

HET/SECY/10/2017/668

**Hindustan
Everest Tools
Limited**



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

**The Manager
Department of Corporate Services
Bombay Stock Exchange Limited
Floor 25, P.J. Tower
Dalal Street
Mumbai – 400 001**

October 23, 2017

Re : Company's Code No. 505725

Sub : Declaration pursuant Regulation 33 of SEBI (LODR) Regulation 2015

Dear Sirs,

We are attaching herewith scanned copy of duly signed Financial Statements for the year ending 31st March 2017 alongwith Auditor's Report thereon.

Further please note Auditor's opinion is modified. As required, we are also attaching herewith Annexure A stating our view on Auditor's opinion.

Thanking you,

Yours faithfully,
For Hindustan Everest Tools Ltd.

**Surender Singh Rauthan
Compliance Officer**

Encl : As above

Auditor's Report on Audited Financial Results of Hindustan Everest Tools Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

To the Board of Directors of Hindustan Everest Tools Limited

We have audited the accompanying annual financial results ('the statement') of Hindustan Everest Tools Limited ('the Company') for the year ended 31 March 2017 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 31 March 2017 and the corresponding quarter ended in the previous year as reported in the statement are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter had only been reviewed and not subjected to audit.

The Statement has been prepared on the basis of the annual financial statements and reviewed quarterly financial results up to the end of third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on the statement based on our audit of financial statements, which have been prepared in accordance with the recognition and measurement principles laid down under section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India and in compliance with requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.

Based on our audit conducted as above, we hereby report that, the net worth of the Company has been completely eroded as on 31st March, 2017 due to continuous losses incurred by the Company. The Company's total liabilities exceed its total assets appearing in Balance sheet as on 31st March, 2017. The Company has also declared closure of its only manufacturing unit. These conditions along with no future business plan indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact. These cause us to believe that the accompanying statement of unaudited financial results should not have been prepared on a going concern basis. Therefore, accompanying statements have not been prepared in accordance with applicable accounting standards and other recognized accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed and also do not give a true and fair view in conformity with the accounting principles generally accepted in India :



Singhi & Co.

Chartered Accountants

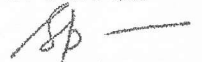
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1. In the case of the Balance Sheet, of the state of affairs of the company as on 31st March, 2017 and,
2. In the case of the Statement of Profit and Loss, of the loss for the year ended on that date.

Date: 23rd October, 2017
Place: New Delhi



For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E



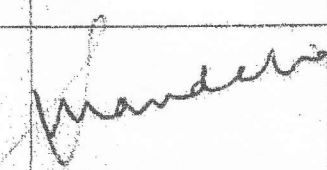

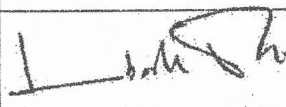
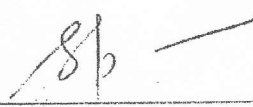
B.K. Sipani
Partner

Membership No. 088926

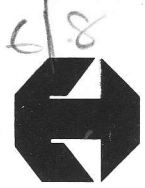
ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Standalone and Consolidated separately)

Statement on Impact of Audit Qualifications for Financial Year ended March 31 ,2017				
(See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016)				
I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. In Lakhs)
	1	Turnover / Total income	761.75	—
	2	Total Expenditure	2199.91	—
	3	Net Profit / (Loss)	(1438.16)	—
	4	Earnings per Share	(89.48)	—
	5	Total Assets	800.82	—
	6	Total Liabilities	800.82	—
	7	Net Worth	(1964.52)	—
	8	Any other financial item (s) (as felt appropriate by the management)	—	—
II	Audit Qualification (each audit qualification separately) :			
	a.	<p>Details of Audit Qualifications: The net worth of the Company has been completely eroded as on 31st March , 2017 due to continuous losses incurred by the Company. The Company's total liabilities exceed its total assets appearing in Balance sheet as on 31st March, 2017 . The Company has also declared closure of its only manufacturing unit. These conditions along with no future business plan indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact . These cause us to believe that the accompanying statement of unaudited financial results should not have been prepared on a going concern basis .Therefore, accompanying statement has not been prepared in accordance with applicable accounting standards and other recognized accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 including the manner in which it is to be disclosed and also do not give a true and fair view in conformity with the accounting principles generally accepted in India :</p> <p>1 .In the case of the Balance Sheet ,of the state of affairs of the company as on 31st March,2017 and</p> <p>2. in the case of the Statement of Profit and Loss ,of the loss for the year ended on that date.</p>		
	b.	Type of Audit Qualification : Adverse Opinion		
	c.	Frequency of qualification : appeared first time		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's views :		

	e.	For Audit Qualifications where the impact is not quantified by the auditor :
	(i)	Management's estimation on the impact of audit qualification : NA
	(ii)	If Management is unable to estimate the impact, reasons for the same: According to management, the company is very much going concern and solvent post realization from sale of surplus assets. Further Management is actively exploring alternate avenues of the business.
	(iii)	Auditors comments on (i) or (ii) above : Please refer our audit opinion ii (a) above
III		Signatories :
	•	CEO / Managing Director 
	•	CFO 
	•	Audit Committee Chairman 
	•	Statutory Auditor 
		Place: NEW DELHI
		Date :23 rd October , 2017

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STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2017

(Rs in Lakhs)

Sr.No	Particulars	Quarter Ended			Year Ended	
		Un-audited			Audited	Audited
		31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016
	Ref. Note	Ref. Note	Ref. Note			
1	Revenue from Operations	64.54	90.21	493.40	675.63	2,712.31
2	Other Income	20.92	24.83	91.56	86.12	89.37
3	Total Income (1+2)	85.46	115.04	584.96	761.75	2,801.68
4	Expenses					
	a) Cost of Material consumed	10.81	(0.09)	156.16	63.40	410.95
	b) Purchase of Stock-in-trade	(3.17)	6.66	121.59	45.23	622.31
	c) Change in inventories of finished goods, work-in-	324.52	64.21	(8.62)	785.19	159.99
	d) Employees benefit expenses	59.13	130.64	190.48	504.85	890.65
	e) Finance Costs	24.33	41.43	28.03	124.67	139.99
	f) Depreciation and amortisation expenses	14.86	14.45	15.69	58.81	59.90
	g) Other Expenses	317.10	60.96	335.08	599.74	1,111.36
	Total Expenses	747.58	318.26	838.41	2,181.89	3,395.15
5	Profit before exceptional items and tax (3-4)	(662.12)	(203.22)	(253.45)	(1,420.14)	(593.47)
6	Exceptional Items	-	-	-	-	-
7	Profit before tax (5+6)	(662.12)	(203.22)	(253.45)	(1,420.14)	(593.47)
8	Tax Expenses (Net)	18.02	-	-	18.02	-
	a) Income Tax	-	(13.09)	46.90	-	46.90
	b) Deferred Tax	(680.14)	(216.31)	(300.35)	(1,438.16)	(640.37)
9	Net Profit for the Period (7-8)	(680.14)	(216.31)	(300.35)	(1,438.16)	(640.37)
10	Paid-up equity share capital (Face value per share 10/-)	160.72	160.72	160.72	160.72	160.72
11	General Reserves					
12	Earning per share of 10/- each (not annualised)					
	(a) Basic ()	(41.20)	(13.46)	(18.69)	(89.48)	(39.84)
	(b) Diluted ()	(41.20)	(13.46)	(18.69)	(89.48)	(39.84)

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STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2017
Statement of Assets and Liabilities

(Rs in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
	Audited	Audited
A EQUITY AND LIABILITIES		
1 Shareholder's fund	160.72	160.72
(a) Share Capital	(2,125.24)	(687.08)
(b) Reserve and Surplus	(1,964.52)	(526.36)
Sub-total - Shareholders' funds		
2 Share application money pending allotment		
3 Non-Current Liabilities	-	430.09
(a) Long Term borrowings	-	42.00
(b) Other long-term liabilities	-	52.57
(c) Long-term provision	-	524.66
Sub-total - Non-current liabilities		
4 Current Liabilities	626.26	1,031.67
(a) Short-term Borrowings	796.45	777.29
(b) Trade Payables	1,141.01	395.71
(c) Other Current Liabilities	201.63	143.96
(d) Short-term Provisions	2,765.34	2,348.64
Sub-total - Current liabilities	800.82	2,346.93
TOTAL - EQUITY AND LIABILITIES		
B ASSETS		
1 Non-Current Assets		
(a) Fixed Assets	567.14	655.30
Tangible Assets	-	0.83
Capital Work-in-Progress	6.83	6.83
(b) Non-Current Investments	-	46.87
(c) Long-term Loans and Advances	-	-
(c) Other Non-Current Assets	573.96	709.83
Sub-total - Non-current assets		
2 Current Assets		
(a) Current Investments	131.60	1,206.87
(b) Inventories	41.61	316.93
(c) Trade Receivables	2.47	22.28
(d) Cash and Bank Balances	22.78	51.81
(e) Short-term Loans and Advances	28.39	39.21
(f) Other Current Assets	226.85	1,637.10
Sub-total - Current assets	800.82	2,346.93
TOTAL - ASSETS		

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Hindustan Everest Tools Limited



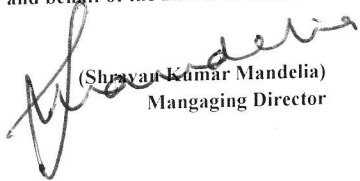
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Notes:

- 1 There is adverse opinion in Auditor's Report regarding company's ability to keep it going concern after its net worth has been completely eroded, its total liabilities exceeds total assets, company has declared closure of its only manufacturing plant and have not indicated any future business plan, therefore in his opinion company is no more a going concern and the results have not been prepared according to applicable accounting standards, other recognized accounting policies and practices. It also states that results have also not been prepared according to disclosures and requirements of SEBI(LODR) Regulations 2015. According to mangement, the Company is very much going concern and solvent post reliazation from sale of assets. Further Mangement is actively exploring alternate avenues of the business.
- 2 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors as its meeting held on 23 October, 2017.
- 3 The figures for the quarter ended 31st March,2017 and 31st March, 2016 are the balancing figures between the audited figures in respect of full financial year and the year to date figures up to the third quarter.
- 4 Previous period figures have been regrouped, wherever found necessary.

Place : New Delhi
Date: 23.10.2017

For and behalf of the Board of Directors


(Shrayan Kumar Mandelia)
Mangaging Director