Development**

- i) Efforts made towards technology absorption: - Nil
- ii) Benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year - Nil
- iv) Expenditure incurred on Research and Development: Nil

##### **Foreign Exchange Earnings and Outgo**

Foreign Exchange Earnings: Nil

Foreign Exchange Outgo: Nil

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

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

However, Mandelia Investments Private Limited is the holding Company and holds 51.92% shares in the Company.

#### **28. DISCLOSURE OF CODE, STANDARDS, POLICIES**

##### **INSIDER TRADING CODE**

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,

2015 ('the PIT Regulations') on prevention of insider trading, your Company has revised its Code of Conduct for regulating, monitoring and reporting of trading by Designated Persons in line with the recent amendments brought by SEBI in the PIT Regulations. The said Code lays down guidelines, which advise Designated Persons on the procedures to be followed and disclosures to be made in dealing with the shares of the Company and cautions them on consequences of non-compliances.

Your Company has also updated its Code of practices and procedures of fair disclosures of unpublished price sensitive information by including a policy for determination of legitimate purposes. Further, your Company has put in place adequate & effective system of internal controls and standard processes have been set to ensure compliance with the requirements given in these regulations to prevent insider trading.

#### **INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has an effective system to redress complaints received regarding sexual harassment in line with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, apprentices and trainees) are covered under this policy.

The policy may be accessed on the Company's website. Your Directors further state that the Company has not received any complaint of sexual harassment during the year under review.

Further, the company has complied with the provisions relating to the constitution of Internal Complaints Committee under 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 have been uploaded at the website of the Company.

### **29. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The details of employees as per provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Disclosure pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as Annexure "D" to this Report.

Further, In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there is no employee of the company who draw remuneration in excess of the limits set out in the said rules.

### **30. CORPORATE GOVERNANCE**

The Company has complied with the corporate governance requirements as stipulated under the various regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, as amended. A report on Corporate Governance along with certificate on its compliance forms a part of this Annual Report.

### **31. EXTENSION OF ANNUAL GENERAL MEETING**

Due to Change in Management of the Company pursuant to takeover and Addition of other Agenda in the AGM is unable to hold its 58th Annual General Meeting within the statutory time period as stipulated

under the provisions of section 96(1) of the Companies Act, 2013 and filed an application before the Registrar of Companies, NCT of Delhi & Haryana for extension of time up to three (3) months i.e., up to 31.12.2021, for holding 58th Annual General Meeting of the Company for the financial year ended March 31, 2021.

The Registrar of Companies have provided their approval to hold the 58th Annual General Meeting of the Company for the financial year ended March 31, 2021 by 30th November, 2021.

### 32. GENERAL

Your Director states that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:-

- a) Change in share capital of the Company.
- b) Issue of the equity shares with differential rights as to dividend, voting or otherwise.
- c) Issue of shares (including sweat equity shares) to employees of the Company.
- d) Mandelia Investment Private Limited is the holding company and there is no subsidiary of your company, Managing Directors of the company does not receive any remuneration or commission from any of such companies.
- e) No significant or material orders were passed by the regulators or courts or tribunals, which impact the going concern status and Company's operations in future.
- f) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- g) There is no subsidiary of company, so no policy on material subsidiary is required to be adopted.
- h) No fraud has been reported by the Auditors to the Audit Committee or the Board which were committed against the company by officers or employees of the company.
- i) Issue of Employee Stock Option Scheme to employees of the company.

### ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere appreciation for assistance and co-operation received from the Bankers, Vendors, Government Authorities, Customers and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for committed services by the executive staff & workers of the Company and gratitude to the members for their continued support and confidence.

#### FOR & ON BEHALF OF THE BOARD OF DIRECTORS HINDUSTAN EVEREST TOOLS LIMITED

Sd/-

Devansh Gupta  
Managing Director  
DIN: 06920376  
Add: G-190, Preet Vihar,  
Delhi-110092

Sd/-

Dhruv Gupta  
Director  
DIN: 06920431  
Add: G-190, Preet Vihar,  
Delhi-110092

Place: New Delhi  
Dated: September 30, 2021

**Annexure A to the Directors' Report****MANAGEMENT DISCUSSION AND ANALYSIS****OVERVIEW**

The financial statements are prepared in compliance with the requirements of the Companies Act, 2013. There are no material departures from the prescribed accounting standards in the adoption of the accounting standards. The management of **Hindustan Everest Tools Limited** accepts responsibility for the integrity and objectivity of these financial statements.

**(a) INDUSTRIAL STRUCTURE & DEVELOPMENTS**

India's diverse and comprehensive financial service industry is growing rapidly, owing to demand drivers like higher disposable incomes, customized financial solutions, etc. and supply drivers like new service providers in existing markets, new financial solutions, and products. The Indian financial service industry comprises several key sub-segments. These include, but are not limited to - stockbrokers, wealth managers, financial advisory companies, and commercial banks - ranging from small domestic players to large multinational companies. The services are provided to a diverse client base - including individuals, private businesses, and public organizations.

Amidst COVID-19 challenges, the industry has been constantly resilient and was functioning even during the complete lockdown period. The entire infrastructure and the intermediaries of the industry were working full time. Technology upgradation and innovation by entire value chain has become the new norm in industry. Constantly evolving regulations in order to safeguard retail interest also require market intermediary to be nimble, agile and quick-footed. Backed by the Government favored spending even at the cost of a rising fiscal deficit, to limit the impact of a prolonged COVID-19 crisis and improving consumer sentiment has been evident as the industry marked record high new demat accounts that were opened. The pandemic created profitable investment opportunities for market participants, with those with plenty of liquidity at hand benefiting most.

The Government has also eased Initial Public Offer (IPO) process to allow Qualified Foreign Investors (QFI) to access Indian Bond markets. The Government in the current budget increased FDI limit in insurance to 74% from 49%.

The fiscal and monetary stimulus provided by the Government and RBI has assisted in quick recovery greatly the economy. Rising incomes are driving the demand for financial services across income brackets. This change will come from economic and government policies, from innovation, operational restructuring, technology and from continued growth of the shadow banking system. With a combined push by the Government and private sector, India's future seems to be vibrant in capital markets. India is expected to be the fourth largest private wealth market globally by FY 2028.

**(b) OPPORTUNITIES AND THREAT, OUTLOOK & AREA OF CONCERN**

Technology-driven financial services or digital financing is one of the most important ways to work for low-income clients in India. Digital tools have encouraged rapid growth by significantly reducing the cost of financial services providers and making services easier and more accessible to users. The need for customers to find digital solutions for seamless financial services with ease, security and safety has taken precedence over the pandemic. In response, management has been using the pandemic to consolidate and transform the Company's digital processes in an efficient manner in order to keep it competitive as the business resumes. The company will continue to explore various ways to strengthen the capital and its balance sheet to maximize long-term resources to meet the financial needs of its business operations, financing for future growth opportunities, overall business objectives and other goals including successfully addressing the uncertainties and disruptions caused by the COVID-19 pandemic.

The disease continues to pose a major challenge worldwide, including in India. However, it seems that countries have now learned the process of adaptation - a new way of life. The timing and magnitude of the second wave of pandemics, the introduction of two new vaccines (according to a recent announcement by the Union Department of Health) in addition to the two existing vaccines released in February, 2021, the scale and effectiveness of implementation of the continued vaccination application and the efficacy of economic and monetary policy actions of Indian authorities are the important elements to impacting the pace of economic restoration.

**(c) SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

The Company had only one segment i.e., business of trading in metals. However, due to unfavourable business environment and to safeguard against losses the management did not engage into trading in metals during financial years ended 31-March-20 and 31-March-21.

However, after the change in management pursuant to indirect acquisition via Share purchase Agreement dated October 24, 2021, the new Management engaged in the business of trading in financial instruments w.e.f. February 10, 2021, the results of current quarter from continuing business reflect the results of in financial instruments.

The Company has future prospect of engagement in the business of Trading in mutual funds, equity derivatives and other securities.

**(d) FUTURE OUTLOOK AND PROSPECTS**

Your Company has newly entered into new line of Business i.e., Trading in Financial Instruments and looking forward to enhance its growth in same line of business in same segment in the near future.

**(e) RISK MANAGEMENT & CONCERNS**

The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures.

Further, the Company has limited risks as investments are majority in debt funds.

**(f) HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS**

The pandemic has brought about dramatic changes in all of our lives highlighting the importance of social isolation, wearing masks, use of sanitation facilities, hygiene to reduce the spread of Corona virus and making living habits with the Corona virus, for an indefinite period of time. The Company continued to urge employees to adhere strictly to the Social Distancing Protocol and reduce health risks during the pandemic by adapting to new working conditions, balancing work life balance, switching to Work from Home (WFH) whenever necessary. 'Lockdown' provided a lot of new learning, ideas and experience regarding effective communication strategies, effective time management, thereby improving overall efficiency, cost-effectiveness. The importance of focusing on digital payments and the use of advanced customer service strategies has gained great prominence. Our company is well-suited to adapt to hybrid work cultures - a combination of WOF and Work from Office / sector, as and when necessary, to address the challenge of strong pandemic conditions.

**(g) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate internal control procedures commensurate with the size of the Company and the nature of its business. These systems are designed to ensure that all the assets of the company are safeguarded and protected against any loss and that all the transactions are properly authorized recorded and reported.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements to strengthen the same. The Board of Directors

has framed a policy which ensures the orderly and efficient conduct of its business, safeguarding of its assets, to provide greater assurance regarding prevention and detection of frauds and accuracy and completeness of the accounting records of the company.

Further your company has adequate internal financial control with reference to its financial statements

#### (h) FINANCIAL REVIEW AND ANALYSIS

The financial performance of the Company for the financial year ended March 31, 2021 is given as under:-

PERFORMANCE	Year ended 31-03-2020 (Amt in Rs.)	Year ended 31-03-2021 (Amt in Rs.)
Revenue from continuing operations	1,60,77,974	5,21,03,440
Expenditure from continuing operations	3,93,95,284	2,24,65,013
Profitbefore tax from continuing operations	(2,33,17,310)	2,96,38,427
Tax expense	10,75,19,032	67,34,576
Profit for the year from continuing operations	(13,08,36,342)	3,74,43,987
Profitfor the year from discontinued operations	(1,54,50,692)	(1,46,250)
Profit/(Loss) for the year	(14,62,87,034)	3,72,97,737

#### (i) Details of Significant Changes (i.e., change of 25% or more as compared to the immediately previous financial year) in key financial ratios along with detailed explanations thereof:-

S. No.	Particulars	FY 2020-21	FY 2019-20	Detailed explanation for changes thereof
	Interest Coverage Ratio	26.60	(19.76)	<p>This ratio has changed significantly due to the following reasons:</p> <ol style="list-style-type: none"> <li>1. In FY 2021, interest income is Rs. 59,61,745 but in previous FY it was Rs. nil.</li> <li>2. In FY 2021, Gain on sale of financial assets is Rs. 59,59,719 but in previous FY it was Rs 2,51,298.</li> <li>3. In FY 2021, the company earned an income of Rs. 77,34,536 as return on amount invested in a systematic manner. There was no such income in FY 2020.</li> <li>4. After the takeover of the new management, Company commenced business of trading in financial instruments. Accordingly there is an increase of revenue from trading activities in FY 2021 amounting to Rs , 2,04,32,374 and also service income of Rs. 75,17,857.</li> <li>5. Depreciation expense in FY 2021 is nil as all the PPE has been sold by the company during the FY but previous year it was Rs. 20,91,983.</li> <li>6. In previous FY the company make provision of Rs. 1,09,79,224 for expected credit loss on financial assets and certain other liabilities.</li> </ol>

ii	Current Ratio	4.83	5.60	This ratio has reduced due to the sale of financial investments.
iii	Net Profit Margin (%) <sup>*</sup>	106.04%	-	In FY 2021, the Company has earned other income in the form of return on investments which has pushed the ratio upward.
iv	Debtors Turnover	1.81	-	In FY 2020, the Company had nil but in FY 2021 there are trade receivables of Rs 83,07,232.
v	Inventory Turnover	N.A.	-	The Company did not have any inventory as on 31st March 2020 & 31st March 2021.
vi	Debt Equity Ratio	N.A.	-	The Company did not have any inventory as on 31st March 2020 & 31st March 2021.
vii	Operating Profit Margin (%)	92.68%	-	In FY 2021, the Company has earned revenue from trading in financial instruments and service income

\* Considered only for continuing operations

**(j) DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF.**

The Return on Net Worth for the financial year 2020-21 is 0.19 compared to previous financial year 2019-20 which was (0.89). This change in return on net worth is because the new management has commenced operations in the Company and the results of the continuing operations are positive.

**(k) CAUTIONARY STATEMENT:**

Certain Statements in the "Management Discussion and Analysis" describing the Company's objectives, expectations or predictions may be "*forward looking statements*" within the meaning of applicable laws or regulations. These Statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied due to various risk & uncertainties. Important factors that could make a difference to the Company's operations include changes in Govt. regulations, tax regimes, economic developments and other factors such as litigation. The company does not undertake to update these statements.

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS  
HINDUSTAN EVEREST TOOLS LIMITED**

Sd/-

Devansh Gupta  
Managing Director  
DIN: 06920376

Add: G-190, Preet Vihar,  
Delhi-110092

Sd/-

Dhruv Gupta  
Director  
DIN: 06920431

Add: G-190, Preet Vihar,  
Delhi-110092

Place: New Delhi  
Dated: September 30, 2021

**Annexure B to the Directors' Report****Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

**1. Details of contracts or arrangements or transactions not at arm's length basis**

There were no contracts or arrangements or transactions entered into during the year ended 31<sup>st</sup> March, 2021, which were not at arm's length basis.

**2. Details of material contracts or arrangements or transactions at arm's length basis**

Name of related party	Nature of relationship	Nature of contracts / arrangements / transactions	Duration of contract / arrangement / transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval of Board, if any	Amount paid as advances, if any
NIL						

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS  
HINDUSTAN EVEREST TOOLS LIMITED**

Sd/-

Devansh Gupta  
Managing Director  
DIN: 06920376  
Add: G-190, Preet Vihar,  
Delhi-110092

Sd/-

Dhruv Gupta  
Director  
DIN: 06920431  
Add: G-190, Preet Vihar,  
Delhi-110092

Place: New Delhi  
Dated: September 30, 2021



**Annexure C to the Directors' Report****FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**HINDUSTAN EVEREST TOOLS LIMITED**  
**CIN: L74110DL1962PLC003634**

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 records of **HINDUSTAN EVEREST TOOLS LIMITED**, 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 31<sup>st</sup> March 2021** complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliances 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 record maintained by **HINDUSTAN EVEREST TOOLS LIMITED** for the financial year ended on **March 31, 2021** according to the provisions of:

- (i) The Companies Act, 2013(the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act,1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act,1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:(**NOT APPLICABLE FOR THE YEAR UNDER REVIEW**)
- (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 Takeover) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Training)Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (**NOT APPLICABLE FOR THE YEAR UNDER REVIEW**)
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**NOT APPLICABLE FOR THE YEAR UNDER REVIEW**)
  - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

- g. The Securities and Exchange Board of India(Delisting of Equity Shares)Regulations, 2009; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
  - h. The Securities and Exchange Board of India (Buyback of Securities)Regulations, 1998; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (vi) As stated in the **Annexure – A** – all the laws, rules, regulations are applicable specifically to the company.
- (vii) Other than acquisition of the company under the regulations of The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 which was effective from February 09, 2021, no other major corporate events occurred during the year and various compliances made by the Company with applicable Laws, Rules, Regulations, and ListingRegulations etc.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and applicable w.e.f July 01, 2015 or any amendment, subtraction, if any, are adopted by the Company and are complied with.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

#### **I further report that**

The board of directors of the company is duly constituted with proper balance of executive directors, non-executives directors, independent directors and woman director. 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 and with intimation to stock exchanges.

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 or with consent of directors at a shorter notice, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, the company has not incurred any specific event / action that can have a bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guideline, standards, etc. except the Issue and allotment of bonus equity shares for which the company has duly complied with the necessary provisions thereof.

**For Parth P Shah,  
Practicing Company Secretaries**

Sd/-  
Parth P Shah  
(Proprietor)  
ACS: 48591  
COP: 18640

Place: Ahmedabad  
Date: 15<sup>th</sup>September, 2021

UDIN: A048591C000950734

**"ANNEXURE-A"*****Securities Laws***

1. All Price Sensitive Information were informed to the stock exchanges from time to time
2. All investors complain directly received by the RTA & Company is recorded on the same date of receipts and all are resolved within reasonable time.

***Labour Laws***

1. All the premises and establishments have been registered with the appropriate authorities.
2. The Company has not employed any child labour/ Bonded labour in any of its establishments.
3. Provisions with relate to compliances of PF/ESI/Gratuity Act are applicable to Company and Complied with.

***Environmental Laws***

As the company is engaged in the manufacturing activities, the environmental laws as are applicable to it and it has properly complied with such provisions to the extent applicable.

***Taxation Laws***

The company follows all the provisions of the taxation and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other necessary departments.

**For Parth P Shah,  
Practicing Company Secretaries**

**Sd/-  
Parth P Shah  
(Proprietor)  
ACS: 48591  
COP: 18640  
UDIN: A048591C000950734**

**Place: Ahmedabad  
Date: 15<sup>th</sup> September, 2021**

**"ANNEXURE-B"**

To  
The Members,  
HINDUSTAN EVEREST TOOLS LIMITED  
CIN:L74110DL1962PLC003634  
4/11, 1st Floor, Asaf Ali Road, New Delhi - 110002

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, followed to provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we 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. Our 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.
7. We have relied on Management Representation Letter provided by the Company before issuing this Report to the Company.

**For Parth P Shah,  
Practicing Company Secretaries**

**Sd/-**

**Parth P Shah  
(Proprietor)  
ACS: 48591  
COP: 18640  
UDIN: A048591C000950734**

**Place: Ahmedabad  
Date: 15<sup>th</sup> September, 2021**

## Annexure D to the Directors' Report

Particulars of Employees as on 31.03.2021**DISCLOSURE PERTAINING TO REMUNERATION AND OTHER DETAILS AS REQUIRED U/S197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

S. No.	Requirements of Rule 5(1)	Details	
	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Dhruv Gupta	0 : 1
		Devansh Gupta	0 : 1
		S.K. Mandelia*	3.97 : 1
		Balgopal Mandelia*	3.65 : 1
	The percentage of increase in remuneration of each director, Chief Financial Officer, Chief Executive or Manager, if any, in the Financial year;	Dhruv Gupta Devansh Gupta S.K. Mandelia Balgopal Mandelia Preeti Arora Amit Gupta	As per Payout  NIL  As per terms  NIL
		Difference in remuneration as compared to last year is due variation in amount of perquisites.	
	The percentage increase in the median remuneration of employees in the financial year	Increments were very few and were done on selected basis.	
	The number of permanent employees on the rolls of company;	Nil employees as on 31.03.2021	
	Average percentile increase already made in the managerial 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 managerial justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average Salary increase of non- managerial employees were negligible.  Average salary increase of managerial employees is NIL.  There are no exceptional circumstances for increase in the managerial remuneration.	
	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.	

Information as per provisions of section 197 (12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AS ON 31.03.2021

S. No.	Name	Age	Designation of Employee	Nature of Employment (Whether Contractual or otherwise)	% of Equity Shares held by Employee	Remuneration (Rs.)	Other Terms and Conditions	Qualifications	Experience (in yrs)	Date Of Commencement of Employment	Particulars of last employment held by such employee before joining the company	Whether such employee is a relative of any director or manager of the company
1.	S.K. Mandelia <sup>#</sup>	62	Managing Director	Regular	0.025	6,02,793	-	B.Com	38	01.04.1982	None	Yes
2.	Deepak Gupta <sup>\$</sup>	61	Dy. Manager (Accounts)	Regular	0.012	6,39,210	-	B.Com.	21	07.07.2000	None	No
3.	Mukesh Agarwal <sup>^</sup>	53	Manager (Estate)	Regular	0.000	6,01,700	-	B.Com	11	23.06.2008	None	No
4.	B.G. Mandelia <sup>*</sup>	60	Managing Director	Regular	0.025	5,54,481	-	B.Com	38	01.04.1982	None	Yes
5.	Sonam Gupta <sup>b</sup>	28	Company Secretary	Regular	0.000	4,64,200	-	B.Com (Hons), C.S	4	01.06.2018	None	No
6.	S.S. Rauthan <sup>†</sup>	67	Asst. Manager (Personnel)	Regular	0.000	4,74,000	-	B.A.	4	22.06.1984	None	No
7.	Usha Sajwan <sup>(</sup>	48	Sr. Officer (Personnel)	Regular	0.000	2,96,000	-	B.Sc.	11	01.08.2008	None	No
8.	Dinesh Singh Bhakundi <sup>)</sup>	-	Jr. Officer	Regular	0.000	1,55,200	-	B.com	-	-	None	No
9.	Sunil Bhardwaj <sup>&lt;</sup>	-	Jr. Officer	Regular	0.000	1,52,000	-	B.com	-	-	None	No
10.	Ugrasen Kumar Pathak <sup>&gt;</sup>	-	Jr. Officer	Regular	0.000	1,44,000	-	B.com	-	-	None	No

\* B.G. Mandelia resigned on February 11, 2021.

# S.K. Mandelia resigned on February 11, 2021.

\$ Deepak Gupta resigned on March 04, 2021.

^ Mukesh Agarwal resigned on February 28, 2021.

& Sonam Gupta resigned on 09-March-2021.

+ S.S. Rauthan resigned on November 30, 2020.

( Usha Sajwan resigned on November 30, 2020.

) Dinesh Bhakundi resigned on November 30, 2020.

< Sunil Bhardwaj resigned on November 30, 2020.

> Ugrasen Kumar Pathak resigned on November 30, 2020.

## NAME OF EMPLOYEES IN TERMS OF REMUNERATION DRAWN IN EXCESS OF LIMITS AS PRESCRIBED:

S. No.	Name	Age	Designation of Employee	Nature of Employment (Whether Contractual or otherwise)	% of Equity Shares held by Employee	Remuneration (Rs.)	Other Terms and Conditions	Qualifications	Experience (in yrs)	Date Of Commencement of Employment	Particulars of last employment held by such employee before joining the company	Whether such employee is a relative of any director or manager of the company
N.A.												

FOR & ON BEHALF OF THE BOARD OF DIRECTORS  
HINDUSTAN EVEREST TOOLS LIMITED

Sd/-

Devansh Gupta  
Managing Director  
DIN: 06920376  
Add: G-190, Preet Vihar,  
Delhi-110092

Sd/-

Dhruv Gupta  
Director  
DIN: 06920431  
Add: G-190, Preet Vihar,  
Delhi-110092

Place: New Delhi

Dated: September 30, 2021

**CORPORATE GOVERNANCE REPORT**  
**(Part C of Schedule V of SEBI (LODR) Regulations, 2015)**

In accordance with Regulation 34 read along with Schedule IV of SEBI (LODR) Regulations, 2015 and other applicable provisions of the Companies Act, 2013, alongwith rules made thereunder and some of best practices followed on Corporate Governance, the report containing the details of Corporate Governance Systems and Processes at Hindustan Everest Tools Limited is as under:

**1) A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Corporate Governance is an integral part of values, ethics and the best business practices followed by the Company. The basis of Corporate Governance envisages optimal utilization of resources for enhancing the values of the enterprise by effectively monitoring executive performance and supporting the entrepreneurship spirit and to ensure ethical behavior of the enterprise in honoring and protecting the rights of all stakeholders, including discharge of social responsibility, through highest level of transparency and accountability in all facets of its operations. The core values of the Company are:

- Caring for people.
- Integrity including intellectual honesty, openness, fairness & trust.
- Commitment to excellence and customer satisfaction.

The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment in interface with stakeholders and clearly laying down the core values and corporate ethics to be practiced by its entire management cadre. The Company strives to set and achieve high standards of Corporate Governance. The very essential characteristics of the Company are transparent functioning, social responsiveness and accountability towards shareholders. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to Corporate Governance.

**2) BOARD OF DIRECTORS:**

**(a) Composition and category of Directors:**

The Board comprises of members having varied skills, experience and knowledge. The Board has a mix of both Independent and Non-independent Directors. As on March 31, 2021, the Board of Directors of the Company comprised of four Directors, with two Independent Directors and two Non-Independent Directors. None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified under Regulation 26 (1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the companies in which they are Directors. Necessary disclosures regarding Committee positions have been made by the Directors. The Independent Directors are independent of the management and fulfil the requirements as stipulated in Section 149 (6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The brief profile of the Company's Board of Directors is as under:



Name of Directors	Mr. Amit Gupta****	6/12/1978	9/02/2021	His experience includes advising on international tax and domestic tax matters, handling complex tax litigations for domestic as well as international corporate, tax due diligences.	C.A	10
	Mrs. Preeti Arora****	1/12/1981	9/02/2021	She has an experience in Regulatory and Compliance Matters	C.S.I.L.L.M.	NIL
	Mr. Devansh Gupta****	20/6/1996	9/02/2021	He has an experience in managing business and trading	graduate in Commerce	No. 12225 % 0.76
	Mr. Dhruv Gupta****	29/12/1993	9/02/2021	He has an experience in managing risk & technology and is also involved in seed funding of tech-focused early stage start-up	Graduate in Economics, CFA Level 3 candidate.	No. 10900 % 1.76
	Miss Shifa Nagar**	15/2/1987	29/09/2018	she has been practicing as a lawyer in various High Courts in India and the Supreme Court	Graduation in English, Masters in International Relation L.L.B.	NIL
	Shri Amitav**	9/7 1966	29/9/2018	He has an experience in various fields which includes Operations, Planning, Administration Marketing, QMS and R&D.	Bachelor of Science Honors in Physics, qualified UGC NET examination	NIL
	Shri Saurabh Kumar Parashramka***	12/10/1970	19/08/2016	He has an experience in Marketing.	Graduated	NIL
	Shri Pradeep Jain**	8/4/1954	31/10/2001	He has experience in premium life style real estate development	B.A. in (Economic Honors), M.A. in Economics and M.B.A., M.S. (Post Graduation) in Economics.	NIL
	Shri Balgopal Mandelia**	09/09/1960	01/01/1994	Tools Industry and Hospitality Management	Graduated	No. 406 % 0.025
	Shri Shrawan Kumar Mandelia*	15/9/1958	14/12/1988	Business Management and Operations & Education	Graduated	No. 405 % 0.025
Date of Birth						
Date of Appointment in the current term						
Expertise/ Experience in specific functional areas						
Qualification						
No. & % of Equity Shares held						

List of Outside Company's directorship held including name of Listed Company Chairman / Member of the Committees of the Board of Directors of the Company	1. Mandelia Investments Pvt Ltd	1. Mandelia Investments Pvt Ltd	NIL	NIL	1. Shailja Niwes & Nirvat Ltd 2. Aakrity Dealcom Private Limited 3. Saurav Fiscal Services Pvt Limited	NIL	1. hindustan Everest Tools Limited 2. Mandelia Investments Private Limited 3. Algoquant Properties Private Limited# 4. Devansh Real Estate Private Limited 5. Growth Securities Private Limited 6. Sigma quant Technologies Private Limited	1. Growth Securities Private Limited 2. Mandelia Investments Private Limited 3. Algoquant Properties Private Limited# 4. Devansh Real Estate Private Limited 5. Hindustan Everest tools Limited	1. hindustan Everest Tools Limited 2. Bytedance (India) Technology Private Limited 3. Guidepoint India Private Limited	1. hindustan Everest Tools Limited 2. Rollatainers Limited 3. Ahlers India Private Limited 4. Alliance Integrated Metaliks Limited^	3
Chairman/ Member of the Committees of the Board, of other Companies in which he/she is director	1. Mandelia Investments Pvt Ltd	1. Mandelia Investments Pvt Ltd	NIL	NIL	1. Bhagirathi Towers Private Limited 2. Rishi Raj Realtors Private Limited 3. Tanya Partments Private Limited 4. Aman Resorts Pvt Limited 5. Health Glades Hospitality Private Limited 6. Ratanagar Estate & Investment Private Limited 7. Silverline Holdings Pvt Ltd 8. Silverglades Holdings Pvt Limited	NIL	NIL	NIL	2	2	2

<b>Directors Interse</b>	Except for Shri Balgopal Mandelia, he is not related /associated with any director of the Company	Except for Shri Shrawan Kumar Mandelia, he is not related/ associate with any director of the Company	He is not related / associated with any director of the Company	He is not related /so- associated with any director of the Company	He is not related /so- associated with any director of the Company	He has no interest/ relationship with any member of the Board of directors in any manner except for Mr. Dhruv Gupta.	He has no interest/ relationship with any member of the Board of directors in any manner.	She has no interest/ relationship with any member of the Board of directors in any manner.	He has no interest/ relationship with any member of the Board of directors in any manner except for Mr. Dhruv Gupta.	He has no interest/ relationship with any member of the Board of directors in any manner.	He has no interest / relationship with any member of the Board of directors in any manner
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**Notes:-**

- \* Mr. Shrawan Kumar Mandelia and Balgopal Mandelia resigned from the post of Managing Director of the Company w.e.f. 11-02-2021.
- \*\* Mr. Pradeep Jain, Mrs. Shifa Nagar and Mr. Amitav resigned from the post of Independent Director of the Company with effect from 24-02-2021, 02-03-2021 and 03-03-2021 respectively and Mr. Saurabh Parasramka resigned from the post of Director w.e.f. 19-02-2021.
- \*\*\* Mr. Dhruv Gupta, Mr. Devansh Gupta, Mr. Amit Gupta and Mrs. Preeti Arora has been appointed as Directors w.e.f. 09-02-2021.
- ^ Mr. Amit Gupta resigned from the Directorship of Alliance Integrated Metaliks Limited w.e.f. May 10, 2021.
- # Mr. Dhruv Gupta and Mr. Devansh Gupta has been appointed as Director of Algoquant properties Limited w.e.f. September 12, 2021.

**(b) Attendance Record of Directors:**

Name	Category	No. of Board Meetings held in 2020-2021	No. of Board Meetings attended in 2020-2021	Last AGM whether attended	Other Directorships	Committee Membership / Chairman
Shri Shravan Kumar Mandelia	Managing Director	6	4	yes	1	NIL
Shri Balgopal Mandelia	Managing Director	6	4	No	1	NIL
Shri Pradeep Jain	Independent Director	6	5	No	8	2
Shri Saurabh Kumar Parasramka	Director	6	5	yes	3	1
Shri Amitav	Independent Director	6	5	No	0	NIL
Miss Shifa Nagar	Independent Director	6	5	yes	0	NIL
Mr. Dhruv Gupta	Additional Director	6	2	No	6	NIL
Mr. Devansh Gupta	Additional Director	6	2	No	5	2
Mrs. Preeti Arora	Additional Independent Director	6	2	No	3	2
Mr. Amit Gupta	Additional Independent Director	6	2	No	4	3

During the Financial Year 2020-2021 (Six) Board Meetings were held i.e., 24/07/2020, 28/09/2020, 11/11/2020, 09/02/2021, 15/02/2021 and 22/03/2021. The intervening period between two meetings was well within the maximum period mentioned under Section 173 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), 2015. The necessary quorum was present for all the meetings.

**(c) Performance evaluation of Board and Directors:**

The Company has laid down a process for evaluation of the Board and Committees of Board as also evaluation of the performance of each of the Directors. The evaluation criteria include inter-alia, structure of the Board, qualifications, experience and competency of Directors, diversity in Board, effectiveness of the Board process, information and functioning, Board culture and dynamics, quality of relationship between the Board and management, meetings of the Board, including regularity and frequency, discussion and dissent, corporate culture and values, governance and compliance, evaluation of risk amongst others. The criteria is based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. The evaluation process is conducted and monitored by the Chairperson, Nomination & Remuneration Committee (NRC) in consultation with the members of the committee. The Chairperson, NRC on the basis of

the feedback received from each of the Directors has one to one meeting with them. Thereafter, briefs the Chairman of the Board on the outcome, which in turn discussed in the Board meeting. The performance of the Independent Directors was also reviewed at the Board meeting. For the year 2020-21 the Board evaluation has been conducted as per the process mentioned above.

**(d) Induction and Familiarization Programme for Independent Directors:**

On appointment, the concerned Director is issued a Letter of Appointment setting out in details, the terms of appointment, duties, responsibilities and expected time commitments the same are posted on the website of the company at :[http://www.everesttools.com/pdfs/b\)Familiarisation%20of%20independent%20director%20for%20financial%20year.pdf](http://www.everesttools.com/pdfs/b)Familiarisation%20of%20independent%20director%20for%20financial%20year.pdf)

**(e) Separate Meeting of Independent Directors:**

As stipulated by the code of Independent Directors under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the company was held on July 30, 2020 to review the performance of Non-Independent Director (including the chairman) and the Board as whole. The Independent Director also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge the duties.

**(f) Code of Conduct**

The Board has adopted the code of conduct for all its Directors and Senior Management which has been displayed on the Company's website. All Board members and senior management personnel have affirmed compliance with code on annual basis. A declaration to this effect by CEO of the Company forms part of this Annual Report.

**(g) Prevention of insider Trading code:**

Already discussed in the Board Report. Members are requested to please refer Board Report.

**(h)(i) List of core skills/expertise /competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board.**

The following is the list of core skills/expertise/ competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- a) Knowledge on Company's Business, policies and business culture major risks/threats and potential opportunities and knowledge of the industry in which the Company operates.
- b) Behavioral skills -attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company,
- c) Financial, Auditing, Taxation and Management skills,
- d) Technical/Professional skills and specialized knowledge in relation to Company's business.

## (h)(ii) Matrix Setting out Skills/Expertise/Competencies:

	Devansh Gupta	Dhruv Gupta	Amit Gupta	Preeti Arora
<b>Skills and its description</b>	Managing Director	Non-Executive Non-Independent Director	Non-executive Independent Director	Non-Executive Independent and Women director
<b>Industry Knowledge / Experience</b> Knowledge or experience of Financial and Capital Markets and aspects of Industry.	✓	✓		
<b>General Management/ Governance-</b> Strategic thinking, decision making and protect interest of all stakeholders.	✓	✓	✓	✓
<b>Financial and Accounting Skills-</b> Understanding the financial statements, financial controls, capital allocation, risk management, mergers and acquisitions etc.	✓	✓	✓	✓
<b>Technical Skills-</b> Significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation and extend or create new business models.	✓	✓	✓	✓
<b>Crafting of Business Strategies-</b> Developing long-term strategies to grow business in a sustainable manner in diverse business environments and changing economic conditions.	✓	✓	✓	✓

**(i) Confirmation that in the opinion of the Board, the Independent Director fulfill the condition specified in this regulation and are independent of the Management:**

All Independent Directors have given disclosure as required under the Companies Act, 2013 and Listing Regulations that they are independent of the management and the management do hereby confirm their independency.

**(j) Detailed Reason for resignation of Independent Director who resigns before the expiry of his tenure alongwith the confirmation by such director that there are no other material reason other than those provided:**

Mr. Pradeep Jain, Mr. Amitav and Mrs. Shifa Nagar, Independent Directors of the Company resigned from the Directorship of the Company before expiry of their tenure due to preoccupation and a copy of letter received from them confirming non - existence of any material reasons for their resignation other than that provided has already been submitted to BSE and on the website of the Company at [www.everesttools.com](http://www.everesttools.com).

**(k) Disclosures**

**i. Related Party Transactions:**

Already discussed in the Board Report. Members are requested to please refer the Board Report.

**ii. Providing Voting by electronic means:**

Your company is providing E-Voting facility under Regulation 44 of SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The details regarding e-voting facility is being given with the notice of the Meeting.

**iii. Strictures and Penalties:**

There was no case of any non-compliance by the Company during the last three years. Further no penalty had been imposed on the Company by SEBI, Stock Exchange, or any statutory authority, on any matter related to the Capital Market during last three years.

**iv Compliance with Mandatory requirements and adoption of non mandatory requirements-** During the Year under review, the Company has complied with all mandatory laws applicable and adopted non mandatory requirement on discretionary basis.

**v Web link where policy for determining Material Subsidiaries is disclosed:** Not Applicable

**vi Web link where policy on dealing with Related Party Transactions-** <http://www.everesttools.com/investors/Related-Party-Policy-10-21.pdf>

**vii Commodity Price Risk or Foreign Exchange risk and hedging Activities-** Not Applicable

**viii. Compliance with Indian Accounting Standards:** In the preparation of the financial statements, the Company has followed the Indian Accounting Standards as notified. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements

**ix Vigil Mechanism/Whistle Blower Policy 10(C):** The Company has established a Vigil Mechanism / Whistle Blower Policy to provide a framework to promote responsible and secure whistle blowing. It protects Stakeholders/Directors/Employees wishing to raise a concern about serious irregularities within the Company. The policy has been uploaded on the website of the Company at <http://www.everesttools.com/pdfs/whistle%20blower%20policy.pdf>

**x Proceeds from public issues, right issues, preferential issues etc.:**

No funds were raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations.

- xi Disclosures with respect to demat suspense account/unclaimed suspense account:**  
There were no such shares unclaimed in the year under review.
- xii CEO/CFO Certification:**  
The CEO and The CFO have issued certificate pursuant to the provisions of Regulations 17(8) of SEBI (LODR) Regulation, 2015. The said certificate is annexed and forms part of the Annual Report.
- xiii Secretarial Compliance Report:**  
SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 08<sup>th</sup> February, 2019 read with Regulation 24A of the SEBI(LODR) Regulations, 2015, directed listed entities to obtain Annual Secretarial Compliance Report from a Practicing Company Secretary for Compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance Report is in addition to the Secretarial Audit is required to be submitted to Stock Exchanges within 60 days of the end of the financial year. The Company has obtained the services of CS Parth Shah (M.No.:48591, COP:18640), Practicing Company Secretary for providing required Compliance Report for the year ended 31<sup>st</sup> March, 2021 and filed with the BSE Limited as required.
- xiv Disclosure on compliance with Corporate Governance Requirements specified in Listing Regulations:**  
The Company is in compliance with the requirements of SubParas (2) to (10) of Part C (Corporate Governance Report) of Schedule V of the SEBI (LODR) Regulations, 2015. The Company is in compliance with the requirements stipulated under regulation 17 to 27 read with Schedule V and regulation 46 of SEBI (LODR) Regulations, 2015, as applicable, as amended from time to time.
- xv Discretionary requirements as specified in Part E of schedule II:**  
The company has complied as per the discretionary requirements as specified in Part E of Schedule II.
- xvi Certificate from Practicing Company Secretary for Non-Disqualification of Directors:**  
On an annual basis, the Company obtains from each Director details of the Board and Board Committee positions he/she occupies in other Companies, and changes, if any, regarding their Directorships. The Company has obtained a certificate from M/s Parth P. & Associates, Company Secretaries (Membership No: 48591, COP: 18640), confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report as Annexure-II.
- xvii Disclosure on recommendations of any Committee of the Board which is Mandatorily required, in the relevant financial year:**  
The Board has accepted all recommendations of every committee of the Board during the period under review.
- xviii Disclosure relating to Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**  
The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. Already discussed in the Board Report. Members are requested to please refer Board Report.
- xix Disclosure of non-compliance by the Company:**



The Company is in compliance with the requirements of SubParas (2) to (10) of Part C (Corporate Governance Report) of Schedule V of the SEBI (LODR) Regulations, 2015. The Company is in compliance with the requirements stipulated under regulation 17 to 27 read with Schedule V and regulation 46 of SEBI (LODR) Regulations, 2015, as applicable, as amended from time to time.

**xx Dividend payment date**

No dividend has been recommended for the year ended 31<sup>st</sup> March, 2021.

**xxi Total fees for all services paid by the company to the statutory auditors and all entities in the network of which the statutory auditor is a part.**

M/s. SSRA & Associates, Chartered Accountants (Firm Registration Number: 093711 ) are the Statutory Auditors of the Company. The details of total fees paid by your Company to M/s. SSRA & Associates and all the entities in the network firm / network entity of which Statutory Auditors is a part during the financial year 2020-21 is as under:

S. No.	Nature	Amount (in Lakhs.)
1.	Statutory Audit & Limited Reviews	2,65,000

Also, the Company does not have any subsidiary company.

### 3. **AUDIT COMMITTEE**

The Board of Directors has constituted an Audit Committee of Directors and empowered the Committee to deal with all such matters which it may consider appropriate to perform as audit committee including items specified in Section 177(4) of the Companies Act, 2013 (as may be modified/amended from time to time), items specified in Part C of Schedule II in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 under the head role of audit committee (as may be modified/amended from time to time) and such matters as may be assigned from time to time by the Board of Directors.

The Board of Directors at its meeting held on 22/03/2021 has reconstituted the Audit Committee of the Board as Mr. Pradeep Jain, Mrs. Shifa Nagar and Mr. Amitav resigned from the post of Independent Director of the Company with effect from 24-02-2021, 02-03-2021 and 03-03-2021 respectively who were also the members of the Audit Committee.

Also, in Financial Year 2020-21, Mrs. Preeti Arora and Mr. Amit Gupta were appointed as Independent Directors on the Board of the Company with effect from February 09, 2021.

**Composition of Audit Committee as on March 31, 2021:**

S.No.	Name of the Member	Designation
1.	Mr. Amit Gupta	Chairman
2.	Mrs. Preeti Arora	Member
3.	Mr. Devansh Gupta	Member

**Meetings of Audit Committee:**

During the Financial Year 2020-2021, the Audit Committee met 5 (Five) times during the year on 24-07-2020, 28-09-2020, 11-11-2020, 15-02-2021 and 22-03-2021. The attendance of Members at the Meetings was as follows:

S. No.	Name of Member	Status	No. of meetings during the year	No. of Meetings Attended
a.	Shri Pradeep Jain\$	Member	5	4
b.	Shri Saurabh Kumar Parasramka\$	Member	5	4
c.	Shri Amitav\$	Chairman	5	4
d.	Miss Shifa Nagar\$	Member	5	4
e.	Mr. Amit Gupta\$\$	Chairman	5	1
f.	Mrs. Preeti Arora\$\$	Member	5	1
g.	Mr. Devansh Gupta\$\$	Member	5	1

\$ During the period under review, Mr. Amitav resigned from the post of chairmanship of the committee w.e.f. March 03, 2021. Also, Mr. Pradeep Jain, Mr. Saurabh Kumar Parasramka and Mrs. Shifa Nagar resigned from the membership of Audit Committee w.e.f. February 24, 2021, February 19, 2021 and March 02, 2021 respectively.

\$\$ During the Financial Year, Mr. Amit Gupta has been appointed as chairperson of the committee w.e.f. March 22, 2021 and Mrs. Preeti Arora and Mr. Devansh Gupta has been appointed as member of the Audit committee w.e.f. March 22, 2021.

The Company Secretary acts as the Secretary to the Audit Committee.

#### Terms of Reference:

#### POWER OF AUDIT COMMITTEE

The Audit Committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### ROLE OF AUDIT COMMITTEE

The role of Audit Committee includes the review of the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013

- (b) Changes, if any, in accounting policies and practices and reasons for the same.
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management
  - (d) Significant adjustments made in the financial statements arising out of audit findings.
  - (e) Compliance with listing and other legal requirements relating to financial statements.
  - (f) Disclosure of any related party transactions.
  - (g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  8. Approval of the related party transactions as per policy of the Company, including granting of omnibus approval for related party transactions;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems. Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
  12. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the Whistle Blower mechanism;
  19. Management discussion and analysis of financial condition and results of operations.
  20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
  22. reviewing the utilization of loans and/ or advances from/investment by the holding company in

the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments

#### 4) **NOMINATION & REMUNERATION COMMITTEE**

The Board of Directors has constituted a Nomination and Remuneration Committee. The role of the committee is to perform all such matters as prescribed under the Section 178 of the Companies Act, 2013 and the rules framed there under and Schedule II Part D(A) about role of Nomination and Remuneration Committee of Directors under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which inter alia includes - recommendation to Board of Directors remuneration policy for the Company, formulation of criteria for performance evaluation of directors, Board and Committee, appointment of Director, appointment and remuneration of Executive Director, Key Managerial Personnel and Senior Management.

The Committee will also deal with matters as may be assigned from time to time by the Board of Directors.

The Committee has formulated a guiding policy on remuneration for its Directors, Key Managerial Personnel and senior management of the Company.

The Committee has devised uniform performance evaluation criteria for directors including independent directors.

The Board of Directors at its meeting held on 22/03/2021 has reconstituted the Nomination & Remuneration Committee of the Board as Mr. Amitav, Mr. Pradeep Jain, Mr. Saurabh Kumar Parasramka and Mrs. Shifa Nagar resigned w.e.f. March 03, 2021, February 24, 2021, February 19, 2021 and March 02, 2021 from the Board who were also the members of the Nomination & Remuneration Committee.

#### **Composition of Nomination & Remuneration Committee as on March 31, 2021:**

S.No.	Name of the Member	Designation
1.	Mr. Amit Gupta	Chairman
2.	Mrs. Preeti Arora	Member
3.	Mr. Dhruv Gupta	Member

#### **MEETINGS OF NOMINATION AND REMUNERATION COMMITTEE:**

During the Financial Year 2020- 2021 the Committee met one (1) time i.e., on 09/02/2021. The attendance of Members at the Meeting was as follows:

S. No.	Name of Member	Status	No. of meetings during the year	No. of Meetings Attended
a	Shri Pradeep Jain <sup>§</sup>	Member	1	1
b	Shri Saurabh Kumar Parasramka <sup>§</sup>	Member	1	1
c	Shri Amitav <sup>§</sup>	Chairman	1	1
d	Miss Shifa Nagar <sup>§</sup>	Member	1	1
e	Mr. Amit Gupta <sup>§§</sup>	Chairman	1	0
f	Mrs. Preeti Arora <sup>§§</sup>	Member	1	0
g	Mr. Dhruv Gupta <sup>§§</sup>	Member	1	0

§ During the period under review, Mr. Amitav resigned from the post of chairmanship of the committee w.e.f. March 03, 2021.

Also, Mr. Pradeep Jain, Mr. Saurabh Kumar Parasramka and Mrs. Shifa Nagar resigned from the membership of Audit Committee w.e.f. February 24, 2021, February 19, 2021 and March 02, 2021 respectively.

\$\$ During the Financial Year 2020-21, Mr. Amit Gupta has been appointed as chairperson of the committee w.e.f. March 22, 2021 and Mrs. Preeti Arora and Mr. Dhruv Gupta has been appointed as member of the Nomination and Remuneration Committee w.e.f. March 22, 2021.

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

#### **Remuneration Policy:**

In accordance with the recommendation of the Committee, the Company has formulated a Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company. The Committee is also responsible for recommending the fixation and periodic revision of remuneration of the Managing Director.

#### **TERMS OF REFERENCE**

The role of Nomination and Remuneration Committee includes the following:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) Formulation of criteria for evaluation of Independent Directors and the Board;
- 3) Devising a policy on Board diversity;
- 4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and to carry out evaluation of every Directors' performance.
- 5) Extension or continuation of the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- 6) Determine/ review on behalf of Board of Directors of the Company the compensation package, service agreements and other employment conditions for Managing/Whole Time Director(s).
- 7) Determine on behalf of the Board of Directors of the Company the quantum of annual increments/ incentives on the basis of performance of the Key Managerial Personnel.
- 8) Formulate, amend and administer stock options plans and grant stock options to Managing / Whole Time Director(s) and employees of the Company.
- 9) Delegate any of its power/ function as the Committee deems appropriate to Senior Management of the Company.
- 10) Consider other matters, as from time to time be referred to it by the Board.

#### **RELATED PARTY TRANSACTION DISCLOSURES**

The Company is in Compliance with IND AS-24 on related party disclosure. For further details, please refer Note No 23 forming part of Financial Statements.

#### **PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS**

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration committee.

Your Company understands the requirements of an effective Board Evaluation process and accordingly conducts a Performance Evaluation every year in respect of the following:

- a. Board of Directors as a whole
- b. Committees of the Board of Directors
- c. Individual Directors

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidance Note on Board Evaluation issued by SEBI, your Company has carried out a Performance Evaluation for the Board / Committees / Directors of your Company for the financial year ended March 31, 2021.

The key objectives of conducting the Board Evaluation were to ensure that the Board and various Committees of the Board have appropriate composition of Directors and they have been functioning collectively to achieve common business goals of your Company. Similarly, the key objective of conducting performance evaluation of the Directors through individual assessment and peer assessment was to ascertain if the Directors actively participate in Board Meetings and contribute to achieve the common business goal of the Company. The Directors carry out the aforesaid Performance Evaluation for the financial year ended March 31, 2021.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was also carried out by the Independent Directors.

An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

#### 4. STAKEHOLDER RELATIONSHIP COMMITTEE

The Board of Directors has constituted Stakeholders Relationship Committee of the Board in terms of the requirements of Section 178 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 20 of the Listing Regulations. The role of the committee is to consider and resolve the grievances of shareholders and investors and perform such roles as may require under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors at its meeting held on 22/03/2021 has reconstituted the Stakeholders Relationship Committee of the Board as Shri Amitav, Shri Pradeep Jain and Mrs. Shifa Nagar has been resigned from the Board who were also the members of the Stakeholders Relationship Committee w.e.f. March 03, 2021, February 24, 2021 and March 02, 2021.

Composition of Stakeholder Relationship Committee as on March 31, 2021:

S. No.	Name of the Member	Designation
1.	Mr. Amit Gupta	Chairman
2.	Mrs. Preeti Arora	Member
3.	Mr. Devansh Gupta	Member

#### MEETINGS OF STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee met 1 (one) time during the year i.e., on 30/03/2021. The attendance of Members at the Meeting was as follows:

S. No.	Name of Member	Status	No. of meetings during the year	No. of Meetings Attended
a)	Shri Pradeep Jain*	Member	1	0
b)	Shri Amitav*	Chairman	1	0
c)	Miss Shifa Nagar*	Member	1	0
d)	Mr. Amit Gupta**	Chairman	1	1
e)	Mrs. Preeti Arora**	Member	1	1
f)	Mr. Devansh Gupta**	Member	1	1

\* Mr. Pradeep Jain, Mr. Amitav and Ms. Shifa Nagar resigned from the post of Membership of the Committee w.e.f. March 03, 2021, February 24, 2021 and March 02, 2021 respectively.

\*\* Mr. Amit Gupta has been appointed as Chairman of the Committee and Mrs. Preeti Arora and Mr. Devansh Gupta has been appointed as members of the Committee w.e.f. March 22, 2021.

The Company Secretary acts as the Secretary to the Stakeholders' Relationship Committee.

**Terms of Reference**-The role of the committee shall inter-alia include the following:

- a) Resolving the grievances of Security holders of the Company.
- b) To approve applications for transfer, transmission, transposition of shares and mutation of share certificates including issue of duplicate certificates, split, sub-division or consolidation of certificates and to deal with all related matters.
- c) To look into and redress the Shareholders / investors grievances relating to:
  - i. Transfer of shares;
  - ii. Non-receipt of dividends;
  - iii. Non-receipt of annual reports; and
  - iv. Any other complaint concerning the Shareholders / investors
- d) The Committee will oversee the performance of the Registrars and Share Transfer Agents of the Company.
- e) Review of measures taken for effective exercise of voting rights by shareholders.
- f) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company
- g) Such other matters as may be required, from time to time, by any statutory or regulatory authority to be attended by the Committee;
- h) Consider other matters, as from time to time be referred to it by the Board.

The stakeholder relationship committee is entrusted with responsibility to resolve the grievances of the Security holders of the Company. The Committee monitors and reviews the performance and service standards of the Registrar and Transfer Agents of the Company i.e., **Link Intime India Pvt. Ltd.** and provides continuous guidance to improve the service levels for investors. The Committee received and redresses the complaints of the shareholders in respect of matters pertaining to transfer of shares, non-receipt of declared dividend, non-receipt of Annual Report, dematerialization of shares, etc.

In compliance with the requirements of the SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011, the Company has obtained exclusive User ID and Password for processing the investor complaints in a centralized web based SEBI Complaints Redress System - 'SCORES'. This enables the investors to view online the action taken by the Company on their complaints and current status thereof, by logging on to the SEBI's website [www.sebi.gov.in](http://www.sebi.gov.in). No shareholder's complaint was lying unresolved as on March 31, 2021 under 'SCORES'.

**Investor Grievance Redressal**

The numbers of complaints received and resolved to the satisfaction of investors during the year under review are as follows:

	Received	Resolved	Pending
Complaints during the year	10	10	Nil

As on March 31, 2021 no complaints were outstanding.

**Compliance Officer**

The Board has designated Ms. Ayushi Jain, Company Secretary & Compliance Officer of the Company. The Compliance officer of the Company is responsible for complying with requirements of Securities Laws and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with Stock Exchanges.

During the year under review, Ms. Sonam Gupta resigned from the post of Company Secretary & Compliance officer of the Company w.e.f. Tuesday, March 09, 2021 and Ms. Ayushi Jain (Membership No: 66504) as Company Secretary & Compliance officer of the company w.e.f. Saturday, 14<sup>th</sup> day of August, 2021.

**Remuneration Policy:-**

The Company's Remuneration Policy including criteria for making payments to Directors, Key Managerial Personnel and other Senior Personnel is available on the website of your Company at <http://www.everesttools.com/pdfs/Nomination%20and%20Remuneration%20Policy.pdf>

The Remuneration Policy is in consonance with the existing Industry practice.

**5. GENERAL BODY MEETING**

For the Year	Venue	Day, Date & Time	Special Resolution
2017-18	"PHD House" opposite Asian Games Village, Siri Fort Road, New Delhi – 110016	Saturday, 29 <sup>th</sup> September, 2018 at 10:00 A.M.	No Special resolution was passed at the meeting.
2018-19	"PHD House" opposite Asian Games Village, Siri Fort Road, New Delhi - 110016	Monday, 30 <sup>th</sup> September, 2019 at 10:30 A.M.	Re-appointment of Mr. Pradeep Jain (DIN: 00108240) as an Independent Director of the Company for a second term of five consecutive years.
2019-20	"PHD House" opposite Asian Games Village, Siri Fort Road, New Delhi - 110016	Wednesday, 30 <sup>th</sup> December, 2020 at 10:30 A.M.	No Special resolution was passed at the meeting.

**Details of EGM held:** No EGM was held during the previous 3 (three) years.

**POSTAL BALLOT**

During the F.Y. ended March 31, 2021, no resolution was passed by postal ballot hence disclosure under this section is not applicable.



## 6. MEANS OF COMMUNICATION

In compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company regularly intimates quarterly un-audited as well as audited financial results to the Stock Exchange immediately after they are taken on record by the Board.

The quarterly, half-yearly and annual financial results of the Company are published in leading newspaper – a) Pioneer (English & Hindi) for June 2020, September 2020 and December 2020; b) Financial Express (English) and Jansatta (Hindi) for March 2020 in India. After the declaration of the quarterly, half-yearly and annual results are submitted to the BSE Limited (BSE).

S. No.	For Quarter Ended	Results were announced on
1	30.06.2020	September 28, 2020
2	30.09.2020	November 11, 2020
3	31.12.2020	February 15, 2021
4	31.03.2021	June 30, 2021

The website of the Company [www.everesttools.com](http://www.everesttools.com) contains a separate dedicated section "Investors Desk" which contains details / information for various stakeholders including Financial Results, Shareholding Pattern, Company Policies, etc. The shareholders / investors can view the details of electronic filings done by the Company on the respective websites of BSE Limited. The Company's Annual Report is also available in a user-friendly and downloadable form. A Management Discussion and Analysis Report is a part of the Company's Annual Report.

As a matter of policy, the company will display the official news release at its website, whenever applicable. Further, there were no instances during the year, which requires the company to make any presentation before institutional investor or to the analyst.

## 7. GENERAL SHAREHOLDER INFORMATION

<b>Annual General Meeting Day, Date, Time and Venue</b>	Wednesday, 27 <sup>th</sup> day of October, 2021 at 04:30 P.M. through VC/OAVM mode
<b>Financial Year</b>	April 01, 2020- March 31, 2021
<b>Financial Calender (tentative)</b>	
<b>Results for the 1st Quarter</b>	On or Before 14th August, 2021
<b>Results for the 2nd Quarter</b>	On or Before 14th November, 2021
<b>Results for the 3rd Quarter</b>	On or Before 14th February, 2022
<b>Results for the 4th Quarter</b>	On or Before 30th May, 2022
<b>Date of Book Closure</b>	21 <sup>st</sup> day of October, 2021 - 27 <sup>th</sup> day of October, 2021 (both days inclusive)
<b>Remote e-Voting</b>	23 <sup>rd</sup> day of October, 2021- 26 <sup>th</sup> day of October, 2021
<b>Listing on Stock Exchange</b>	BSE Ltd. i.e., Bombay Stock Exchange Floor 25, P J Tower, Dalal Street, Mumbai - 400001
<b>Stock Market Code</b>	BSE- 505725
<b>Board Meeting for consideration of annual accounts for the financial year 2020-21</b>	June 30, 2021
<b>Cutoff date for E-voting</b>	20 <sup>th</sup> day of October, 2021

<b>Posting/ mailing of Annual Report</b>	30 <sup>th</sup> day of September, 2021
<b>Registered Office</b>	1 <sup>st</sup> Floor, 4/11, Asaf Ali Road, New Delhi-110002
<b>Compliance Officer and Company Secretary</b>	Ayushi Jain
<b>Registered and Share Transfer Agents</b>	Link Intime Private Limited
<b>Scrutinizer for E-voting</b>	Mr. Sachin Khurana, Practicing Company Secretary
<b>Share Transfer System</b>	All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to the RTA. The Company obtains from a company secretary in practice, half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files a copy of the same with the Stock Exchange.
<b>Commodity price risk or foreign exchange risk and hedging activity</b>	<b>Commodity Price Risk:</b> The Company presently is not engaged in commodity trading, there is no such risk involved. <b>Foreign Exchange risk:</b> The Company presently is not engaged in foreign exchange transactions, there is no such risk involved.
<b>Credit Rating</b>	N.A.

**Market Price data\***

Month	HETL		BSE SENSEX	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2020	75.75	62.70	33,887.25	27,500.79
May 2020	99.95	72.00	32,845.48	29,968.45
June 2020	94.00	81.70	35,706.55	32,348.10
July 2020	92.60	73.20	38,617.03	34,927.20
August 2020	87.30	70.00	40,010.17	36,911.23
September 2020	90.00	69.85	39,359.51	36,495.98
October 2020	99.40	82.50	41,048.05	38,410.20
November 2020	105.45	90.45	44,825.37	39,334.92
December 2020	108.25	94.45	47,896.97	44,118.10
January 2021	168.45	88.30	50,184.01	46,160.46
February 2021	168.45	90.50	52,516.76	46,433.65
March 2021	199.40	136.05	51,821.84	48,236.35

\*Data source from the website of the BSE Limited

**Distribution of shareholding as on 31/03/2021**

Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
1-500	1699	92.2367	169407	10.5405
501-1000	80	4.3431	58110	3.6156
1001-2000	36	1.9544	51836	3.2252
2001-3000	6	0.3257	15686	0.9760
3001-4000	5	0.2714	17638	1.0974
4001-5000	1	0.0543	4996	0.3109
5001-10000	3	0.1629	20000	1.2444
10001 & above	12	0.6515	1269527	78.9900
<b>Total</b>	<b>1842</b>	<b>100</b>	<b>1607200</b>	<b>100</b>

**Dematerialization of Shares\***

The Company's shares are required to be compulsorily traded in the stock exchanges in dematerialized form. The number of shares held in dematerialized and physical mode is as under:

Particulars	No. of Shares	% of total Capital issued
Held in Dematerialized form in NSDL	72,62,457	78.55%
Held in Dematerialized form in CDSL	1,85,562	11.55%
Physical	1,59,181	9.90%
<b>Total</b>	<b>16,07,200</b>	<b>100%</b>

\*Data source form our Registrar and Share Transfer Agent i.e., **Link Intime Private Limited**.

**Reconciliation of Share Capital Audit**

Audits were also carried out by the practicing Company Secretary to reconcile the total admitted capital with NSDL and CDSL. The reports for the same were submitted to BSE. The audit confirms that the total issued / paid up and listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

**Address for correspondence:****Hindustan Everest Tools Limited (Regd. Office)**

4/11, 1<sup>st</sup> Floor, Asaf Ali Road,

New Delhi-110002

Phone No.: +91-9910032394#

Email Id: [admin@everesttools.com](mailto:admin@everesttools.com)

#The registered office of the Company shifted from "Dohil Chambers, 4<sup>th</sup> Floor, 46, Nehru Place, New Delhi-110019" to "4/11, 1<sup>st</sup> Floor, Asaf Ali Road, New Delhi-110002" w.e.f. February 15, 2021 pursuant to Takeover.

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS  
HINDUSTAN EVEREST TOOLS LIMITED**

Sd/-

**Devansh Gupta**  
Managing Director

DIN: 06920376

Add: G-190, Preet Vihar,  
Delhi-110092

Sd/-

**Dhruv Gupta**  
Director

DIN: 06920431

Add: G-190, Preet Vihar,  
Delhi-110092

Place: New Delhi

Dated: September 30, 2021

**CERTIFICATION BY DIRECTOR OF THE COMPANY**

I declare that all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the financial year 2020-21.

Place : New Delhi  
Date : 30-09-2021

Sd/-  
Dhruv Gupta  
Director  
DIN:06920431

**MD / CFO CERTIFICATE**

To  
The Board of Directors  
Hindustan Everest Tools Limited

**Dear Members of the board**

We, Devansh Gupta (Managing Director) and Dhruv Gupta (Director), of Hindustan Everest Tools Limited, to the best of our knowledge and belief hereby certify that:

- a) We have reviewed financial statements and the cash flow statement of the company for the year ended 31<sup>st</sup> March, 2021 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee;
  - i. Significant changes in internal control over financial reporting during the year; if any
  - ii. There are no changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; if any and
  - iii. there are no instances of significant fraud of which we have become aware.

**FOR & ON BEHALF OF THE BOARD OF DIRECTORS  
HINDUSTAN EVEREST TOOLS LIMITED**

Sd/-  
Devansh Gupta  
Director  
DIN: 06920376  
Add: G-190, Preet Vihar,  
Delhi-110092

Sd/-  
Dhruv Gupta  
Director  
DIN: 06920431  
Add: G-190, Preet Vihar,  
Delhi-110092

Place: New Delhi  
Dated: September 30, 2021

**Annexure-I**  
**PRACTICING COMPANY SECRETARIES CERTIFICATE REGARDING COMPLIANCE OF**  
**CONDITIONS OF CORPORATE GOVERNANCE**

[As Per Provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To  
The Members of  
**HINDUSTAN EVEREST TOOLS LIMITED**

1. I have examined the compliance of conditions of Corporate Governance by **M/s HINDUSTAN EVEREST TOOLS LIMITED**, for the year ended on March 31, 2021, as stipulated under the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in the Listing Regulations for the period April 01, 2020 to March 31, 2021, with the relevant records and documents maintained by the Company and furnished to me and the Report on Corporate Governance as approved by the Board of Directors.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. Based on the aforesaid examination and according to the information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.
4. I further state that, such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Parth P Shah,**  
**Practicing Company Secretaries**

Sd/-  
**Parth P Shah**  
**(Proprietor)**  
**ACS: 48591**  
**COP: 18640**  
**UDIN: A048591C000950734**

**Place: Ahmedabad**  
**Date: 15<sup>th</sup> September, 2021**

**Annexure-2****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**HINDUSTAN EVEREST TOOLS LIMITED**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Limited having CIN:L74110DL1962PLC003634 and having registered office at 4/11, 1st Floor, Asaf Ali Road, New Delhi Central Delhi-110002 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	PREETI ARORA	00094055	09/02/2021
2	DEVANSH GUPTA	06920376	09/02/2021
3	DHRUV GUPTA	06920431	09/02/2021
4	AMIT GUPTA	07085538	09/02/2021

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Parth P Shah,  
Practicing Company Secretaries**

Sd/-  
**Parth P Shah  
(Proprietor)  
ACS: 48591  
COP: 18640  
UDIN: A048591C000950734**

**Place: Ahmedabad  
Date: 15<sup>th</sup> September, 2021**

**ANNUAL SECRETARIAL COMPLIANCE REPORT**

To,  
The Board of Directors,  
**HINDUSTAN EVEREST TOOLS LIMITED**  
4/11, 1<sup>st</sup> Floor Asaf Ali Road,  
New Delhi – 110002.

Sir/ Madam,

**Annual Secretarial Compliance Report for the Financial Year 2020-21**

I have been engaged by **HINDUSTAN EVEREST TOOLS LIMITED** (hereinafter referred to as 'the Company') bearing CIN: **L74110DL1962PLC003634** whose equity shares are listed on BSE Limited (Security Code: **505725**) to conduct an audit in terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI's Circular No. CIR/CFD/CMD1/27/2019 dated 08th February, 2019 and to issue the Annual Secretarial Compliance Report thereon.

It is the responsibility of the management of the Company to maintain records, devise proper systems to ensure compliance with provisions of all applicable SEBI Regulations and circulars/ guidelines issued there under from time to time and to ensure that the systems are adequate and are operating effectively.

My responsibility is to verify compliances by the Company with provisions of all applicable SEBI Regulations and circulars/ guidelines issued there under from time to time and issue a report thereon.

My audit was conducted in accordance with Guidance Note on Annual Secretarial Compliance Report issued by the Institute of Company Secretaries of India and in a manner which involved such examinations and verifications as considered necessary and adequate for the said purpose. Annual Secretarial Compliance Report is enclosed.

**Secretarial Compliance Report of  
HINDUSTAN EVEREST TOOLS LIMITED  
(CIN:L74110DL1962PLC003634)  
for the year ended 31.03.2021**

I have examined:

- (a) all the documents and records made available to me and explanation provided by HINDUSTAN EVEREST TOOLS LIMITED ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the Stock Exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2021 ("Review Period") in respect of compliance with the provisions of:
  - (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  - (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **[Not Applicable as there was no reportable event during the period under review];**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 **[Not Applicable as there was not reportable event during the period under review];**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not attracted during the period under review]**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **[Not Applicable as there was no reportable event during the period under review];**
- (g) Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulations, 2013 **[Not Applicable as there was no reportable event during the period under review];**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not attracted during the period under review].**
- (j) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and circulars/ guidelines issued thereunder; **[Not attracted during the period under review];**

and based on the above examination, I here by report that, during the Review Period:



- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder,
- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- (c) The following are the details of actions taken against the listed entity/its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g., fines, warning letter, debarment, etc.	Observations/remarks of the Practicing Company Secretary, if any.
NIL				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31/03/2020	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	As informed by the management this being the first year of implanting the Regulation 23(9) SEBI (LODR) and besides payment of managerial remuneration and rent there was no other transactions of related party, hence, there was deviation in informing BSE.	Related Party transactions for the Half Year ended 31st March 2019 was not informed to BSE & SEBI for Half Year ended September 30, 2019 there was delay of 8 days in informing BSE.	Company has taken care and filed the Disclosure of Related Party transactions for the Half Year ended 31st March 2019 with the BSE with a delay of 416 days	Company has taken care of filing the said report for the FY 2020-21.

Sd/-

**Practicing Company Secretary: Parth P Shah**

**ACS No.: 48591**

**C P No.: 18640**

**UDIN: A048591C000542733**

**Place: Ahmedabad**

**Date: 29.06.2021**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Hindustan Everest Tools Limited

**Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying Standalone financial statements of Hindustan Everest Tools Limited ("the Company"), which comprise the Balance sheet as at 31-March-2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, the state of affairs of the Company as at 31-March-2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are Independent Auditor of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Annual financial statements of the current year. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<p data-bbox="161 1353 727 1384"><b>How our audit addressed the key audit matter</b></p> <p data-bbox="161 1404 788 1473"><b>(a) Accounting and Valuation of Financial Instruments</b></p> <p data-bbox="205 1481 788 1736">The Company's net trading positions as on 31-March-2021 amount to Rs. 502.06 lakh which includes net trading positions in equity shares. This comprises 19.83 % of total assets of the Company. Considering the high value of this item of asset it has been considered as a key audit matter.</p>	<p data-bbox="810 1353 1118 1384">Our procedures included:</p> <ul data-bbox="810 1394 1441 1798" style="list-style-type: none"> <li data-bbox="810 1394 1441 1520">• We obtained an understanding of the internal controls designed by the management for net trading positions accounting and valuation and tested the operating effectiveness these controls.</li> <li data-bbox="810 1529 1441 1591">• We undertook substantive audit procedures like inspection, recalculation and re performance.</li> <li data-bbox="810 1599 1441 1725">• We performed procedures to identify encumbrances on these net trading positions and verified sufficiency and appropriateness of disclosures regarding the same.</li> <li data-bbox="810 1734 1441 1798">• We performed procedures to verify adherence to INDAS.</li> </ul>

<p><b>(b) Valuation of Financial Instruments</b> The derivative financial assets amount to Rs. 65.22 lakhs. We focused on this because of the number of contracts, their measurement and the complexity related to fair value estimation</p> <p><b>(c) Revenue Recognition</b> The company has majority of its income from trading in financial instruments through brokers, custodian, and stock exchanges.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of management’s process and evaluated design and tested operating effectiveness of controls around existence and measurement of derivative financial instruments.</li> <li>• Reconciling derivative financial instruments data with data received from independent third parties.</li> <li>• Considering the appropriateness of disclosures in relation to financial risk management and derivative financial instruments.</li> <li>• Prime revenue generating source was the Company’s trading activities. Hence, our prime focus was on the trading activities.</li> <li>• Accordingly, in our audit process we focused over the internal control set up by the management and had to check the policies set up by the management for accuracy of financial reporting.</li> </ul>
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#### Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor’s report thereon. The Annual Report is expected to be made available to us after the date of this auditor’s report

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

#### Responsibilities of Management for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance(including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that

were of most significance in the audit of the standalone financial statements for the financial year ended 31-March-2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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(including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on 31-March-2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31-March-2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended 31-March-2021 has been paid by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - I. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note to 20 the financial statements;
    - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **SSRA & Co.**  
Chartered Accountants  
Firm Registration Number: 014266N

Sd/-  
**Suresh Goyal**  
Partner

Membership Number: 093711  
**UDIN:21093711AAAACP4481**

Place : New Delhi  
Date : June 30, 2021

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Hindustan Everest Tools Limited** on the standalone financial statements for the year ended 31-March-2021.]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) The Company has no movable or immovable property as at year end. Accordingly, the provisions of paragraph 3 (i) (a), 3 (i) (b) and 3 (i) (c) of the Order are not applicable to the Company.
- (ii) The Company does not hold any inventory. Accordingly, the provisions of paragraph 3 (ii) of the Order are not applicable to the Company.
- (iii) Based on information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) Based on information and explanation given to us, the Company has not given guarantees or securities for loan taken by others and has not given any loans. Accordingly, provisions of paragraph 3 (iv) of the Order, insofar related to loans, securities and guarantees are not applicable to the Company. Further, the Company has complied with the provisions of Section 186 of the Act in respect of investments made by the Company in securities of other body corporates.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of paragraph 3 (v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under. Accordingly, the provisions of paragraph 3 (vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues, as applicable to it.
  - (b) According to the information and explanation given to us, there were no undisputed statutory dues as at the year-end outstanding for a period more than six months from the date they became payable.
  - (c) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, customs duty, excise duty and goods & service tax which have not been deposited on account of any dispute except as presented below:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Haryana VAT Act, 2003	VAT Demand	20,86,697	2016-17	E.T.O - Cum Assessing Authority, Sonipat	
CST Act, 1956	CST Demand	10,12,601	2014-15	Joint Commissioner (Appeals), Rohtak	
CST Act, 1956	CST Demand	14,05,092	2015-16	Joint Commissioner (Appeals), Rohtak	
CST Act, 1956	CST Demand	7,70,135	2016-17	E.T.O - Cum Assessing Authority, Sonipat	
CST Act, 1956	CST Demand	1,01,901	2014-15	Assistant commissioner (Sales Tax), Hyderabad, Telangana	
CST Act, 1956	CST Demand	6,20,017	2015-16		

In our opinion and according to the information and explanations given to us, the Company has not, borrowed any funds from financial institutions or raised any funds through issue of debentures. Accordingly, the provisions of paragraph 3 (viii) of the Order are not applicable to the Company.

- (i) The Company has neither raised money by way of public issue offer nor has obtained any term loans. Accordingly, provisions of paragraph 3(ix) of the Order are not applicable to the Company.
- (ii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (iii) According to the information and explanations given to us, managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, provisions of paragraph 3(xii) of the Order are not applicable to the Company.
- (v) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (vi) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, provisions of paragraph 3(xiv) of the Order are not applicable to the Company.
- (vii) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(viii) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **SSRA & Co.**  
Chartered Accountants  
Firm Registration Number: 014266N

Sd/-

**Suresh Goyal**

Partner

Membership Number: 093711

**UDIN:21093711AAAACP4481**

**Place :** New Delhi  
**Date :** June 30, 2021



**ANNEXURE-2 TO THE INDEPENDENT AUDITOR'S REPORT****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

To the Members of Hindustan Everest Tools Limited

We have audited the internal financial controls over financial reporting of Hindustan Everest Tools Limited as of 31-March-2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We had conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31-March-2021, based on the criteria for the internal control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Explanatory paragraph**

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act, the standalone financial statements of the Company, which comprise the Balance Sheet as at 31-March-2021, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated 30-June-2021 expressed an unmodified opinion.

**Place :** New Delhi  
**Date :** June 30, 2021

For **SSRA & Co.**  
Chartered Accountants  
Firm Registration Number: 014266N  
Sd/-  
**Suresh Goyal**  
Partner  
Membership Number: 093711  
**UDIN:21093711AAAACP4481**

## BALANCE SHEET AS AT 31st MARCH, 2021

	Notes	As at 31-March-2021 ₹	As at 31-March-2020 ₹
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant & equipment	3	-	-
Income tax assets	4	19,13,052	19,13,052
<b>Total non-current assets</b>		<b>19,13,052</b>	<b>19,13,052</b>
<b>Current assets</b>			
Property, plant and equipment-held for sale	3.1	-	22,59,865
Financial assets	5		
- Trade receivable	(i)	83,07,232	-
- Investments	(ii)	5,19,48,331	18,40,41,318
- Cash and cash equivalent	(iii)	7,71,394	94,11,096
- Bank balance other than cash and cash equivalent	(iv)	28,00,000	1,99,357
- Other financial assets	(v)	18,63,83,646	-
Other current assets	6	1,22,098	2,20,228
Current assets pertaining to discontinued operations	20	9,64,656	9,88,110
<b>Total current assets</b>		<b>25,12,97,357</b>	<b>19,71,19,974</b>
<b>TOTAL ASSETS</b>		<b>25,32,10,409</b>	<b>19,90,33,026</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	7	1,60,72,000	1,60,72,000
Other equity	8	18,50,69,548	14,77,71,811
<b>Total equity</b>		<b>20,11,41,548</b>	<b>16,38,43,811</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Financial liabilities	9		
Trade payables	(i)		
- to micro and small enterprises		-	-
- to others		77,438	-
Other financial liabilities	(ii)	1,65,73,973	34,18,633
Other current liabilities	10	59,07,922	81,56,100
Current tax liabilities (net)	11	83,87,443	21,26,833
Current liabilities pertaining to discontinued operations	20	2,11,22,085	2,14,87,649
<b>Total current liabilities</b>		<b>5,20,68,861</b>	<b>3,51,89,215</b>
<b>Total liabilities</b>		<b>5,20,68,861</b>	<b>3,51,89,215</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>25,32,10,409</b>	<b>19,90,33,026</b>

The accompanying notes 1 to 29 are an integral part of these financial statements.

As per our report of even date.

For SSRA & Co.

Chartered Accountants

Firm Registration No : 014266N

Sd/-

Suresh Goyal

Partner

Membership No : 093711

Place: New Delhi

Date: June 30, 2021

For and on the behalf of the Board of Directors

Sd/-

Dhruv Gupta

Director

DIN: 06920431

Sd/-

Devansh Gupta

Director

DIN: 06920376

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
		₹	₹
<b>Continuing operations</b>			
<b>Revenue from continuing operations</b>			
Revenue from operations	12	2,79,50,231	-
Other income	13	2,41,53,209	1,60,77,974
<b>Total revenue from continuing operations</b>		<b>5,21,03,440</b>	<b>1,60,77,974</b>
<b>Expenses from continuing operations</b>			
Employee benefits expense	14	57,96,333	1,02,80,590
Finance cost	15	11,57,861	18,67,862
Depreciation expense	16	-	20,91,983
Other expenses	17	1,55,10,819	2,51,54,849
<b>Total expenses from continuing operations</b>		<b>2,24,65,013</b>	<b>3,93,95,284</b>
<b>Profit/(Loss) before tax from continuing operations before exceptional item</b>		<b>2,96,38,427</b>	<b>(2,33,17,310)</b>
Exceptional Item			
- Gain on sale of property, plant and equipment (refer note 3)		1,45,40,136	-
<b>Profit/(Loss) before tax</b>		<b>4,41,78,563</b>	<b>(2,33,17,310)</b>
Tax expense	18		
- Current tax		67,34,576	-
- Deferred tax [MAT credit written off]		-	10,75,19,032
<b>Profit/(Loss) after tax for the year from continuing operations</b>		<b>3,74,43,987</b>	<b>(13,08,36,342)</b>
<b>Discontinued operations</b>			
<b>Loss before tax from discontinued operations (including exceptional items)</b>	20	<b>(1,46,250)</b>	<b>(1,54,50,692)</b>
Tax expense pertaining to discontinued operations			
<b>Loss after tax for the year from discontinued operations</b>		<b>(1,46,250)</b>	<b>(1,54,50,692)</b>
<b>Profit/(Loss) for the year</b>		<b>3,72,97,737</b>	<b>(14,62,87,034)</b>
<b>Other comprehensive income for the year (net of tax)</b>		-	-
<b>Total comprehensive income for the year</b>		<b>3,72,97,737</b>	<b>(14,62,87,034)</b>
Earnings/(Loss) per equity share			
- from continuing operations (basic and diluted)	19	23.30	(14.51)
- from discontinued operations (basic and diluted)		(0.09)	(9.61)
- from continuing and discontinued operations (basic and diluted)		23.21	(24.12)

The accompanying notes 1 to 29 are an integral part of these financial statements.

As per our report of even date.

For SSRA & Co.

Chartered Accountants

Firm Registration No : 014266N

Sd/-

Suresh Goyal

Partner

Membership No : 093711

Place: New Delhi

Date: June 30, 2021

For and on the behalf of the Board of Directors

Sd/-

Dhruv Gupta

Director

DIN: 06920431

Sd/-

Devansh Gupta

Director

DIN: 06920376

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

	Year ended March 31, 021	Year ended March 31, 2020
	₹	₹
<b>(A) Cash flow from operating activities</b>		
<b>Profit/(Loss) before income tax from -</b>		
- Continuing operations	4,41,78,563	(2,33,17,310)
- Discontinued operations	(1,46,250)	(1,54,50,692)
<b>Profit/(Loss) before income tax</b>	<b>4,40,32,313</b>	<b>(3,87,68,002)</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expense	-	20,91,983
Arbitrage income	(77,34,536)	-
Gain on fair valuation of financial assets	(42,86,557)	(1,30,38,255)
Gain/(Loss) on disposal of property, plant and equipment	(1,45,40,136)	7,44,662
Dividend received	-	(7,200)
Finance costs	11,57,861	18,67,862
Gain on sale of financial assets	(59,59,719)	(2,51,298)
Interest income	(59,61,745)	-
Provision for expected credit loss	-	77,01,224
Provision of liability towards non-compliance	-	32,78,000
<b>Operating profit /(loss) before Working Capital Changes</b>	<b>67,07,481</b>	<b>(3,63,81,024)</b>
<b>Change in operating assets and liabilities</b>		
in trade and other receivables	(83,07,232)	-
in other financial assets	(18,57,46,434)	-
in other current assets	1,21,585	17,994
in trade payables	(4,34,375)	(5,38,754)
in other current liabilities	(12,48,178)	15,04,439
in other financial liabilities	1,11,86,148	34,53,490
in current tax liabilities	6,00,000	-
in provisions	21,15,444	1,21,53,000
in restricted cash	(28,00,000)	-
Cash generated from/(used in) operations	<b>(17,78,05,562)</b>	<b>(1,97,90,855)</b>
Income taxes paid	(10,73,966)	14,320
<b>Net cash flow used in operating activities (A)</b>	<b>(17,88,79,528)</b>	<b>(1,97,76,535)</b>
<b>(B) Cash flows from investing activities</b>		
Proceeds from sale of property, plant and equipment	1,58,00,000	65,20,573
Proceeds from sale of investments (Shares & MF)	14,23,39,261	2,14,67,946
Arbitrage income	77,34,536	-
Dividend received	-	7,200
Interest received	53,24,533	-
<b>Net cash flow from investing activities (B)</b>	<b>17,11,98,330</b>	<b>2,79,95,719</b>

	Year ended March 31, 2021	Year ended March 31, 2020
	₹	₹
<b>(C) Cash flows from financing activities</b>		
Finance cost	(11,57,861)	-
<b>Net cash flow used in financing activities (C)</b>	<b>(11,57,861)</b>	<b>-</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C)</b>	<b>(88,39,058)</b>	<b>82,19,184</b>
Cash and cash equivalents at the beginning of the financial year	96,10,452	13,91,268
<b>Cash and cash equivalents at end of the year</b>	<b>7,71,394</b>	<b>96,10,452</b>
<b>Components of cash and cash equivalents</b>		
Balance with banks		
- in current account	7,71,394	31,90,523
Cheques on hand	-	62,20,573
Bank balance other than cash and cash equivalent	-	1,99,356
<b>Total cash and cash equivalents</b>	<b>7,71,394</b>	<b>96,10,452</b>

The above standalone cash flow statement has been prepared under the indirect method as set out in Ind AS 7 - Statement of cash flows.

The accompanying notes 1 to 29 are an integral part of these financial statements.

**As per our report of even date.**

**For SSRA & Co.**

**Chartered Accountants**

**Firm Registration No : 014266N**

**Sd/-**

**Suresh Goyal**

Partner

Membership No : 093711

**Place: New Delhi**

**Date: June 30, 2021**

**For and on the behalf of the Board of Directors**

**Sd/-**

**Dhruv Gupta**

Director

DIN: 06920431

**Sd/-**

**Devansh Gupta**

Director

DIN: 06920376

## Statement of changes in equity for the year ended 31st March, 2021

## (A) Equity share capital

	Amount ₹
Balance as at 01-April-2019	1,60,72,000
Changes in equity share capital during the year	-
Balance as at 31-March-2020	1,60,72,000
Changes in equity share capital during the year	-
Balance as at 31-March-2021	1,60,72,000

## (B) Other equity

## For the year ended 31-March-2021

Particulars	Reserves and surplus			Total equity
	Capital reserves	Securities premium reserve	Retained earnings	
	₹	₹	₹	₹
As at 01-April-2020	7,52,400	73,28,000	13,96,91,411	80,80,400
Profit for the year	-	-	3,72,97,737	-
Total comprehensive income for the year	7,52,400	73,28,000	17,69,89,149	80,80,400
As at 31-March-2021	7,52,400	73,28,000	17,69,89,149	80,80,400

## For the year ended 31-March-2020

Particulars	Reserves and surplus			Total equity
	Capital reserves	Securities premium reserve	Retained earnings	
	₹	₹	₹	₹
As at 01-April-2019	7,52,400	73,28,000	28,59,78,445	29,40,58,845
Loss for the year	-	-	(14,62,87,034)	-
Total comprehensive income for the year	7,52,400	73,28,000	13,96,91,411	29,40,58,845
As at 31-March-2020	7,52,400	73,28,000	13,96,91,411	29,40,58,845

The accompanying notes 1 to 29 are an integral part of these financial statements.

As per our report of even date.

For SSRA & Co.

Chartered Accountants

Firm Registration No : 014266N

Sd/-

Suresh Goyal

Partner

Membership No : 093711

Place: New Delhi

Date: 30-June-2021

For and on the behalf of the Board of Directors

Sd/-

Dhruv Gupta

Director

DIN: 06920431

Sd/-

Devansh Gupta

Director

DIN: 06920376

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31-March-2021

## 1. Corporate Information

Hindustan Everest Tools Limited ("HETL" or the 'Company') was incorporated on 25-January-1962, and it is now a public limited Company engaged in: -

- a) Trading in metals, and
- b) Business of trading in financial instruments [w.e.f 10-Feb-2021]

The Company is domiciled in India and the address of its registered office of the Company is at 4/11, 1<sup>st</sup>Floor, Asaf Ali Road, New Delhi. The equity shares of the Company are listed on Bombay Stock Exchange ("BSE" or "the Stock exchange").

The Company is a wholly owned subsidiary of Mandelia Investment private limited ("MIPL") and during the year ended 31-March-2021, there was a change the management of the Company. Refer note 7 (i.e., equity share capital) for detailed disclosure.

## 2. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistent with those of the previous year.

### A) Basis of preparation

#### i) Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The Company has prepared these financial statements which comprise the Balance Sheet as at 31-March-2021, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31-March-2021, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'financial statements').

The financial statements have been prepared on going concern basis using a historical cost convention, except certain financial assets and financial liabilities which are measured at fair value as explained in relevant accounting policies.

The financial statements for the year ended 31-March-2021 were authorized and approved for issuance by the Board of Directors on 30-June-2021.

#### ii) Discontinued operations

The Company had closed the only manufacturing facility in the year 2017. Results of the manufacturing operations that were discontinued, are disclosed as discontinued operations. Further, during the quarter ended 31-Dec-2018, the Company had substantially completed the settlement of liabilities and realisation of assets, pertaining to its discontinued operations. The adjustments in the current period pertain to changes in the settlement of those liabilities.

#### iii) Presentation of financial statements

##### Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.



**An asset is treated as current when it is:**

- Expected to be realised or intended to be sold or consumed in normal operating cycle of the Company
- Held primarily for the purposes of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is treated as current when:**

- It is expected to be settled in normal operating cycle of the Company
- It is held primarily for the purposes of trading
- It is due to be settled within twelve months from the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**iv) Use of estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the income and expense for the reporting period. The actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant judgements and areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are discussed below:

**Significant management judgements**

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements are as follows:

- **Recognition of deferred tax assets** - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.
- **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- **Classification of leases** – The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and

affects its ability to exercise or not to exercise the option to extend or to terminate.

- **Provisions**

At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

- **Contingencies**

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. A tax provision is recognised when the Company has a present obligation as a result of a past event; it is probable that the Company will be required to settle that obligation. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements. When considering the classification of a legal or tax cases as probable, possible or remote there is judgement involved.

This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific tax law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to inform their decision.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability.

- **Going concern**

The management has made an assessment of the Company's ability to continue as going concern and is satisfied that the Company has resources to continue in business for the foreseeable future. Further, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as going concern.

**Estimation uncertainty**

- Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.
- **Recoverability of advances/ receivables** – At each balance sheet date, based on discussions with the respective counterparties and internal assessment of their credit worthiness, the management assesses the recoverability and expected credit loss of outstanding receivables and advances. Such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factor.
- **Classification of assets and liabilities into current and non-current** – The management classifies the assets and liabilities into current and non-current categories based on management's expectation of the timing of realisation of the assets or timing of contractual settlement of liabilities.
- **Impairment of non-financial assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- **Impairment of financial assets** – The Company estimates the recoverable amount of trade receivables and other financial assets where collection of the full amount is expected to be no longer probable. For individually significant amounts, this estimation is performed on an individual basis considering the length of time past due, financial condition of the counterparty, impending legal disputes, if any and other relevant factors.
- **Fair value measurements** – Management applies valuation techniques to determine the fair value

of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible, but this is not always available. In that case management uses the best information available.

## B) Financial instruments

### Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

### Classification and subsequent measurement

The Company has applied Ind AS 109 and classifies its financial assets in the following measurement categories: -

- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)
- Amortised cost

#### a) Financial assets carried at amortised cost

The Company classifies the financial assets at amortised cost, if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.

– a financial asset is measured at the amortised cost, if both the following conditions are met:

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

#### b) Financial assets measured at FVOCI

The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income.

Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as other income in the Statement of Profit and Loss.

In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently inequity and are not subsequently transferred to profit or loss on de-recognition.

c) **Financial assets measured at FVTPL**

The financial assets are classified as FVTPL if these do not meet the criteria for classifying at amortised cost or FVOCI. The Company makes such election on an instrument-by-instrument basis. Such financial assets are subsequently measured at fair value at each reporting date. In case of financial assets measured at FVTPL, changes in fair value are recognised in profit or loss.

**De-recognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (1) the Company has transferred substantially all the risks and rewards of the asset, or (2) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**Financial liabilities**

**Subsequent measurement**

Subsequent to recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

***De-recognition of financial liabilities***

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

**Offsetting**

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle the mon a net basis or to realise the asset and settle the liability simultaneously.

**Fair Value**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- In absence of principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value.

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 — inputs that are unobservable for the asset or liability

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### C) **Property, plant and equipment**

#### **Recognition and measurement**

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on retirement from active use or disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

#### **Subsequent expenditure**

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

#### **Depreciation method and estimated useful lives**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognised in the statement of profit and loss.

Depreciation on fixed assets is provided as per the guidance set out in the schedule II to the Companies Act, 2013. Depreciation is charged on straight-line method based on estimated useful life of the asset after considering residual value as set out in schedule II to the Companies Act, 2013. Depreciation on additions (disposals) is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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### D) **Employee benefits**

#### (i) Short-term employee benefits

Short-term employee benefit includes salaries/short-term cash bonus and such obligations are measured at an undiscounted amount and are expensed as the related service is provided. A liability

is under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably. These costs are recognised as an expense in the Statement of Profit and Loss at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company.

(ii) Long-term employee benefits

a) **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes monthly contributions to statutory provident fund (Government administered provident fund scheme) in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit or loss in the period(s) during which the related services are rendered by employees.

b) **Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a post-employment benefit and is in the nature of a defined benefit plan.

In view of closure of its operations in earlier years, the Company's net obligation in respect of defined benefit plans had been considered as current liability and has been calculated on actual basis as per the provisions of Payment of Gratuity Act, 1972. The same was discharged during the year. The Company did not have any outstanding defined benefit obligations as at the year ended 31-Mar-2021.

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**E) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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**F) Leases**

For any new contracts entered into on or after 01-April-2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company has recognized right of use assets, measured at an amount equal to lease liability (adjusted for related prepayments/ accruals) and has discounted lease payments using the incremental borrowing rate for measuring the lease liability.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

#### **Short-term leases and leases of low-value assets**

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in Statement of profit and loss on a straight-line basis over the lease term.

### **G) Revenue Recognition**

#### **Trading in financial instruments**

Revenue from trading consists primarily of net trading income (presented net of costs) earned by the Company when trading as principal. Net Trading income from trading represents trading gain net of trading losses. The profit or loss arising from all transactions entered into on account and risk of the Company are recorded on completion of trade date.

Market Value for exchange traded derivatives, principally, futures and options, are based on quoted market prices. The gains or losses on derivatives used for trading purposes are included in revenue from trading. Purchase & Sales of derivatives financial instruments are recorded on trade date. The transactions are recorded on a net basis.

As per Ind AS 109 Financial Instruments, in respect of options contracts open as on the reporting date, the net premium paid or received is carried forward to the balance sheet as financial assets or financial liabilities. The unrealized gain or loss measured on fair valuation is shown as financial assets or financial liabilities.

Revenue from trading in financial instruments is presented net of expenses directly attributable to trading in financial instruments, like Exchange transaction charges, SEBI turnover fees and Stamp duty.

#### **Consulting and advisory Income**

Advisory income or service income is accounted for on an accrual basis in accordance with the terms of the respective agreements entered into between the Company and the counter party.

#### **Interest**

Revenue is recognized on accrual basis using effective interest rate method.

#### **Dividends**

Dividend on equity shares, preference shares and on mutual fund units is recognized as income when the right to receive the dividend is established as at the reporting date.

### **H) Income tax**

Income tax comprises current and deferred tax incurred by the Company. It is recognised in statement of profit or loss except to the extent that it relates to items recognised directly in equity or OCI, in which case the tax effect is recognised in equity or OCI.

#### **i. Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted by the reporting period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of

the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

## ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is recognised for:

- deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Minimum Alternative Tax ('MAT') credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity and in this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

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## l) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

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## J) Earnings per share

The basic earning/loss per share is computed by dividing the net profit/(loss) before other comprehensive



income attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/(loss) per share comprises the weighted average shares considered for deriving basic earnings/(loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

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**K) Provisions and contingent liabilities**

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Provisions are recognized only when there is a present obligation (legal or constructive), as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

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**L) Impairment**

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**Impairment of non-financial assets**

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

**Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets, Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

**Trade receivables**

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

**Other financial assets**

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

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**M) Operating Segment**

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Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM') of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segment of the company.

In accordance with IND AS- 108, the Company had only one segment i.e., business of hand tools. However, due to unfavourable business environment and to safeguard against losses the management did not engage into trading in metals during financial years ended 31-March-20 and 31-Mar-21. Further, w.e.f. 01-April-21, the Company has discontinued the business of trading in metals.

The new management has engaged in the business of trading in financial instruments w.e.f 10-Feb-21. Accordingly, revenue for the year ended 31-March-2021 represents revenue from trading in financial instruments.

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**N) Dividends**

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Being appropriately authorized and no longer at the discretion of the entity, provision is made for the amount of any dividend declared, on or before the end of the reporting period but not distributed at the end of the reporting period.

Final Dividend is recorded as liability on the date of approval by shareholders in their General Meeting. Interim Dividend is declared as liability on the date of declaration by Board of Directors.

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**O) Events after Reporting Date**

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Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

**3 Property, plant and equipment<sup>(5)</sup>**

Particulars	Buildings <sup>#</sup>	Vehicles <sup>*</sup>	Total
	₹	₹	₹
<b>Gross Block</b>			
<b>Original Cost as at 01-April-19</b>	<b>27,97,772</b>	<b>1,47,86,216</b>	<b>1,75,83,988</b>
Additions during the year	-	-	-
Sales/Adjustments	<b>27,97,772</b>	<b>1,47,86,216</b>	<b>1,75,83,988</b>
<b>As at 31-March-20</b>	-	-	-
<b>Accumulated Depreciation</b>			
<b>As at 01-April-19</b>	<b>4,93,703</b>	<b>54,73,202</b>	<b>59,66,905</b>
Charge for the year	44,204	20,47,779	20,91,983
Sales/Adjustments	5,37,907	75,20,981	80,58,888
<b>As at 31-March-20</b>	-	-	-
<b>Net Block</b>			
<b>As at 31-March-20</b>	-	-	-
<b>As at 31-March-19</b>	<b>23,04,069</b>	<b>93,13,014</b>	<b>1,16,17,083</b>
<b>Gross Block</b>			
<b>Original Cost as at 01-April-20</b>	-	-	-
Additions during the year	-	-	-
Sales/Adjustments	-	-	-
<b>As at 31-March-21</b>	-	-	-
<b>Accumulated Depreciation</b>			
<b>As at 01-April-20</b>	-	-	-
Charge for the year	-	-	-
Sales/Adjustments	-	-	-
<b>As at 31-March-21</b>	-	-	-
<b>Net Block</b>			
<b>As at 31-March-21</b>	-	-	-
<b>As at 31-March-20</b>	-	-	-

§ Also, refer note 21 discontinued operations

# During the year ended 31-March-2021, the Company has disposed off its buildings (flats) on 06-June-20. The entire consideration has been received and transfer deed has been duly executed. Subsequent to the agreement to sell, as at 31-March-2020 the building had been classified to PPE held for sale amounting Rs. 22,59,865/-. During the financial year ended 31-March-2021, the Company had sold its PPE held for sale. Consequently, a net gain of Rs. 1,45,40,136 has been recorded in statement of profit and loss and has been disclosed as exceptional item.

\* During the year ended 31-March-20, the Company has disposed off all its vehicles. Consequent loss on sale of vehicle of Rs. 7,44,662 was duly recorded in the Statement of Profit & Loss.

			As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>CURRENT ASSETS</b>				
<b>3.1</b>	Property, plant and equipment-held for sale		-	22,59,865
			-	<b>22,59,865</b>
<b>NON- CURRENT ASSETS</b>				
<b>4</b>	<b>Income tax assets</b>			
	Advance tax and tax deducted at source		19,13,052	19,13,052
			<b>19,13,052</b>	<b>19,13,052</b>
<b>5</b>	<b>Financial assets</b>			
(i)	<b>Trade receivables - unsecured</b>			
	considered good			
	- From related party		83,07,232	-
			<b>83,07,232</b>	-
(ii)	<b>Investments</b>			
	<b>[Measured at fair value through profit and loss (FVTPL), unless otherwise stated]*</b>	<b>No. of shares</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
	<b>(a) in equity shares (quoted)</b>	<b>2021</b>	<b>2020</b>	
	Bank of Maharashtra Limited [FV Rs. 10]	50,000	-	10,41,673
	Birla Corporation Limited [FV Rs. 10]	12,200	-	1,16,03,063
	Black Rose Industries Limited [FV Rs. 1]	3,000	-	5,22,252
	Can Fin Homes Limited [FV Rs. 2]	22,500	-	1,38,27,928
	Home First Finance Company India Limited [FV Rs. 2]	8,000	-	35,92,780
	Indiabulls Real Estate Limited [FV Rs. 2]	45,000	-	36,55,105
	Intellect Design Arena Limited [FV Rs. 5]	8,000	-	59,25,424
	KPIT Technologies limited [FV Rs. 10]	500	-	88,900
	Mahindra & Mahindra Financial Services Limited [FV Rs. 2]	4,000	-	7,97,032
	MIRC Electronics Limited [FV Rs. 1]	10,000	-	1,33,703
	Religare Enterprises Limited [FV Rs. 10]	4,000	-	3,50,498
	SBI Cards and Payment Services Limited [FV Rs. 10]	1,000	-	9,29,572
	Snowman Logistics Limited [FV Rs. 10]	5,500	-	2,41,249
	Sterling and Wilson Solar Limited [FV Rs. 1]	5,000	-	12,94,252
	Tata Motors Limited (Class A) [FV Rs. 2]	8,000	-	10,25,841
	The TATA Power Company Limited [FV Rs. 1]	13,500	-	13,95,883
	Vishnu Chemicals Limited [FV Rs. 10]	2,000	-	5,68,348
	Bharat Heavy Electricals Limited [FV Rs. 2]	5,000	-	2,44,092
	Everest Kanto Cylinder Limited [FV Rs. 2]	5,000	-	3,92,054
	Hemisphere Properties India Limited [FV Rs. 10]	2,000	-	2,75,299
	Mastek Limited [FV Rs. 5]	600	-	7,32,836
	Sakar Healthcare Limited [FV Rs. 10]	500	-	56,630
	Neuland Laboratories Limited [FV Rs. 10]	300	-	6,27,638
	Oracle Financial Services Software Limited [FV Rs. 5]	200	-	6,40,732
	Multi Commodity Exchange Of India Limited [FV Rs. 10]	161	-	2,43,617
				<b>5,02,06,403</b>
				-

\* Net trading positions as at 31-March-2021 (FVTPL)

[Measured at fair value through profit and loss (FVTPL)]	No. of units		As at March 31, 2021	As at March 31, 2020
<b>(b) in mutual funds (quoted)*</b>	<b>2021</b>	<b>2020</b>		
Kotak low duration fund at [Cost Rs. 2,075 each] [FV Rs. 1,000]	-	30,919	-	7,61,96,038
Birla sunlife cash manager at [Cost Rs. 410.09 each]	-	83,185	-	4,02,35,596
L&T Floating rate fund at [Cost Rs. 16.78 each]	-		-	6,76,09,684
Franklin India low duration fund at [Cost Rs. 21.38 each]	1,40,109	3,73,496	30,83,370	77,01,224
Less: Expected credit loss#			(13,41,442)	(77,01,224)
			<b>17,41,928</b>	<b>18,40,41,318</b>
			<b>5,19,48,331</b>	<b>18,40,41,318</b>

\* FV of Rs. 10 per unit, unless otherwise stated

# credit loss reduced based on subsequent recovery

### (iii) Cash and cash equivalent

Balances with banks				
- in current accounts			7,71,394	31,90,523
- Cheques on hand			-	62,20,573
			<b>7,71,394</b>	<b>94,11,096</b>

### (iv) Bank balance other than cash and cash equivalents

Deposits with maturity for more than 3 months but less than 12 months*			28,00,000	1,99,357
			<b>28,00,000</b>	<b>1,99,357</b>

\* the amount is pledged against bank guarantees issued by HDFC Bank Limited in favour of Haryana VAT department (refer note 19)

### (v) Other financial assets

#### (Unsecured, considered good unless otherwise stated)

Accrued interest on deposits			6,37,212	-
Balance with brokers*			17,92,24,338	-
Mark to market asset (carried forward)			65,22,096	-
			<b>18,63,83,646</b>	-

\* includes dues from related parties

### 6 Other current assets

#### (Unsecured, considered good unless otherwise stated)

##### Advances other than capital advances:

Advance to employees			-	2,20,228
Stamp duty credit receivable			1,00,030	-
Other recoverable			22,068	-
			<b>1,22,098</b>	<b>2,20,228</b>

### 7 Equity share capital

#### Authorised Share Capital

23,00,000 (Previous year 23,00,000) 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
			<b>2,50,00,000</b>	<b>2,50,00,000</b>

**Issued, subscribed and Paid up capital**

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
	<b>1,60,72,000</b>	<b>1,60,72,000</b>

**(i) Movements in equity share capital**

	Number of shares	Equity share capital (par value)	Number of shares	Equity share capital (par value)
		₹		₹
As at 01-April-19	16,07,200		16,07,200	1,60,72,000
Add: Issued during the year	-	-	-	-
<b>As at 31-March-20</b>	<b>16,07,200</b>		<b>16,07,200</b>	<b>1,60,72,000</b>
As at 01-April-20	16,07,200		16,07,200	1,60,72,000
Add: Issued during the year	-	-	-	-
<b>As at 31-March-21</b>	<b>16,07,200</b>		<b>16,07,200</b>	<b>1,60,72,000</b>

**(ii) Terms/Rights attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The shareholders have all other rights as available to equity shareholders as per provisions of the Companies Act, 2013 read together with the Memorandum and Articles of Association of the Company, as applicable.

**(iii) Details of shareholders holding more than 5% equity shares in the Company**

	March 31 2021	
	Number of shares	% holding
Algoquant Financials LLP [Entity holding MIPL]*	2,00,809	12.49%
Mandelia Investments Private Limited (the holding Company) (As per the records of the Company, including register of members)	8,34,470	51.92%
	March 31 2020	
	Number of shares	% holding
Mandelia Investments Private Limited (the holding Company or "MIPL")	8,34,470	51.92%
Transparent Agro Private Limited	89,990	5.60%
(As per the records of the Company, including register of members) *Change in management		

Algoquant Financial LLP ("Acquirer") together with Mr. Dhruv Gupta and Mr. Devansh Gupta, person acting in concert (PAC), entered into a Share Purchase Agreement ("SPA") dated 24-October-20 with Mr. Shravan Kumar Mandelia (Promoter), Mr. Bal Gopal Mandelia (Promoter), Shravan Kumar Mandelia HUF, Bal Gopal Mandelia HUF (together hereafter referred to as "Sellers") and Mandelia Investments Private Limited ("MIPL" or "the holding Company" or "Promoter") of the Company, to acquire, directly or indirectly, all the equity shares of the Company held by each of these.

Pursuant to the said SPA, the Acquirer has acquired 100% of the equity share capital of MIPL and indirectly acquired 8,34,470 Equity Shares constituting 51.92% of the Voting Share Capital of the Company.

Pursuant to said SPA, there has been a change in management control of the Company Mr. Shravan Kumar Mandelia and Mr. Balgopal Mandelia, Promoters and Managing Directors of the Company resigned from the directorship of the Company w.e.f. 11-Feb-21 and Mr. Dhruv Gupta and Mr. Devansh Gupta have been appointed on the Board of the Company as Additional Directors (Category: Promoter Director) w.e.f. 09-Feb-21.

(iv) The Company has not issued/allotted any class of shares as fully paid up pursuant to contract(s) without payment being received in cash or by way of bonus shares during the period of five year immediately preceding the reporting date. Further, no shares of any class were bought back during the period of five year immediately preceding the reporting date. Further, no shares have been reserved to be issued against stock options.

8 Other equity	As at	As at
	March 31 2021	March 31 2020
	₹	₹
<b>(i) Reserves</b>		
Capital reserve	7,52,400	7,52,400
Securities premium reserve	73,28,000	73,28,000
<b>Balance as at the end of the year</b>	<b>80,80,400</b>	<b>80,80,400</b>
<b>(ii) Retained earnings</b>		
Balance as at the beginning of the year	13,96,91,411	28,59,78,445
Profit/(Loss) for the year	3,72,97,736	(14,62,87,034)
<b>Balance as at the end of the year</b>	<b>17,69,89,148</b>	<b>13,96,91,411</b>
<b>Total reserves and surplus</b>	<b>18,50,69,548</b>	<b>14,77,71,811</b>

- Capital Reserve: This Reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.
- Securities Premium Reserve: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.
- Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations (if any). This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

	As at March 31 2021	As at March 31 2020
<b>CURRENT LIABILITIES</b>		
<b>9 Financial liabilities</b>		
<b>i) Trade payables (refer note 21)</b>		
- to micro and small enterprises	-	-
- to Others	77,438	-
	<b>77,438</b>	<b>-</b>
<b>ii) Other financial liabilities</b>		
Book overdraft	1,37,00,000	-
Employee emoluments	9,06,571	26,59,454
Expenses payable	19,67,402	7,59,179
	<b>1,65,73,973</b>	<b>34,18,633</b>
<b>10 Other current liabilities</b>		
Advance received against agreement to sell property, plant & equipment (refer note 3.1)	-	10,00,000
Statutory dues (including interest thereon)	59,07,922	71,56,100
	<b>59,07,922</b>	<b>81,56,100</b>
<b>11 Current tax liabilities (net)</b>		
Provision for income tax*	83,87,443	21,26,833
	<b>83,87,443</b>	<b>21,26,833</b>

\* [net of advance tax Rs. Nil (previous year Rs. Nil) and tax deducted at source Rs.10,73,966 (previous year Rs. Nil)]

	Year ended 31-March-2021	Year ended 31-March-2020
<b>Revenue from continuing operations</b>		
<b>12 Revenue from operations</b>		
- Trading in financial instruments*	20,432,374	-
- Service income	7,517,857	-
	<b>27,950,231</b>	<b>-</b>
* Revenue from trading in financial instruments has been presented net of trading costs like exchange transaction charges, SEBI turnover fee and stamp duty amounting Rs. 32,81,825 (previous year Rs. Nil).		
<b>13 Other income</b>		
Return on investment	7,734,536	-
Interest income		
- on fixed deposits [carried at amortized cost]	4,790,690	-
- on margin money	1,171,055	-
Gain on sale of financial assets [measured at FVTPL]	5,959,719	251,298
Gain on fair valuation of financial assets [measured at FVTPL]	4,286,557	13,038,255
Dividend received [on equity instruments measured at FVTPL]	-	7,200
Provision no longer required written back	149,486	1,226,461
Recovery against sale of brand	-	1,551,307



Miscellaneous income	61,166	3,453
	<b>24,153,209</b>	<b>16,077,974</b>
<b>14 Employee benefits expense</b>		
Salaries, wages and bonus	5,145,100	8,007,825
Contribution to provident and other funds	221,760	452,156
Gratuity expense	43,154	1,041,980
Staff welfare	386,319	778,629
	<b>5,796,333</b>	<b>10,280,590</b>
<b>15 Finance cost</b>		
Interest		
- on delayed payment of statutory dues	608,239	-
- others	549,622	1,867,862
	<b>1,157,861</b>	<b>1,867,862</b>
<b>16 Depreciation expense</b>		
Depreciation on property, plant and equipment*	-	2,091,984
	-	<b>2,091,984</b>
<i>*Includes prior period depreciation</i>		
	<b>Year ended</b>	<b>Year ended</b>
	<b>31-March-2021</b>	<b>31-March-2020</b>
	₹	₹
<b>17 Other expenses</b>		
Repairs and maintenance - (building)	2,182,299	1,997,924
Power and fuel	1,167,743	1,421,795
Securities transaction tax	1,646,525	-
Trade charges	399,156	-
Legal and professional fees	4,734,900	1,741,646
Rent	943,200	1,329,140
Rates and taxes	850	41,098
Insurance	53,010	391,357
Travelling and conveyance	601,153	801,537
Vehicle running and maintenance	-	1,011,921
Printing and stationery	137,404	219,703
Postage, telegram and telephone	192,987	487,172
Balances written off	119,716	481,296
Bank charges	31,908	1,091
Directors' fee	135,000	160,000
Loss on sale of property, plant and equipment	-	744,662
GST credit expensed off	314,018	842,954
Website charges	13,874	-
Advertisement charges	10,206	-
Provision for expected credit loss	-	7,701,224
Provision for non compliance	-	3,278,000
Auditors' remuneration		

as auditors	265,000	150,000
Miscellaneous expenses	2,561,869	2,352,329
	<b>15,510,819</b>	<b>25,154,849</b>

### 18 Tax expense from continuing operations

#### Current tax

- Current tax for the year	6,734,576	-
	<b>6,734,576</b>	<b>-</b>

#### Deferred tax

- Deferred tax (MAT credit written off)	-	107,519,032
	<b>-</b>	<b>107,519,032</b>
	<b>6,734,576</b>	<b>107,519,032</b>

### 18.1 Deferred tax on business loss and unabsorbed depreciation

The Company has cumulative business losses amount to Rs. 21,78,68,353 (Previous year Rs. 23,20,63,291) and unabsorbed depreciation Rs. Nil (Previous year Rs. 1,68,88,889) on which no deferred tax asset has been recognised in accordance with accounting principles laid under Ind AS for recognition of deferred tax assets. Further, these business losses are available to offset for maximum period of eight years from the date of incurrence of loss.

The Company has a MAT credit entitlement of Rs. 10,40,51,974 (previous year Rs. 10,69,56,349) which has not been recognised in these financial statements in view of prudent accounting principles under Ind AS 12 - Income Taxes.

	Year ended 31-March-2021	Year ended 31-March-2020
	₹	₹

### 18.2 Effective tax reconciliation

<b>Profit/(Loss) before tax</b>	<b>44,032,313</b>	<b>(38,768,002)</b>
Tax rate	<b>27.82%</b>	<b>26%</b>
Tax on accounting profit	12,249,790	(10,079,681)
Tax impact on		
a) permanent differences	842,796	-
b) non taxable income	(589,416)	-
c) tax assets not recognised	-	10,079,681
d) Items taxed at preferential rate	5,783,303	-
e) Impact of deferred tax assets not recognised earlier but utilized during the year	(11,551,896)	-
Deferred tax assets written off	-	107,519,032
<b>Expected tax after adjustments</b>	<b>6,734,576</b>	<b>107,519,032</b>
<b>As per statement of profit and loss</b>		
Tax/(credit) charged to profit and loss		
- Current tax	6,734,576	-
- Deferred tax [MAT credit written off]	-	107,519,032
	<b>6,734,576</b>	<b>107,519,032</b>

**19 Earnings/(Loss) per equity share****from continuing operations (basic and diluted)**

Profit/(loss) before OCI attributable to equity shareholders'	37,443,987	(23,317,310)
Total equity shares outstanding during the year	1,607,200	1,607,200
Weighted average number of equity shares (face value of Rs. 10 per share)	1,607,200	1,607,200
	<b>23.30</b>	<b>(14.51)</b>

**from discontinued operations (basic and diluted)**

Loss before OCI attributable to equity shareholders'	(146,250)	(15,450,692)
Total equity shares outstanding during the year	1,607,200	1,607,200
Weighted average number of equity shares (face value of Rs. 10 per share)	1,607,200	1,607,200
	<b>(0.09)</b>	<b>(9.61)</b>

**from continuing and discontinued operations (basic and diluted)**

	<b>23.21</b>	<b>(24.12)</b>
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**20 Discontinued operations****i) Discontinued operations**

The Company had closed the only manufacturing facility in the year 2017. Results of the manufacturing operations that were discontinued are disclosed as discontinued operations. Further, during the quarter ended 31-Dec-18, the Company had substantially completed the settlement of liabilities and realisation of assets, pertaining to its discontinued operations. The adjustments in the current period pertain to changes in the settlement of those liabilities. The figures for the discontinued operations have been separately disclosed.

Operations pertaining to trading in financial instruments have been considered as continuing and trading in metals.

**ii) Financial position and financial performance**

The financial performance presented for the year ended 31-March-2021

	As at 31-March-2021	As at 31-March-2020
	₹	₹
<b>a) Current assets pertaining to discontinued operations</b>		
<b>i) Financial assets</b>		
<b>(Unsecured, considered good unless otherwise stated )</b>		
Deposit with Government Department	948,156	971,610
Deposit with Others	16,500	16,500
<b>Total current assets pertaining to discontinued operations</b>	<b>964,656</b>	<b>988,110</b>
<b>b) Current liabilities pertaining to discontinued operations</b>		
<b>i) Financial liabilities</b>		
<b>Trade payables (refer note 21)</b>		
- to micro and small enterprises	-	-
- to others	-	511,813
	<b>-</b>	<b>511,813</b>

<b>ii) Other financial liabilities</b>		
Trade deposits	-	171,500
Employee emoluments	-	1,797,692
	-	<b>1,969,192</b>
<b>iii) Other current liabilities</b>		
Statutory dues (including interest thereon)	1,500,000	1,500,000
	<b>1,500,000</b>	<b>1,500,000</b>
<b>iv) Provisions</b>		
Provision for employee benefits:		
- for gratuity (defined benefit obligation and interest thereon) [refer note iii(a)]	13,625,643	12,500,644
- for liability under Haryana VAT / CST [refer note iii(b)]	5,274,524	5,006,000
- for liability under Telangana VAT / CST [refer note iii(b)]	721,918	-
	<b>19,622,085</b>	<b>17,506,644</b>
<b>Total current liabilities pertaining to discontinued operations</b>	<b>21,122,085</b>	<b>21,487,649</b>

**(iii) Contingent liabilities:****(a) Provision for gratuity (defined benefit obligation)**

The labour union had submitted a demand notice to the management of the Company for revision of wages and other amenities. This notice was under negotiation when without any prior notice, the workers staged a walk out on 22-May-20 bringing the production and all aligned activities to a complete standstill. All efforts by the management as well as the labour department to find a resolution to the strike were unsuccessful.

The Hon'ble Governor of Haryana issued orders declaring the strike to be illegal and directed the workers to join duty with in 3 days of the order and refer the dispute to the labour court panipat. This too had no affect on the labour union and the workers resorted to unrest and production shut down on 3 separate occasions causing heavy losses to the Company. The strike continued, forcing the management to issue notice of forfeiture of Gratuity and all other dues include lien on service of all workers on payrolls.

The notice regarding the forfeiture of gratuity and other dues was challenged by some of the workers through Labour office, Sonipat where the matter was dismissed in favour of the Company. Thereafter, the workers appealed before the Dy. Labour Commissioner, Rohtak where DLC ruled the matter in favour of the workers i.e. against the Company. The learned DLC chose to pass this order without giving due consideration to the actual facts of the case and therefore, the Management then had no option but to approach the High Court, Chandigarh vide writ petition no. 18716/2018 and the case was decided against the Company on 06-Mar-20. Management has filed a revision petition on a larger bench on 05-July-20 and the petition has been admitted for hearing on merit 22-Mar-21.

However, during the year ended 31-March-20, on a prudence basis, the management had recorded an expense of Rs. 71,47,000 lacs. During the year ended 31-Mar-2021, the Company has provided for the incremental interest and is carrying a total provision of Rs.1,36,25,643 (previous year Rs. 1,25,00,644) in the books of account. The management believes the likelihood of a higher liability is very low.

**(b) Provision for liabilities under indirect taxes**

The Company had received orders from assessing officers of Haryana and Telangana VAT departments demanding tax as explained below:

	As at 31-March-2021	As at 31-March-2020
	₹	₹
<b>Haryana VAT / CST matters</b>		
Demand under Haryana VAT for Assessment Year 2016-17	2,086,697	2,086,697
Demand under CST for Assessment Year 2014-15*	1,012,601	-
Demand under CST for Assessment Year 2015-16*	1,405,092	2,149,962
Demand under CST for Assessment Year 2016-17	770,135	770,135
<b>Telangana VAT / CST matters</b>		
Demand under CST for Assessment Year 2014-15#	101,901	-
Demand under CST for Assessment Year 2015-16#	620,017	-
	<b>5,996,443</b>	<b>5,006,794</b>

\* During the financial year 20-21, the Company has received rectification order dated 16-July-2020 reducing the VAT/CST for the Assessment year 2014-15 from Rs. 41,82,951 lac to Rs. 10,12,601 and for the assessment year 2015-16 from Rs. 21,49,962 to Rs. 14,05,092. The net impact of these orders has been considered in the provision recorded.

# The Company had received an order dated 20-March-2021 demanding CST of Rs. 1,01,901 for the Assessment year 2014-15 and Rs. 6,20,017 for the Assessment year 2015-16. Consequently, the management has recorded a provision for liability under CST amounting Rs. 7,21,918 in the books of account.

However, the assessment proceedings are pending at various levels.

	Year ended 31-March-2021	Year ended 31-March-2020
	₹	₹
<b>Summary of profit and loss of discontinued operations</b>		
- Income	1,969,192	-
- Expenses	(2,115,442)	(15,450,692)
<b>Loss before income tax</b>	<b>(146,250)</b>	<b>(15,450,692)</b>
- Tax expense	-	-
<b>Loss after tax</b>	<b>(146,250)</b>	<b>(15,450,692)</b>
- Other comprehensive income for the year, net of tax	-	-
<b>Total comprehensive income for the year</b>	<b>(146,250)</b>	<b>(15,450,692)</b>

	Year ended 31-March-2021	Year ended 31-March-2020
	₹	₹
<b>c) Loss before tax from discontinued operations</b>		
<b>a) Income from discontinued operations</b>		
<b>i) Other income</b>		
Provision no longer required written back	1,969,192	-
	<b>1,969,192</b>	-
<b>Total Income from discontinued operations</b>	<b>1,969,192</b>	-
<b>b) Expenses from discontinued operations</b>		
<b>i) Employee benefits expense</b>		
Gratuity expense	-	10,444,692
	-	<b>10,444,692</b>

<b>ii) Finance cost</b>		
Interest on gratuity	1,125,000	-
	<b>1,125,000</b>	<b>-</b>
<b>iii) Other expenses</b>		
Provision for VAT liability	990,442	5,006,000
	<b>990,442</b>	<b>5,006,000</b>
<b>Total expenses from discontinued operations</b>	<b>2,115,442</b>	<b>15,450,692</b>
<b>Loss before tax from discontinued operation</b>	<b>(146,250)</b>	<b>(15,450,692)</b>

## 21 Detail of dues to micro and small enterprises defined under the MSMED Act 2006

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue Principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

- 22 The Company has taken into account the possible impacts of COVID-19 in preparation of these standalone financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenues and on its cost.

The Company has considered internal and certain external sources of information up to the date of financials and there are no factors that can impact the carrying amount of its assets. Post commencement of unlocking of the lockdown the Company's operations were slow due to various restrictions during lock-down and have improved gradually.

## 23 Segment information

"The Company has identified business segments as reportable segments. The business segments comprise:

- 1) Trading in metals 2) Trading in financial instruments.

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses."

Particulars	Year ended	Year ended
	31-Mar-21	31-Mar-20
	(₹)	(₹)
<b>1 Segment Revenue</b>		
(i) Trading in metal	-	-
(ii) Trading in financial instruments	27,950,231	-
(iii) Unallocated	-	-
Revenue from operations	27,950,231	-
<b>2 Segment results</b>		
(i) Trading in metal	-	-
(ii) Trading in financial instruments	23,575,428	-
(iii) Unallocated	(146,250)	(15,450,692)
<b>Sub total</b>	<b>23,429,178</b>	<b>(15,450,692)</b>

Less: Finance costs	608,239	1,867,862
Less: Unallocable expenditure net off unallocable income	(6,702,237)	21,448,448
<b>Profit before exceptional items and tax</b>	<b>29,523,177</b>	<b>(38,767,002)</b>
Exceptional item [refer note 3]	14,509,136	-
<b>Profit before tax</b>	<b>44,032,313</b>	<b>(38,767,002)</b>
Less: tax expense	6,734,576	107,519,032
<b>Net profit/(loss) for the year</b>	<b>37,297,737</b>	<b>(146,286,034)</b>
<b>3 Segment Assets</b>		
(i) Trading in metal	-	-
(ii) Trading in financial instruments	244,360,100	-
(iii) Unallocated	8,850,309	199,033,026
<b>Total</b>	<b>253,210,409</b>	<b>199,033,026</b>
<b>4 Segment Liabilities</b>		
(i) Trading in metal	-	-
(ii) Trading in financial instruments	5,153,996	-
(iii) Unallocated	46,914,865	35,189,215
<b>Total</b>	<b>52,068,861</b>	<b>35,189,215</b>

**24 Related party disclosures****a) Ultimate holding entity**

Algoquant Financials LLP [W.e.f. 09-Feb-21]

**b) Holding Company**

Mandelia Investments Private Limited

**c) Key Management Personnel**

Dhruv Gupta (Director) [W.e.f. 09-Feb-21]

Devansh Gupta (Director) [W.e.f. 09-Feb-21]

Shravan Kumar Mandelia (Managing Director) [up to 11-Feb-21]

Bal Gopal Mandelia (Managing Director) [up to 11-Feb-21]

Sonam Gupta (Company Secretary) [up to 09-Mar-21]

Deepak Gupta (Chief Financial Officer) [up to 04-Mar-21]

**d) Entities under significant influence of Key management personnel and their relatives**

OPG Securities Private Limited [w.e.f. 09-Feb-21]

Shravan Kumar Mandelia (HUF) [up to 11-Feb-21]

Bal Gopal Mandelia (HUF) [up to 11-Feb-21]

**Transactions with related parties during the year****Remuneration Paid**

	Year ended 31-March-2021	Year ended 31-March-2020
	₹	₹
Shravan Kumar Mandelia	602,793	837,124
Bal Gopal Mandelia	554,481	729,618
Sonam Gupta	464,200	488,400

Deepak Gupta	639,210	697,320
	<b>2,260,684</b>	<b>2,752,462</b>
<b>Rent paid</b>		
Shravan Kumar Mandelia	120,000	144,000
Bal Gopal Mandelia	120,000	144,000
Algoquant Financials LLP*	25,000	-
	<b>265,000</b>	<b>288,000</b>
<b>Brokerage (excluding GST)</b>		
OPG Securities Private Limited	278,621	-
	<b>278,621</b>	-
<b>Advisory fees (excluding GST)</b>		
Algoquant Financials LLP	7,517,857	-
	<b>7,517,857</b>	-
<b>Sale of vehicles (excluding GST)</b>		
Shravan Kumar Mandelia	-	1,743,810
Bal Gopal Mandelia	-	4,476,763
	-	6,220,573
<b>Balances at the year end</b>		
<b>Remuneration payable</b>		
Shravan Kumar Mandelia	48,000	14,280
Bal Gopal Mandelia	45,000	13,500
Sonam Gupta	40,280	40,280
Deepak Gupta	-	56,310
	<b>133,280</b>	<b>124,370</b>
<b>Rent payable</b>		
Shravan Kumar Mandelia	-	24,000
Bal Gopal Mandelia	-	24,000
Algoquant Financials LLP	29,500	-
	29,500	48,000
<b>Trade receivables [Including GST]</b>		
Algoquant Financials LLP	8,307,232	-
	8,307,232	-
<b>Balance with broker</b>		
OPG Securities Private Limited	6,565,289	-
	6,565,289	-

## 25 Fair value hierarchy

Some of the Company's assets and liabilities are measured at fair value for financial reporting purpose. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements under Ind AS are categorized into Level 1, 2, or 3 based on the degree to



which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date

**Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date.

## 26 Financial instruments by category

### i) From continued operations

Particulars	Level	31-March-2021		31-March-2020	
		FVTPL	Amortised cost	FVTPL	Amortised cost
		₹	₹	₹	₹
<b>Financial assets</b>					
Investments (current)- (at Fair Value)	Level 1	51,948,331	-	184,041,318	-
Trade receivables		-	8,307,232	-	-
Cash and cash equivalents		-	771,394	-	9,411,096
Bank balance other than above		-	2,800,000	-	199,357
Other financial assets		-	186,383,646	-	-
<b>Total financial assets</b>		<b>51,948,331</b>	<b>198,262,273</b>	<b>184,041,318</b>	<b>9,610,453</b>
<b>Financial liabilities</b>					
Trade payables		-	77,438	-	-
Other financial liabilities		-	16,573,973	-	3,418,633
<b>Total financial liabilities</b>		-	<b>16,651,411</b>	-	<b>3,418,633</b>

### ii) From discontinued operations

Particulars	Level	31-March-2021		31-March-2020	
		FVTPL	Amortised cost	FVTPL	Amortised cost
		₹	₹	₹	₹
<b>Financial assets</b>					
Other financial assets (current)		-	964,656	-	988,110
<b>Total financial assets</b>		-	<b>964,656</b>	-	<b>988,110</b>
<b>Financial liabilities</b>					
Trade payables		-	-	-	511,813
Other financial liabilities		-	-	-	1,969,192
<b>Total financial liabilities</b>		-	-	-	<b>2,481,005</b>

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its investing and financing activities. Accordingly, the Company's risk management framework has the

objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

## 27 Financial risk management

### (A) Credit risk

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

#### a) Credit risk management

##### i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Trade receivables, cash and cash equivalents and loans	12 month expected credit loss
B: High credit risk	Trade receivables	Life time expected credit loss or fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy, advance not recoverable or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

#### Assets under credit risk -

Credit rating	Particulars	31-March-2021	31-March-2020
		-	-
A: Low credit risk	Trade receivables, cash and cash equivalents and loans	11,878,626	9,610,453
B: Moderate credit risk	Investment in equity shares	50,206,403	-
C: High credit risk	Investment in mutual funds	1,741,928	184,041,318

## (B) Liquidity Risk

### i) Continued operations

The Company's current assets aggregate to Rs. 25,03,32,703 (2020- Rs.19,61,31,864) including current investments, cash and cash equivalents and other bank balances of Rs.28,00,000 (2020- Rs. 1,99,357) against an aggregate current liabilities of Rs. 3,09,46,778 (2020- Rs.1,37,01,566); Non-current liabilities amounting to Rs. Nil (2020- Rs. nil).

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at 31-March-2021.

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total Carrying Amount
<b>Financial Assets</b>					
(a) Trade receivables	8,307,232	-	-	-	8,307,232
(b) Investments	51,948,331	-	-	-	51,948,331
(c) Cash & cash equivalents	771,394	-	-	-	771,394
(d) Bank balance other than cash and cash equivalent	-	2,800,000	-	-	2,800,000
(e) Other financial assets					
(i) Accrued interest on deposits	637,212	-	-	-	637,212
(ii) Balance with brokers	179,224,338	-	-	-	179,224,338
(iii) Mark to market asset	6,522,096	-	-	-	6,522,096
<b>Total</b>	<b>247,410,605</b>	<b>2,800,000</b>	<b>-</b>	<b>-</b>	<b>250,210,605</b>
<b>Financial Liabilities</b>					
(a) Trade payables	77,438	-	-	-	77,438
(b) Other financial liabilities					
(i) Book overdraft	13,700,000	-	-	-	13,700,000
(ii) Employee emoluments	906,571	-	-	-	906,571
(iii) Expenses payable	1,967,402	-	-	-	1,967,402
<b>Total</b>	<b>16,651,411</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,651,411</b>

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at 31-March-2020."

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total Carrying Amount
<b>Financial Assets</b>					
(a) Investments	-	184,041,318	-	-	184,041,318
(b) Cash & cash equivalents	9,411,096	-	-	-	9,411,096
(c) Bank balance other than cash and cash equivalent	199,357	-	-	-	199,357
<b>Total</b>	<b>9,610,453</b>	<b>184,041,318</b>	<b>-</b>	<b>-</b>	<b>193,651,771</b>
<b>Financial Liabilities</b>					
(a) Other financial liabilities					
(i) Employee emoluments	2,659,454	-	-	-	2,659,454
(ii) Expenses payable	759,179	-	-	-	759,179
<b>Total</b>	<b>3,418,633</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,418,633</b>

## ii) Discontinued operations

The Company's current assets aggregate to Rs. 9,64,656 (2020- Rs.9,88,110) including current investments, cash and cash equivalents and other bank balances of Rs. nil (2020- Rs. nil) against an aggregate current liability of Rs. 2,11,22,085 (2020- Rs.2,14,87,648); Non-current liabilities amounting to Rs. Nil (2020- Rs. Nil).

Further, while the Company's total equity stands at Rs. 20,11,41,548 (2020- Rs.16,38,43,811). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due, is low.

**(C) Market risk**

The Company holds investments and measure them at fair value through Profit and Loss. The value of investments in such equity instruments and debt based mutual funds as at 31-March-2021 is Rs. 5,19,48,331 (2020- Rs. 18,40,41,318). Accordingly, fair value fluctuations arising from market volatility is recognised in statement of Profit and Loss.

As the Company is virtually debt-free and its deferred payment liabilities do not carry interest, the exposure to interest rate risk from the perspective of Financial Liabilities is negligible. Further, treasury activities, focused on managing investments in equity/debt instruments, are centralised and administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within acceptable risk parameters after due evaluation.

**(D) Foreign currency risk**

The Company does not have a significant foreign currency risk as it does not have any exposure in foreign currency as at the year end. The Company has no-hedge policy for its foreign currency items as these are insignificant. Therefore, the sensitivity to foreign currency fluctuation is not relevant.

**28 Capital management policies and procedures**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. As at 31-March-2021, the Company has only one class of equity shares and has no debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for the re-investment into business based on its long-term financial plans.

**29 Financial instruments and cash deposits****i) Continuing operations****31-March-2021**

	Estimated gross carrying amount	Expected credit losses	Carrying amount
	₹	₹	₹
Trade receivables	8,307,232	-	8,307,232
Cash and cash equivalents	771,394	-	771,394
Bank balance other than above	2,800,000	-	2,800,000

**31-March-2020**

	Estimated gross carrying amount	Expected credit losses	Carrying amount
	₹	₹	₹
Trade receivables	-	-	-
Cash and cash equivalents	9,411,096	-	9,411,096
Bank balance other than above	199,357	-	199,357

**Discontinued operations****31-March-2021**

	Estimated gross carrying amount	Expected credit losses	Carrying amount
	₹	₹	₹
Other financial assets (current)	964,656	-	964,656

**31-March-2020**

	Estimated gross carrying amount	Expected credit losses	Carrying amount
	₹	₹	₹
Other financial assets (current)	988,110	-	988,110

**For and on the behalf of the Board of Directors**

**For SSRA & Co.**  
**Chartered Accountants**  
**Firm Registration No : 014266N**

**Sd/-**  
**Suresh Goyal**  
**Partner**  
**Membership No : 093711**

**Sd/-**  
**Dhruv Gupta**  
**Director**  
**DIN: 06920431**

**Sd/-**  
**Devansh Gupta**  
**Director**  
**DIN: 06920376**

**Place: New Delhi**  
**Date: 30-June-2021**



If undelivered please return to :  
**HINDUSTAN EVEREST TOOLS LIMITED**  
(CIN: L74110DL1962PLC003634)  
4/11, 1st Floor Asaf Ali Road  
New Delhi Central Delhi-110002