

HET/05/2018/
May 17, 2018

**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

**Bombay Stock Exchange Limited
Floor 25, P J Tower,
Dalal Street,
Mumbai -400001**

Re: Company's Code No. 505725

Sub: Under Regulation 33 of the SEBI (LODR) Regulation, 2015

Dear Sirs,

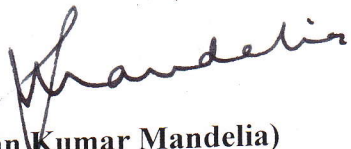
This is to inform you that the Board of Directors of the Company, in their meeting held on Thursday, 17 May, 2018 (Timings: Meeting commenced at 4.00 P.M. and concluded at 5.00 P.M.), have inter-alia considered and approved the Standalone Audited Financial Results of the Company for the Quarter and year ended 31st March, 2018, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of the Results along with Auditor's Report of the Auditors of the Company thereon is enclosed herewith.

Kindly acknowledge the receipt and take it on your record.

Thanking you,

Yours faithfully,
for HINDUSTAN EVEREST TOOLS LTD.


(Shравan Kumar Mandelia)

Managing Director

Web-site : <http://www.everesttools.com>

Encl: As Above



Independent Auditor's Report on the Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Hindustan Everest Tools Limited

1. We have audited the financial results of **Hindustan Everest Tools Limited** ('the Company') for the quarter and year ended 31 March 2018, 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 Note 4 to the financial results regarding the figures for the quarter ended 31 March 2018 as reported in these financial results, which are the balancing figures between audited figures in respect of the full financial year and the reviewed & published year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These financial results are based on the financial statements for the year ended 31 March 2018 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and published year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the financial statements for the year ended 31 March 2018 and our review of financial results for the nine months period ended 31 December 2017.
2. 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 financial results are free of material misstatement(s). 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 management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, the financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and



- (ii) give a true and fair view of the net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the quarter and year ended 31 March 2018.
4. The Company had prepared separate financial results for the year ended 31 March 2017, based on the financial statements for the year ended 31 March 2017 prepared in accordance with {Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended)} and financial results for the nine months period ended 31 December 2016 prepared in accordance with the recognition and measurement principles laid down in {AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015}, and other accounting principles generally accepted in India, which were audited by the predecessor auditor whose report dated 23 October 2017 expressed *adverse opinion*. These financial results for the year ended 31 March 2017 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.
5. We draw attention to note 5, explaining in detail the management's plan to identify a new business and the ability of the Company to continue as a going concern. Our opinion is not qualified in respect of this matter.
6. We draw attention to note 8, the Company has not complied with the provisions of Section 203 (1)(ii) and (iii) of the Act, regarding appointment of Company Secretary and Chief Financial Officer (CFO). Our opinion is not qualified in respect of this matter.

For SSRA & Co.
Chartered Accountants
Firm Registration No. 014266N



Gaurav Singla
Partner
Membership No. 520292

Place : New Delhi
Date : 17-May-18

HINDUSTAN EVEREST TOOLS LIMITED
CIN : L74899DL1962PLC003634
(ALL AMOUNTS ARE IN INDIAN RUPEES LAKHS, EXCEPT IF OTHERWISE STATED)
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED
31-MARCH-18

		Quarter ended			Year ended	
Particulars		31-Mar-18 (Audited) refer note 4	31-Dec-17 (Unaudited)	31-Mar-17 (Audited) refer note 4	31-Mar-18 (Audited)	31-Mar-17 (Audited)
1	Income from discontinued operations			64.54	-	682.61
(a)	Revenue from operations	-	-	23.54	176.06	21.45
(b)	Other income	149.01	15.48	-	5,710.68	71.47
(c)	Gain on sale of property, plant and equipment and intangible assets	924.10	2,876.79	-	-	-
	Total income from discontinued operations	1,073.11	2,892.27	88.08	5,886.74	775.53
2	Expenses of discontinued operations			10.81	-	63.40
(i)	Cost of materials consumed	-	-	(3.17)	-	45.23
(ii)	Purchase of stock-in-trade	-	-	324.52	-	785.19
(iii)	(Increase)/ decrease in stock of finished goods, stock-in-trade and Work-in-progress	-	-	-	-	6.98
(iv)	Excise duty	-	-	-	244.63	504.85
(v)	Employee benefits expense	28.99	46.63	59.13	89.49	124.67
(vi)	Finance cost	42.86	3.41	24.33	25.85	58.81
(vii)	Depreciation	4.16	4.22	14.86	349.88	599.74
(viii)	Other expenses	121.84	75.72	317.10	-	-
	Total expenses of discontinued operations	197.85	129.99	747.58	709.85	2,188.87
3	Profit/(loss) from discontinued operations before tax(1-2)	875.26	2,762.28	(659.50)	5,176.89	(1,413.34)
4	Tax (credit)/expense			18.02	1,089.76	18.02
	Current tax	164.75	625.00	-	(1,089.76)	-
	Deferred tax (MAT credit)	(164.75)	(625.00)	-	-	-
5	Net Profit/(Loss) for the period/year (3-4)	875.26	2,762.28	(677.52)	5,176.89	(1,431.36)
6	Other comprehensive income for the period/year, net of tax	-	-	-	-	-
7	Total comprehensive income from discontinued operations (5+6)	875.26	2,762.28	(677.52)	5,176.89	(1,431.36)
8	Paid-up equity share capital (face value of share Rs.10/- each)	160.72	160.72	160.72	160.72	160.72
9	Other equity	-	-	-	3,043.73	(2,118.45)
10	Earnings/(loss) per share from discontinued operations (Not annualised)					
	Basic (Rs.)	54.46	171.87	(42.16)	322.11	(89.06)
	Diluted (Rs.)	54.46	171.87	(42.16)	322.11	(89.06)



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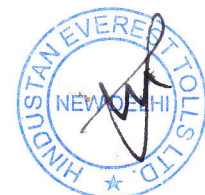
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Hindustan Everest Tools Limited

Notes :

1 Statement of assets and liabilities as at 31-March-18

	(Amount in lakhs)	
	As at	As at
	31-March-18 (Audited)	31-March-17 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	132.11	567.14
Financial assets		
- Investment	14.36	13.62
Deferred tax assets	1,089.76	-
Income tax assets (net)	19.64	1.04
Total non-current assets	1,255.87	581.80
Current assets		
Inventories	-	131.60
Financial assets		
- Investment	2,657.32	-
- Trade receivables	-	41.61
- Cash and cash equivalents	65.99	2.47
- Other financial asset	215.98	28.07
Other current assets	8.12	22.07
Total current assets	2,947.41	225.82
TOTAL ASSETS	4,203.28	807.62
EQUITY AND LIABILITIES		
Equity		
Equity share capital	160.72	160.72
Other equity	3,043.73	(2,118.45)
Total equity	3,204.45	(1,957.73)
Liabilities		
Non-current liabilities		
Financial liabilities		
- Borrowings	-	449.25
Total non-current liabilities	-	449.25
Current liabilities		
Financial liabilities		
- Borrowings	-	652.42
- Trade payables		
- to Micro, Small and Medium enterprises	-	-
- to others	43.19	796.45
- Other financial liabilities	101.07	670.06
Other current liabilities	51.57	143.62
Provisions	53.54	53.54
Current tax liabilities (net)	749.46	-
Total current liabilities	998.83	2,316.10
Total liabilities	998.83	2,765.34
TOTAL EQUITY AND LIABILITIES	4,203.28	807.62



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- The above Statement of "Audited Financial Results" for the quarter and year ended 31-March-18 ("the Statement") has been reviewed by the audit committee and approved by the Board of Directors in its meeting held on 17-May-18.
- The Company has adopted the Indian Accounting Standards (Ind-AS) from 1-April-17 and accordingly, the Statement for the quarter ended 31-March-18 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 - Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with relevant rules framed thereunder and other accounting principles generally accepted in India.

The date of transition to Ind-AS is 1-April-16. The impact of transition has been accounted for in the opening reserves and the comparative results for the corresponding period have been restated accordingly.

- Figures for the quarter ended 31-March-18 and 31-March-17 as reported in these financial results are balancing figures between the audited figures for full financial year and year to date figures up to the third quarter of the relevant financial year, which were only reviewed and not subject to audit.
- The Company had closed production in its sole manufacturing facility during the preceding financial year and during the current financial year following a definitive plan the management of the Company decided to monetise all the assets, except certain assets at head office, of the Company to pay off the liabilities, not only to remain solvent but also to explore some other business opportunities.

Consequently, the Company entered into a binding agreement to dispose off the entire land of its sole manufacturing facility located at Sonipat on 9-Jun-17. Subsequently, the Company has also disposed off other assets (other than land) as a part of definitive plan and has paid off all borrowings from bank and others and has paid a significant portion of its the liabilities like trade and other payables, statutory dues, employee's related dues. The net worth of the Company as on date is positive and there is no foreseeable issue that the Company shall not be able to pay off its remaining liabilities which are not significant in current context.

However, out of abundant caution and in view of accounting principle of prudence, all the assets have been shown at lower of book value and Net realisable value and all known liabilities have been fully recorded at values at which the same are likely to be discharged. Consequently, all the known losses have been recorded and unrealised gains, if any, have been ignored.

In view of improved net worth and availability of funds, the management is hopeful to finalise a new business plan for the Company in near future.

- In accordance with IND AS- 108, the Company had only one segment i.e. business of hand tools. However, the Company has discontinued its operations as explained in note 5 above. Accordingly, the results above are in respect of the discontinued operations of its only business segment.
- The Government of India has implemented Goods and Services Tax (GST) with effect from 1-July-17 which replaces excise duty and various other indirect taxes. Sales for the period up to 10-June-18 are inclusive of excise duty which is now subsumed in GST. As per Ind AS 18, the revenue for the period 1-July -17 to 31-March-18 has been reported net of GST. Accordingly, the revenue figures for the quarter and year ended 31-March-18 are not strictly comparable to the revenue figures for the corresponding quarter and year ended March 31, 2017 respectively.
- After the closure of its sole manufacturing plant, the Chief financial officer and Company Secretary of the Company had resigned. The management of the Company has issued appointment letter to Ms. Sonam Gupta, Company Secretary on 17-May-18 after receiving her consent on 16-May-18 to act as compliance officer of the Company.
- Reconciliation of net profit/(loss) as per generally accepted accounting principles (Previous GAAP) and as per Ind AS is given below:

Particulars	(Rs. in lakhs)	
	Quarter ended 31-March-17	Year ended 31-March-17
Net profit/(loss) after tax as reported under IGAAP	(680.14)	(1,438.16)
Ind AS adjustment -		
Gain on fair value of investments through profit and loss	2.62	6.80
Net profit/(loss) after tax as per Ind AS	(677.52)	(1,431.36)
Other comprehensive income, net of tax	-	-
Total comprehensive income	(677.52)	(1,431.36)



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9 Reconciliation of equity as on March 31, 2017 between previously applicable Indian GAAP to Ind-AS is as below:

(Rs. In lakhs)

Particulars		As at 31-March-17
Equity under previous GAAP		(1,964.53)
Adjustments:		
Gain on fair value of investments through profit and loss		6.80
Equity as per Ind-AS		(1,957.73)

10 The format of the quarterly financial results are available on the websites of Bombay Stock Exchange and the website of the Company ("www.everesttools.com").

For and on behalf of the board of directors
(Managing Director)



Shravan Kumar Mandelia
Shravan Kumar Mandelia
Managing Director
DIN: 00040532

Place: New Delhi
Date: 17-May-18

