



Hindustan Hardy Spicer Limited

Regd. Office & Plant.

Plot No. C-12, M.I.D.C. Area, Ambad,
Nashik-422 010. Maharashtra, INDIA.

Tel : (0253) 2382018, 2382118,
2382318, 2382754
TeleFax : 91-0253-2382528
Website : www.hhsl.net
CIN : L29300MH1982PLC028498

August 18, 2017

To,

Market Operation-DCS-CRD
BSE LIMITED
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001.

Scrip Code: 505893

Sub: 35th Annual General Meeting of the Company and voting results.

Dear Sirs,

This is with reference to the 35th Annual General Meeting of the Company held today i.e. on Friday, 18th August, 2017 at Plot No. C-12, M.I.D.C. Area, Ambad, Nashik 422010 at 2.30 pm (start time) and concluded at 3.10 pm (end time).

We wish to inform you that all the resolutions contained in the Notice of the Annual General Meeting dated 19.05.2017 were approved by the Members.

In this Connection, please find enclosed the following:

- Details regarding the brief proceedings of the Annual General Meeting (AGM) of the Company pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Details regarding the voting results of the business transacted at the said AGM in the prescribed format pursuant to Regulation 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Consolidated Report of the Scrutinizer on remote e-voting and voting through ballot forms at the AGM.
- Annual Report for the financial year 2016-17 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

The above are also being uploaded on the Company's website.

You are requested to take a note of the same and bring it to the notice of all concerned.

Thanking you,

Yours faithfully

FOR HINDUSTAN HARDY SPICER LIMITED


Devaki Saran
Executive Director & CFO

Encl:





Hindustan Hardy Spicer Limited

Regd. Office & Plant.

Plot No. C-12, M.I.D.C. Area, Ambad,
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August 18, 2017

To,

Market Operation-DCS-CRD
BSE Ltd.
Phiroze Jeejeebhoy Tower,
Dalal Street,
MUMBAI - 400001.

Scrip code: 505893

Sub.: PROCEEDINGS OF AGM HELD ON AUGUST 18, 2017.

Dear Sirs,

This is to inform you that the 35TH Annual General Meeting of the Company was held on Friday, August 18, 2017.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014, and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company had provided electronic voting facility (remote e-Voting) to the Members entitled to cast their vote at the Annual General Meeting. The e-Voting process was carried out by the Company between Monday, August 14, 2017, (10.00 a.m.) to Thursday, August 17, 2017 at (5:00 p.m.) with cut-off date for determining shareholders being Friday, August 11, 2017.

The Company had also provided voting facility to the shareholders present at the Annual General Meeting and who had not cast their vote earlier either through remote e-voting facility to cast their vote in the Ballot Box kept there.

The report of the Scrutinizer of the consolidated results of the votes cast through remote e-voting and voting at the meeting is enclosed.

The following resolutions were passed unanimously:

1. Adoption of the Audited Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon.
2. Appointment of Director in place of Mr. Sharad Jain (DIN 06988659), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
3. Appointment of M/s. Daga & Chaturmutha, Chartered Accountants (ICAI Registration No.: 101987W), be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. J. L. Bhatt & Co., Chartered Accountants, Mumbai, (ICAI Registration No. 101332W), the retiring Statutory Auditors to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of fortieth Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every Annual General Meeting on a remuneration as may be fixed by the Board of Directors of the company.
4. Reappointment of Ms. Devaki Saran (DIN 06504653) Executive Director and Chief Executive Officer (CEO) of the Company for a period of One years. (Special Resolution)

Thanking You,

Yours faithfully,

For **HINDUSTAN HARDY SPICER LIMITED**


Devaki Saran
Executive Director & CFO



Hindustan Hardy Spicer Limited

Regd. Office & Plant.

Plot No. C-12, M.I.D.C. Area, Ambad,
Nashik-422 010. Maharashtra, INDIA.

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2382318, 2382754

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Website : www.hhsl.net

CIN : L29300MH1982PLC028498

Brief details of the items deliberated at the annual general meeting held on Friday, August 18, 2017 and the results				
Sr. No.	Agenda	Resolution required (Ordinary/ Special)	Mode of Voting	Results
1	Adoption of the Audited Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon.	Ordinary	Remove e-voting	Passed unanimously
2	Re-appointment of Mr. Sharad Jain (DIN 06988659), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.	Ordinary	Remove e-voting	Passed unanimously
3	Appointment of M/s. Daga & Chaturmutha, Chartered Accountants (ICAI Registration No.: 101987W), be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. J. L. Bhatt & Co., Chartered Accountants, Mumbai, (ICAI Registration No. 101332W), the retiring Statutory Auditors to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of fortieth Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every Annual General Meeting on a remuneration as may be fixed by the Board of Directors of the company.	Ordinary	Remove e-voting	Passed unanimously
4.	Reappointment of Ms. Devaki Saran (DIN 06504653) Executive Director and Chief Executive Officer (CEO) of the Company for a period of One years.	Special	Remove e-voting	Passed unanimously



HINDUSTAN HARDY SPICER LIMITED

POLLING SUMMARY

Date of the AGM			18.08.2017					
Total number of shareholders on record date			3983					
No. of shareholders present in the meeting either in person or through proxy:								
Promoters and Promoter Group:			7					
Public:			10					
No. of shareholders attended the meeting through Video Conferencing:								
Promoters and Promoter Group:			NIL					
Public:								
Resolution required: Ordinary			1. Adoption of the Audited Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon.					
Whether promoter/promoter group are interested in the agenda/resolution			NO					
Category	Mode of Voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares $(3) = [(2)/(1)] * 100$	No. of votes - in favour	No. of votes - against	% of votes in favour on votes polled $6 = [(4)/(2)] * 100$	% of votes against on votes polled $7 = [(5)/(2)] * 100$
Promoter and Promoter Group	E-voting	1	2	3	4	5	6	7
	Poll	992394	600193	60.48	600193	0	100.0000	0.0000
	Postal ballot if any			0.00	0	0	0.0000	0.0000
	Total	992394	600193	60.48	600193	0	100.0000	0.0000
Public- Institutions	E-voting	50	0	0.00	0	0	0.0000	0.0000
	Poll		0	0.00	0	0	0.0000	0.0000
	Postal ballot if any							
	Total	50	0	0.00	0	0	0.0000	0.0000
Public- Non Institutions	E-voting	506006	1	0.00	1	0	100.0000	0.0000
	Poll		0	0.00	0	0	0.0000	0.0000
	Postal ballot if any							
	Total	506006	1	0.00	1	0	100.0000	0.0000
Total		1498450	600194	40.05	600194	0	100.0000	0.0000



Resolution required: Ordinary			2.Appointment of Director in place of Mr. Sharad Jain (holding DIN 06988659), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.					
Whether promoter/promoter group are interested in the agenda/resolution			NO					
Category	Mode of Voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares (3)= [(2)/(1)]*100	No. of votes - in favour	No. of votes - against	% of votes in favour on votes polled 6= [(4)/(2)]*100	% of votes against on votes polled 7= [(5)/(2)]*100
Promoter and Promoter Group	E-voting	992394	600193	60.48	600193	0	100.0000	0.0000
	Poll			0.00	0	0	0.0000	0.0000
	Postal ballot if any							
	Total		992394	600193	60.48	600193	0	100.0000
Public- Institutions	E-voting	50	0	0.00	0	0	0.0000	0.0000
	Poll			0.00	0	0	0.0000	0.0000
	Postal ballot if any							
	Total		50	0	0.00	0	0	0.0000
Public- Non Institutions	E-voting	506006	1	0.00	1	0	100.0000	0.0000
	Poll			0.00	0	0	0.0000	0.0000
	Postal ballot if any							
	Total		506006	1	0.00	1	0	100.0000
Total		1498450	600194	40.05	600194	0	100.0000	0.0000



Resolution required: Ordinary			3. Appointment of Auditors and to fix their remuneration.					
Whether promoter/promoter group are interested in the agenda/resolution			NO					
Category	Mode of Voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares (3) = [(2)/(1)]*100	No. of votes - in favour	No. of votes - against	% of votes in favour on votes polled 6 = [(4)/(2)]*100	% of votes against on votes polled 7 = [(5)/(2)]*100
Promoter and Promoter Group		1	2	3	4	5	6 = [(4)/(2)]*100	7 = [(5)/(2)]*100
	E-voting	992394	600193	60.48	600193	0	100.0000	0.0000
	Poll			0.00	0	0	0.0000	0.0000
	Postal ballot if any							
Public- Institutions	Total	992394	600193	60.48	600193	0	100.0000	0.0000
	E-voting	50	0	0.00	0	0	0.0000	0.0000
	Poll		0	0.00	0	0	0.0000	0.0000
	Postal ballot if any							
Public- Non Institutions	Total	50	0	0.00	0	0	0.0000	0.0000
	E-voting	506006	1	0.00	1	0	100.0000	0.0000
	Poll		0	0.00	0	0	0.0000	0.0000
	Postal ballot if any							
Total	Total	506006	1	0.00	1	0	100.0000	0.0000
		1498450	600194	40.05	600194	0	100.0000	0.0000



Resolution required: Special

4. Reappointment of Ms. Devaki Saran (DIN 06504653) as the Whole-Time Director, designated as "Executive Director and Chief Financial Officer (CFO) of the Company for a period of one year with effect from August 14, 2017.

Whether promoter/promoter group are interested in the agenda/resolution

Yes

Category	Mode of Voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares (3) = [(2)/(1)]*100	No. of votes - in favour	No. of votes - against	% of votes in favour on votes polled 6 = [(4)/(2)]*100	% of votes against on votes polled 7 = [(5)/(2)]*100
Promoter and Promoter Group	E-voting Poll Postal ballot if any Total	992394	600193	60.48 0.00	600193 0	0 0	100.0000 0.0000	0.0000 0.0000
Public- Institutions	E-voting Poll Postal ballot if any Total	50	0 0	0.00 0.00	0 0	0 0	0.0000 0.0000	0.0000 0.0000
Public- Non Institutions	E-voting Poll Postal ballot if any Total	506006	1 0	0.00 0.00	1 0	0 0	100.0000 0.0000	0.0000 0.0000
Total		1498450	600194	40.05	600194	0	100.0000	0.0000



HINDUSTAN HARDY SPICER LIMITED

PLOT No. C-12, M.I.D.C. Area, Ambad, Nashik - 422010, Maharashtra

Votes Cast on Poll ordered in respect of Resolutions placed before the A.G.M. of the Company held on 18/08/2017

Postal Ballot Forms

Physical & E-voting summary

Nominal value of shares of Rs.10/- each Resolution

Resolution 4

Sr.No.	Mode	Folio No./DP Id/Client Id	Name and Address of the Shareholder/ Joint Holders	No. of Shares Held	No. of Votes Polled	Votes for	Votes against	Invalid Votes	Remarks	Category
1	E-VOTING	11055	CHARMINSAN INVESTMENTS PVT LTD 78-B DR A B ROAD WORLI MUMBAI 400018	50	50	50	0	0		Promoter and Promoter Group
2	E-VOTING	1203330000192380	SANJAY DATTATRAY VARADE ROOM 526 YASHODAMAI CHS JADHAV SANKUL ASHOK NAGAR SATPUR NASIK MAHARASHTRA INDIA 422012	1	1	1	0	0		Public-Non-institutions
3	E-VOTING	146	ARATI SANIAYA SARAN DEVONSHIRE HOUSE 3 WESTFIELD ESTATE BHULABHAI DESAI ROAD MUMBAI 400026	50	50	50	0	0		Promoter and Promoter Group
4	E-VOTING	149	ARATI VASANT PANDIT DIL PAZIR B DESAI ROAD MUMBAI 400026	100	100	100	0	0		Promoter and Promoter Group
5	E-VOTING	IN30074911063460	XLO INDIA LTD DHANWATAY BUILDING, WING 1, 3RD FLOOR, 80 DR ANNIE BESANT ROAD, WORLI, MUMBAI 400018	599993	599993	599993	0	0		Promoter and Promoter Group
Total :				600194	600194	600194	0	0		



B-5

PARIKH & ASSOCIATES
COMPANY SECRETARIES

Office :

111, 11th Floor, Sai-Dwar CHS Ltd,
Sab TV Lane, Opp Laxmi Industrial Estate
Off Link Road, Above Shabari Restaurant,
Andheri (W), Mumbai : 400 053
Tel. : 26301232 / 26301233 / 26301240
Email : cs@parikhassociates.com
parikh.associates@rediffmail.com

To,
The Chairman
Hindustan Hardy Spicer Limited
Plot No. C-12, M.I.D.C. Area,
Ambad, Nashik - 422010.

Dear Sir,

Sub: Consolidated Scrutinizer's Report on remote e-voting conducted 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 by Companies (Management and Administration) Amendment Rules, 2015 and voting through ballot paper at the 35th Annual General Meeting of Hindustan Hardy Spicer Limited held at Plot No. C-12, M.I.D.C. Area, Ambad, Nashik - 422 010 on Friday, August 18, 2017 at 2.30 pm.

I, Jigyasa N. Ved, of M/s. Parikh & Associates, Practicing Company Secretaries, had been appointed as the Scrutinizer by the Board of Directors of Hindustan Hardy Spicer Limited, pursuant to Section 108 of the Companies Act, 2013 ("the Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, to conduct the remote e-voting process in respect of the below mentioned resolutions proposed at the 35th Annual General Meeting (AGM) of Hindustan Hardy Spicer Limited held on Friday, August 18, 2017 at 2:30 p.m.

I was also appointed as Scrutinizer to scrutinize the voting process at the said AGM held on August 18, 2017.

The Notice dated May 19, 2017 along with statement setting out material facts under Section 102 of the Act as confirmed by the Company were sent to the Shareholders in respect of the below mentioned resolutions proposed at the AGM of the Company.



The Company had availed the e-voting facility offered by National Securities Depository Limited ("NSDL") for conducting remote e-voting by the Shareholders of the Company.

The Company had also provided voting through ballot paper to the shareholders present at the AGM and who had not cast their vote earlier through remote e-voting facility.

The shareholders of the company holding shares as on the "cut-off" date of August 11, 2017 were entitled to vote on the resolutions as contained in the Notice of the AGM.

The voting period for remote e-voting commenced on Monday, August 14, 2017, at 10.00 a.m. (IST) and ended on Thursday, August 17, 2017 at 5:00 p.m. (IST) and the NSDL e-voting platform was blocked thereafter.

None of the shareholders present at the meeting cast their vote by a ballot paper. After the closure of the AGM, the votes cast under remote e-voting facility were thereafter unblocked in the presence of two witnesses who were not in the employment of the Company. I have scrutinized and reviewed the remote e-voting and votes tendered therein based on the data downloaded from the NSDL e-voting system.

The Management of the Company is responsible to ensure compliance with the requirements of the Act and rules relating to remote e-voting and the voting through ballot paper at the meeting on the resolutions contained in the notice of the AGM.

My responsibility as scrutinizer for the remote e-voting and the voting conducted through ballot paper at the meeting is restricted to making a Scrutinizer's Report of the votes cast in favour or against the resolutions.

I now submit my consolidated Report as under on the result of the remote e-voting and voting through ballot paper at the AGM in respect of the said Resolutions.



Resolution 1: Ordinary Resolution

Adoption of the Audited Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon.

(i) Voted in favour of the resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
5	6,00,194	100.00

(ii) Voted against the resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
NIL	NIL	N.A.

(iii) Invalid votes:

Number of members whose votes were declared invalid	Number of invalid votes cast by them
NIL	NIL



Resolution 2: Ordinary Resolution

Appointment of Director in place of Mr. Sharad Jain (DIN: 06988659), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

(i) Voted in favour of the resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
5	6,00,194	100.00

(ii) Voted against the resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
NIL	NIL	N.A.

(iii) Invalid votes:

Number of members whose votes were declared invalid	Number of invalid votes cast by them
NIL	NIL



Resolution 3: Ordinary Resolution

Appointment of M/s. Daga & Chaturmutha, Chartered Accountants (ICAI Registration No.: 101987W), be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. J. L. Bhatt & Co., Chartered Accountants, Mumbai, (ICAI Registration No. 101332W), the retiring Statutory Auditors.

(i) Voted in favour of the resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
5	6,00,194	100.00

(ii) Voted against the resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
NIL	NIL	N.A.

(iii) Invalid votes:

Number of members whose votes were declared invalid	Number of invalid votes cast by them
NIL	NIL



Resolution 4: Special Resolution

Reappointment of Ms. Devaki Saran (DIN: 06504653) as the Whole-Time Director, designated as "Executive Director and Chief Financial Officer (CFO)" of the Company for a period of one year with effect from August 14, 2017.

(i) Voted in favour of the resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
5	6,00,194	100.00

(ii) Voted against the resolution:


Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
NIL	NIL	N.A.

(iii) Invalid votes:

Number of members whose votes were declared invalid	Number of invalid votes cast by them
NIL	NIL


Thanking you,

Yours faithfully,


 Jigyasa N. Ved
 Parikh & Associates
 Practising Company Secretaries
 FCS: 6488 CP No: 6018
 111, 11th Floor, Sai Dwar CHS Ltd
 Sab TV Lane, Opp. Laxmi Indl. Estate,
 Off Link Road, Above Shabari Restaurant,
 Andheri West, Mumbai - 400053



Place: Mumbai
 Dated: August 18, 2017


 Sanjaya Saran
 Chairman



Hindustan Hardy Spicer Ltd.

**Thirty Fifth Annual Report
2016- 2017**

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BOARD OF DIRECTORS

Mr. S. C. Saran	Chairman
Mr. Ravindra Kale	Executive Director & CEO
Ms.Devaki Saran	Executive Director & CFO
Mr. Shiamak Marshall	Director
Mr. Jehangir H.C. Jehangir	Director
Mr. Richard Koszarek	Director
Mr. Sharad Jain	Director

Bankers**State Bank of India**

Satpur Branch, Nashik - 422 007

Axis Bank Ltd.

Mazda Towers, Trimbak Naka Br., GPO Road, Nashik - 422 001

Auditors**J.L. Bhatt & Company**

Chartered Accountants

207, Yusuf Building,

43, M.G. Road, Mumbai - 400 001

Registered Office & Plant

C-12, Additional Nasik Industrial Area,

Ambad, Nashik - 422 010.

Tel.: 0253 - 2382018 / 2118

Fax : 0253 - 2382528

email : co@hhardys.com

CIN No.: L29300MH1982PLC028498

Website: www.hhsl.net

Compliance Officer

Ms. Devaki Saran

email: co@hhardys.com

Registrars and Share Transfer Agents

Satellite Corporate Services Pvt. Ltd.

B-302, Sony Apartment,

Opp. ST. Jude High School, Off. Andheri Kurla Road,

Jarimari, Sakinaka, Mumbai - 400 072.

Tel.: 022 - 28520461 / 462

Fax : 022 - 28511809

email : service@satellitecorporate.com

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HINDUSTAN HARDY SPICER LIMITED

Regd. Office : Plot No. C-12, M.I.D.C. Area, Ambad, Nashik – 422010, Maharashtra, INDIA.

CIN : L29300MH1982PLC028498

Tel No: 0253-2382018 | Fax No: 0253-2382528 | Email: co@hhardys.com | Website: www.hhsl.net

NOTICE

Notice is hereby given that the Thirty Fifth Annual General Meeting of the members of Hindustan Hardy Spicer Limited will be held at Plot No. C-12, M.I.D.C. Area, Ambad, Nashik – 422 010 on Friday, 18th August, 2017 at 2.30 pm to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Sharad Jain (DIN 06988659), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 139 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Daga & Chaturmutha, Chartered Accountants (ICAI Registration No.: 101987W), be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. J. L. Bhatt & Co., Chartered Accountants, Mumbai, (ICAI Registration No. 101332W), the retiring Statutory Auditors, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of fortieth Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every Annual General Meeting if so required under the Act, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following resolution as an Special Resolution:
- “RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the Company hereby accords its approval to the reappointment of Ms. Devaki Saran (DIN 06504653), as the Whole-Time Director, designated as “Executive Director and Chief Financial Officer (CFO)” for a further period of one year with effect from August 14, 2017 on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee and as set out in the explanatory statement attached to this notice.”
- “RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during Ms. Devaki Saran’s term of office as Executive Director and Chief Financial Officer (CFO), Ms. Devaki Saran, be paid the remuneration including perquisites and other benefits as set out in the explanatory statement as minimum remuneration as prescribed in Schedule V of the Companies Act, 2013.”
- “RESOLVED FURTHER THAT in the event of any statutory amendment or relaxation by the Central Government to Schedule V of the Companies Act, 2013 the Board be and is hereby authorised to alter and vary such terms of appointment and remuneration or increase the remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 as may be agreed to by the Board of Directors and Ms. Devaki Saran without any further reference to the Company.”
- “RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this Resolution”.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.
2. The Statement setting out material facts pursuant to section 102 of the Companies Act, 2013, which sets out details relating to item no. 3 & 4 of the Notice, and the information required in respect of appointment/ reappointment of directors as per Regulation 36 (3)

of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Secretarial Standards on General Meetings of the persons seeking appointment/reappointment as Directors under item no's 2& 4 are annexed hereto.

3. The Register of Members and the Share Transfer Books of the Company will be closed from Friday, 11.08.2017 to Friday, 18.08.2017, both days inclusive.
4. Members are requested to notify immediately any change of address:
 - (i) to their Depository Participants (DPs) in respect of their electronic share accounts, and
 - (ii) to the Company's Registrar & Share Transfer Agents, M/s Satellite Corporate Services Pvt. Ltd., B- 302, Sony Apartment, Opp. ST Jude High School, Off. Andheri-Kurla Road, Jarimari, Sakinaka, Mumbai -400 072, in respect of their physical share folios, if any, quoting their folio numbers.
5. Pursuant to the provisions of the Act, the dividend for the financial year 2009-10 and for subsequent years remaining unclaimed/unpaid for a period of seven years from the date they became due for payment shall be credited to the Investors' and Protection Fund setup by the Central Government. Members who have so far not claimed the dividend are requested to make claim with the Company as no claim shall lie against the fund or the Company in respect of individual amounts once credited to the said fund.
6. The Ministry of Corporate Affairs ('MCA') had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from 7th September, 2016 ('IEPF Rules 2016'). Further, the MCA had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 on 28th February, 2017 ('IEPF Rules 2017'). Amongst other things, the Rules provides for the manner of transfer of the unpaid and unclaimed dividends to the IEPF and the manner of transfer of shares in case any dividend has not been encashed by the shareholders on such shares during the last seven years to the designated Suspense Account as prescribed by the IEPF Authority.

As per the requirement of Rule 6 of the IEPF Rules 2016, the Company had sent information to all the shareholders who had not claimed/encashed dividends in the last seven years intimating, amongst other things, the requirements of the IEPF Rules, 2016 with regard to transfer of shares and that in the event those shareholders do not claim any unclaimed/unpaid dividends for the past seven years, the Company will be required to transfer the respective shares to the IEPF as per the IEPF Rules, 2016. The Company also simultaneously published notice in the leading newspaper in English and regional language having wide circulation to such shareholders and uploaded on the "Investors Section" of the Website of the Company viz. www.hhsl.net giving details of such shareholders and shares due to transfer.

7. Members are requested to bring their copy of the Annual Report to the meeting.
8. The Notice of the AGM along with the Annual Report 2016-2017 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
9. To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register the same with Registrar and Share Transfer Agent /Depositories.
10. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares. Members can contact the Registrar and Share Transfer Agents of the Company in this regard.
11. The route map showing directions to reach the venue of the Thirty-Fifth Annual General Meeting is annexed.
12. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9:30 am to 6:00 pm) on all working days except Saturdays and Sundays (including Public Holidays) up to the date of the Annual General Meeting.
13. **VOTING THROUGH ELECTRONIC MEANS:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by Companies (Management and Administration) Rules, 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Secretarial Standards on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote at the 35th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

I] The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:**
- (i) Open email and open PDF file viz; "hindustanhardy.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
 - (iii) Click on Shareholder – Login.
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" of Hindustan Hardy Spicer Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cs@parikhassociates.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN	
(E Voting Event Number)	
USER ID PASSWORD/	
PIN	

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on Monday, August 14, 2017, (10.00 a.m.) and ends on Thursday, August 17, 2017 at (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 11, 2017 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Friday, August 11, 2017. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the meeting. The members who have not cast vote through remote e-voting shall be entitled to vote at the meeting.
- Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.
- VII. The facility for voting, either through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
- VIII. Shareholders who have already voted prior to the meeting date would be entitled to attend the Annual General Meeting but shall not be entitled to vote at the meeting.
- IX. Ms. Jigyasa N. Ved(FCS 6488) or failing him Mr. Mitesh Dhabliwala (FCS 8331) of M/s Parikh & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
- X. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- XI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website, www.hhsl.net and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared by the Chairman and the same shall be communicated to the BSE Limited where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.

Registered Office:

Plot No. C-12, M.I.D.C. Area, Ambad,
Nashik – 422 010.

By order of the Board

Date : 19.05.2017
Place : Mumbai

DEVAKI SARAN
EXECUTIVE DIRECTOR & CFO

ANNEXURE TO THE NOTICE**THE STATEMENT SETTING OUT MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item 3**

M/s. J. L. Bhatt & Co., Chartered Accountants, Mumbai, (FRN No. 101332W) have been the Auditors of the Company since 2006.

As per the provisions of Section 139 of the Act, no listed Company can appoint or re-appoint an audit firm as auditors for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement. In view of the above, M/s. J. L. Bhatt & Co., Chartered Accountants can continue as Auditors of the Company only up to the conclusion of the forthcoming Annual General Meeting.

Pursuant to the provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board of Directors has, on recommendation of the Audit Committee, proposed the appointment of M/s. Daga & Chaturmutha, Chartered Accountants (ICAI Registration No.: 101987W) as the Statutory Auditors at the Annual General Meeting for a period of five years i.e. to hold office from the conclusion of this Annual General Meeting till the conclusion of the fortieth Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every AGM, if so required under the Act, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

Consent and certificate u/s 139 of the Companies Act, 2013 have been obtained from M/s. Daga & Chaturmutha, Chartered Accountants, to the effect that their appointment, if made, shall be in accordance with the applicable provisions of the Act and the Rules issued thereunder.

The Board commends the Resolution set out at Item No. 3 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution at Item No. 3 of the Notice.

Item No. 4

The Board of directors at its meeting held on May 19, 2017, approved the reappointment of Ms. Devaki Saran (DIN 06504653) as Whole-time Director designated as Executive Director and Chief Financial Officer effective the same date, for a further period of one year, with effect from August 14, 2017 on the terms and conditions as approved and recommended by the Nomination and Remuneration Committee and as specified below, subject to the approval of the Members.

The main terms and conditions of appointment of Ms. Devaki Saran (hereinafter referred to as "Executive Director & CFO") are given below:

A. Tenure of Appointment:

The appointment of the Executive Director & CFO is for a period of 1 year with effect from August 14, 2017.

B. Salary & Perquisites: Rs. 3.5 lakh per month

Incentive – As may be decided by the Board of directors.

In the event of loss or inadequacy of profits, in any financial year of the Company during the term of office of Ms. Devaki Saran, Executive Director and CFO, the Company shall pay the above remuneration as minimum remuneration subject to the ceiling limits prescribed in Schedule V of the Companies Act, 2013.

Ms. Devaki Saran, aged 32 years, completed her B.S. in Mechanical Engineering from Carnegie Mellon University in the U.S.A. After graduating with University Honors, she joined UBS Investment Bank in New York City and worked in the Financial Institutions Group focusing on banks and specialty finance companies. She then attended Harvard Business School and graduated with an MBA in 2012. After graduation, she returned to India and started working with the Company.

The Resolution at Item Nos. 4 of the Notice is commended for approval by the Members.

Ms. Devaki Saran is concerned or interested in the Resolutions at Item No. 4 of the Notice relating to her own appointment. Mr. S. C. Saran, Chairman, a relative of Ms. Devaki Saran shall also be concerned or interested in the Resolutions at Item No. 4 of the Notice.

None of the other Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the said Resolution.

Additional information required to be given along with a Notice calling General Meeting as per sub para (B) of Section II of Part II of Schedule V of the Companies Act, 2013 is given hereunder:

I. General Information:				
(1) Nature of industry	Engineering Industry			
(2) Date or expected date of commencement of commercial production	The Company has been in the business for many years			
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable			
(4) Financial performance based on given indicators	2013-2014	2014-2015	2015-2016	2016-2017
Turnover *	4800.42	5171.74	5491.50	3656.47
Net profit (as computed under section 198)	227.59	-132.85	168.47	-13.23
Net profit/ (Loss) as per profit and loss account	84.47	-157.21	55.82	-96.99
Amount of Dividend paid	44.95	-	7.49	-

Earning before interest, depreciation & taxes	342.99	119.99	273.20	65.39
% of EBIDT to turnover	7.1%	2.3%	4.97%	1.79%

** Turnover does not include DEPB and duty drawback, which is included in sales*

(5) Foreign investments or collaborators, if any.	Spicer Gelenkwellenbau GmbH, Germany.
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II. Information about the appointee:

(1) Background details	<p>Name: Ms. Devaki Saran</p> <p>Designation: Executive Director and CFO</p> <p>Father's name: Mr. Sanjaya Saran</p> <p>Nationality: Indian</p> <p>Date of Birth: 16.05.1985</p> <p>Qualifications: B.S. (Mechanical Engg.); M.B.A</p> <p>Experience: Financial analyst in the Financial Institutions Group of UBS Investment Bank in New York.</p>
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(2) Past remuneration	Rs. 36 Lakh per annum
(3) Job profile and his suitability	<p>The Executive Director& CFO shall be responsible for financial oversight of the Company. The CFO shall be responsible for:</p> <ul style="list-style-type: none"> • Presenting and reporting accurate financial information • Controlling cash flow • Budgeting and expense control • Vendor and customer pricing • Forecasting and financial planning • Deciding financing of future investments • Ensuring company is in compliance with regulatory bodies <p>With both an Engineering and a Finance background, the CFO is in a position to understand the financial needs of a manufacturing company and therefore well qualified to be responsible for the financial oversight of the Company.</p> <p>Considering the above and having regard to age, qualifications, ability and experience and looking to the business requirement the proposed remuneration is in the interest of the Company.</p>
(4) Remuneration proposed	A gross remuneration of Rs. 42.00 lakh per annum plus incentives as may be decided by the Board of directors.
(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w. r. t. the country of his origin)	Compared to the remuneration with respect to the industry, size of the Company etc. the remuneration proposed to be paid is low.

(6) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	The Executive Director & CFO has no other pecuniary relationship with the Company or with the managerial personnel except the technical fees being paid to Mr. S. C. Saran, Chairman for technical expertise and guidance
III. Other information:	
(1) Reasons of loss or inadequate profits	<ul style="list-style-type: none"> • The Company lost significant market share of its largest domestic OE customer. As a result sales decrease by 33% compared to the prior year. • A large portion of the Company's export business is to the UK and the European Union. The Pound depreciated by 15% and the Euro by nearly 10% in the FY 16-17 thereby reducing realization from export sales in INR. As a result, profits on export sales were reduced considerably. • Steel prices increased sharply during the course of FY 16-17. The Company was compelled to pass on price increases to its suppliers; however customers did not fully compensate the same both in terms of amount and effective date citing market conditions.
(2) Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> • The Company is expanding its product offering and targeting new customers. The Company has stepped up its sales and marketing efforts. The company has worked with existing vendors and identified new vendors to reduce material cost and other variable costs. The Company has also focused on value engineering and continuous improvement initiatives which have helped reduce manufacturing costs. The company has also worked to reduce finance costs. The company took advantage of lower interest rates offered on export receivables. The company also took steps to decrease inventory and reduce its working capital cycle.

(3) Expected increase in productivity and profits in measurable terms.

- The Company expects its marketing efforts to translate into added sales from Q3 17-18 onwards. This increase in sales coupled with cost reduction measures should help the company return to profitability.

IV. Disclosures:

The remuneration package of Ms. Devaki Saran has been disclosed above.

The Company does not have any scheme for grant of stock options.

Registered Office:

Plot No. C-12, M.I.D.C. Area, Ambad,
Nashik – 422 010.

By order of the Board

Date : 19.05.2017

Place : Mumbai

**DEVAKI SARAN
EXECUTIVE DIRECTOR & CFO**

Information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by The Institute of Company Secretaries of India with respect to general meetings

Name of Director	Devaki Saran	Sharad Jain
Date of Birth	16.05.1985	09.09.1964
Age	32 years	53 years
Date of Appointment	14.08.2014	05.11.2014
Qualification	B.S. in Mechanical Engineering from Carnegie Mellon University in the U.S.A., MBA- Harvard Business School	Chartered Accountant
Expertise in specific functional area	After graduating with University Honors, she joined UBS Investment Bank in New York City and worked in the Financial Institutions Group focusing on banks and specialty finance companies. Later, she returned to India and started working with the Company.	23 years of experience, handling Finance leadership roles with leading Multinational Companies, Industrial Group and Joint Ventures in Manufacturing and Services sector
Directorships in other public companies	1. XLO India Ltd., 2. Hermes Consultants Limited 3. Business Combine Ltd.	Nil
Memberships of Committees in other public companies (Includes only Audit & Stakeholders Relationship Committee)	Nil	Nil
No. of shares held in the Company	Nil	Nil
Relationship between directors inter-se	She is related to Mr. S. C. Saran, Chairman of the Company. She is not related to any other Director or Key managerial Personnel	He is not related to any other Director or Key managerial Personnel
Number of Board meetings attended	4	3

DIRECTORS' REPORT TO THE MEMBERS

(Pursuant to Section 134(3) of the Companies Act, 2013)

The Directors have pleasure in presenting the Thirty Fifth Annual Report together with the Statement of Accounts for the year ended on March 31, 2017.

FINANCIAL RESULTS:

	2016-2017 (Rs. in lakhs)	2015-2016 (Rs. in lakhs)
Sales	3684.76	5514.98
Earnings before depreciation, interest, tax	65.39	273.20
Less:		
Depreciation	89.03	104.21
Interest	86.70	102.63
	<hr/>	<hr/>
PROFIT/LOSS BEFORE TAX	-110.36	66.36
Less: Provision for Taxation		
Current Tax	-	13.00
Deferred Tax	-13.36	-2.46
PROFIT/ LOSS AFTER TAX	-96.99	55.82
Surplus brought forward from Previous Year	262.65	215.78
PROFIT AVAILABLE FOR APPROPRIATION	165.55	271.61
General Reserve	-	-
Proposed Dividend	-	7.49
Tax on Proposed Dividend	-	1.57
	<hr/>	<hr/>
Surplus Carried Forward	165.55	262.55

OPERATIONS / STATE OF COMPANY'S AFFAIRS

The company made a pretax loss of Rs. 110 lakhs as compared to a profit of Rs. 66 lakhs in the prior financial year.

The primary causes of this loss are as follows:

- Decrease in Sales: Sales decreased by 33% as compared to the previous financial year. Domestic sales decreased by 43%. This was a result of both government policy changes and loss of market share of a major OEM customer. Demonetisation impacted sales for the third quarter as both commercial vehicle and tractor sales dropped sharply. Fourth quarter sales suffered from the introduction of BS IV norms. Commercial vehicle manufacturers slowed down production as they were left with sizeable inventory of BS III vehicles that needed to be converted to BS IV. In addition, the company lost market share of its largest domestic OEM customer.

Export sales decreased marginally from Rs. 13.0 crores in FY 15-16 to Rs. 12.6 crores in FY 16-17. Volume sales increased slightly; however due to weakness in the EURO and GBP realisation per unit sale reduced.

- Increase in material prices: In FY 15-16, the company benefited from the reduction in steel prices. However the trend reversed in the current financial year and the company was compelled to pass on price increases to raw material suppliers. Despite the company's best efforts, these price increases were not fully compensated by customers citing market conditions.

- Increase in employee costs: The labour agreement expired on 31st March 2016. The company made a provision for increase in wages which would need to be paid to workmen as arrears even though a final settlement had not been reached.

Total headcount decreased from 207 to 188 and as a result total employee costs decreased 4% despite the increase in average cost per employee.

- Exchange rate fluctuation: The company's exports are in EURO and GBP. Both these currencies weakened during the year. The EUR/INR exchange rate was Rs. 69.11 at 31st March 2017 as compared to Rs. 75.43 at 31st March 2016. The GBP/INR exchange rate was Rs. 81.29 at 31st March 2017 compared to Rs. 95.25 at 31st March 2016. Thus export realisations per unit sale decreased as compared to the previous year. The company recognised a foreign exchange loss of Rs. 28.96 lakhs during FY 16-17 as compared to a gain of Rs. 55.37 lakhs during FY 15-16.

The company took several steps to reduce expenses and control costs which helped reduce the loss.

- Reduction in finance costs: Finance costs reduced from Rs. 102.63 lakhs in the previous year to Rs. 86.70 lakhs in the current year. The company took advantage of lower interest rates offered on export receivables. The company also took steps to decrease inventory and reduce its working capital cycle.
- The company worked with existing vendors and identified new vendors to reduce material cost and other variable costs.
- The company also sharpened its focus on value engineering and continuous improvement to reduce manufacturing costs.

TRANSFER TO GENERAL RESERVES

There was no transfer made to General Reserve.

DIVIDEND

In view of the loss during the financial year 2016-2017, your directors do not recommend dividend on the equity shares of the Company for the financial year 2016-2017.

OUTLOOK

Sales are forecasted to remain weak for the first two quarters of FY 17-18. Uncertainty around the transition to GST will likely impact sales. This uncertainty is expected to persist throughout the second quarter as the industry works through teething problems with the new tax regime. Additionally, the company does not expect to replace the lost volumes of the major OEM customer in the first half of the year.

Export volumes are likely to remain weak as the European economy is showing only slight signs of improvement. The impact of Brexit on sales to UK customers is as yet unknown.

The competition amongst propeller shaft manufacturers is also intensifying which is putting downward pressure on margins.

The Company has stepped up its sales and marketing efforts and is expanding its product offering and targeting new customers.

The company has also introduced a new line for the Indian after market. After market sales have been especially impacted by demonetization and GST; however the company expects its efforts to translate into increased sales in the second half of the year.

The company is also continuing its value engineering and continuous improvement efforts to reduce manufacturing costs.

MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR:

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year and the date of the report.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

4 (Four) meetings of the Board of Directors of the Company were held during the year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Act and Articles of Association, Mr. Sharad Jain, (DIN 06988659) Director of the Company, retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The Board of Directors, at its meeting held on May 19, 2017, subject to the approval of the Members at the AGM, re-appointed Ms. Devaki Saran as Whole time Director designated as Executive Director & CFO for a further period of One Year with effect from August 14, 2017. Members are requested to refer to Item No. 4 of the Notice of the AGM and the Explanatory Statement for the terms of re-appointment and remuneration of Ms. Devaki Saran.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel (KMP) of the Company:

Mr. Ravindra Kale, Executive Director & CEO

Ms. Devaki Saran, Executive Director & CFO

Apart from Ms. Devaki Saran, who is re-appointed as Executive Director & CFO, no other KMP has been appointed or has retired or resigned during the year.

DECLARATION FROM INDEPENDENT DIRECTORS

Directors who are independent directors, have submitted a declaration as required under section 149(7) of the Act that each of them meets the criteria of independence as provided in sub Section (6) of Section 149 of the Act and there has been no change in the circumstances which may affect their status as independent director during the year. In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required.

AUDIT COMMITTEE OF BOARD OF DIRECTORS

The Audit committee of the Board of directors of the Company consists of the following members

1. Mr. Shiamak Marshall
2. Mr. Jehangir H. C. Jehangir
3. Mr. S. C. Saran
4. Mr. Richard Koszarek

Four meetings of the Audit committee were held during the financial year.

VIGIL MECHANISM

The Company has formulated and published a Whistle Blower Policy to provide a mechanism ("Vigil Mechanism") for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177 (9) of the Act. The Whistle Blower Policy (Vigil Mechanism) is uploaded on the Company 's website <http://www.hhsl.net/Policy.html>.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND CRITERIA FOR INDEPENDENT DIRECTORS

The Remuneration Policy for directors and senior management and the Criteria for selection of candidates for appointment as directors, independent directors, senior management as adopted by the Board of Directors are placed on the website of the Company (<http://www.hhsl.net/Policy.html>). There has been no change in the policies since the last fiscal year.

We affirm that the remuneration paid to the directors is as per the terms laid out in the remuneration policy of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are 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 loss of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

The internal auditor also regularly reviews the adequacy of internal financial control system.

DETAILS OF SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES

The Company does not have any subsidiary/ joint ventures/ associates.

EXTRACT OF ANNUAL RETURN

As provided under sub Section (3) of Section 92 of the Act, the extract of annual return is enclosed, which forms part of the directors' report as **Annexure I**.

AUDITORS

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the term of M/s. J. L. Bhatt & Co. (Firm Registration No. 30170), Chartered Accountants, Mumbai as the Statutory Auditors of the Company expires at the conclusion of the ensuing Annual General Meeting of the Company.

M/s. J. L. Bhatt & Co. over many years have maintained the high level of governance, ethical standards, rigour and quality in their audit. The Board places on record its appreciation for the services rendered by M/s. J. L. Bhatt & Co. as the Statutory Auditors of the Company.

The Board of Directors of the Company at their meeting held on May 19, 2017, on the recommendation of the Audit Committee, have made its recommendation for appointment of M/s. Daga & Chaturmutha, Chartered Accountants (ICAI Registration No- 101987W), as the Statutory Auditors of the Company by the Members at the ensuing Annual General Meeting of the Company for a term of 5 years.

M/s. Daga & Chaturmutha, Chartered Accountants, Nashik, (ICAI Registration No- 101987W), have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

Accordingly, a resolution, proposing appointment of M/s. Daga & Chaturmutha, Chartered Accountants, as the Statutory Auditors of the Company for a term of five consecutive years i.e. from the conclusion of this ensuing Annual General Meeting till the conclusion of 40th Annual General Meeting of the Company to be held in year 2022 pursuant to Section 139 of the Companies Act, 2013, forms part of the Notice of the 35th Annual General Meeting of the Company.

You are requested to appoint Auditors and to fix their remuneration.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Parikh & Associates, Practising Company Secretaries were appointed as the Secretarial Auditors for auditing the secretarial records of the Company for the financial year 2016-17.

The Secretarial Auditors' Report is annexed as **Annexure II**.

AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The auditor's report does not contain any qualifications, reservations or adverse remarks.

As regards observations of Secretarial Auditors in their report, your directors have to state that constant efforts are being made to identify and appoint a competent and suitable candidate as the Company Secretary of the Company. In the Meanwhile, to ensure timely compliance of the provisions of the Act, the company has been taking the professional services of the reputed Practising Company Secretaries.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with Clause (m) of Sub-section (3) of Section 134 of the Act read with Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure III**.

PARTICULARS OF EMPLOYEES

Pursuant to Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the particulars of employees are annexed as **Annexure IV**.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORY/JUDICIAL AUTHORITY

No significant or material orders were passed by any regulator or court that would impact the going concern status of the Company and its future operations.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loans or guarantees or made investments during the year ended March 31, 2017.

RISK MANAGEMENT POLICY

The Board of Directors of the Company has framed a risk management policy and is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The company conducts a monthly review of major risks and actions to minimize these in its Monthly Management Meeting.

RELATED PARTY TRANSACTIONS

Particulars of transactions with related parties pursuant to Section 134(3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 and the same forms part of this report as **Annexure V**.

EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

An annual evaluation of the Board's own performance, Board committees and individual directors was carried out pursuant to the provisions of the Act in the following manner:

Sr. No.	Performance evaluation of	Performance evaluation performed by	Criteria
1.	Each Individual directors	Nomination and Remuneration Committee	Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and guidance provided, key performance aspects in case of executive directors etc.
2.	Independent directors;	Entire Board of Directors excluding the director who is being evaluated	Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution, and guidance provided etc.

3.	Board, its committees and individual directors	All directors	<p>Board composition and structure; effectiveness of Board processes, information and functioning, fulfillment of key responsibilities, performance of specific duties and obligations, timely flow of information etc.</p> <p>The assessment of committees based on the terms of reference of the committees and effectiveness of the meetings.</p>
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DISCLOSURE UNDER THE SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has not received any complaint of sexual harassment during the financial year 2016-17.

LISTING AGREEMENT AND LISTING FEES

The Company entered into Listing Agreement with BSE Limited in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued on September 2, 2015 effective from December 1, 2015.

The Company has paid the listing fees to BSE Limited for the year 2017-18.

INSIDER TRADING REGULATIONS AND CODE OF DISCLOSURE

The Board of Directors has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulating, Monitoring and reporting of Trading by Insiders in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and is available on our website (<http://www.hhsl.net/Policy.html>)

GREEN INITIATIVES

As a part of Green initiative, Electronic copies of the Annual Report 2016-17 and Notice of the 35th Annual General Meeting of the Company are sent to all members whose email addresses are registered with the Company / Depository Participant(s).

For members who have not registered their email addresses, physical copies are sent in the permitted mode.

MANAGEMENT'S DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis is set out in this Annual Report.

CORPORATE GOVERNANCE REPORT

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Corporate Governance is not mandatory to the Company.

ACKNOWLEDGEMENT

The directors thank the Company's employees, customers, vendors, investors and academic institutions for their continuous support.

The directors also thank the government of various countries, government of India, the governments of various states in India and concerned government departments/agencies for their co-operation.

The directors appreciate and value the contributions made by every member of the Hindustan Hardy Spicer family.

For and on behalf of the Board

Date : 19.05.2017
Place : Mumbai

S. C. Saran
Chairman

ANNEXURE I

Extract of Annual Return as on Financial year ended 31.03.2017

[Form MGT-9 pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

i. CIN Number of the Company:	L29300MH1982PLC028498
ii. Registration Date:	16.10.1982
iii. Name of the Company:	HINDUSTAN HARDY SPICER LIMITED
iv. Category/ Sub-category of the Company:	Public Limited Company Limited by Shares
v. Address of Registered office and contact details:	Plot No. C-12, M.I.D.C. Area, Ambad, Nashik, Maharashtra- 422 010 Email : hhardy_nsk@sancharnet.in Website : www.hhsl.net Tel. : 0091-253-2382018, 2382118, 2382754 Fax : 0091-253-2382528
vi. Whether listed company:	Yes
vii. Name, Address and contact details of Registrar and Transfer Agent :	M/s. Satellite Corporate Services Pvt. Ltd., B-302, Sony Apartment, Opp. ST Jude High School, Off. Andheri Kurla Road, Jarimari, Sakinaka, Mumbai 400 072. Email : service@satellitecorporate.com Website : www.satellitecorporate.com Tel. : 0091-22- 28520461/462. Fax : 0091-22-28511809

II. Principal Business Activity of the Company:

All the business activities contributing to 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the product/ service	Percentage to total turnover of the company
1	Propeller Shaft, UJ Kit Double Cardan Shafts & components	29301	97.76%

III. Particulars of Holding, Subsidiary and Associate Companies: NIL

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	Percentage of shares held	Applicable Section

IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)

i. Category wise shareholding:

Category of shareholders	No of shares held at the beginning of the year (as on 01.04.2016)				No of shares held at end of the year (as on 31.03.2017)				%Change during the year
	Demat	physical	Total	% of total shares	Demat	physical	Total	% of total shares	
1	2	3	4	5	6	7	8	9	10
Promoters									
Indian									
Individuals / Hindu Undivided Family	501	1150	1651	0.11	501	1150	1651	0.11	0.00
Central Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	599993	750	600743	40.09	599993	750	600743	40.09	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
HUF	0	0	0	0.00	0	0	0	0.00	0.00
Directors & their relatives	0	0	0	0.00	0	0	0	0.00	0.00
Cleaning Member	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1)	600494	1900	602394	40.20	600494	1900	602394	40.20	0.00
Foreign									0.00
Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	390000	0	390000	26.03	390000	0	390000	26.03	0.00
Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (2)	390000	0	390000	26.03	390000	0	390000	26.03	0.00
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	990494	1900	992394	66.23	990494	1900	992394	66.23	0.00
Public Shareholding									
Institutions									
Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	50	0	50	0.00	50	0	50	0.00	0.00

Category of shareholders	No of shares held at the beginning of the year (as on 01.04.2016)				No of shares held at end of the year (as on 31.03.2017)				%Change during the year
Central Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (1)	50	0	50	0.00	50	0	50	0.00	0.00
Non-Institutions									
Bodies Corporate									
i) Indian	25957	650	26607	1.78	20711	650	21361	1.43	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Individual Shareholders holding nominal Share Capital upto Rs.1 Lakh	272789	161091	433880	28.96	257570	158201	415771	27.75	-1.21
Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh	21754	0	21754	1.45	43086	0	43086	2.88	1.42
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Member	33	0	33	0.00	200	0	200	0.01	0.01
MARKET MAKER	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians	4835	50	4885	0.33	790	0	790	0.05	-0.27
HUF	18847	0	18847	1.26	24698	100	24798	1.65	0.40
Directors & their relatives	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (2)	344215	161791	506006	33.77	347055	158951	506006	33.77	0.00
Total Public Shareholding (B) = (B)(1)+(B)(2)	344265	161791	506056	33.77	347105	158951	506056	33.77	0.00
TOTAL (A)+(B)	1334759	163691	1498450	100.00	1337599	160851	1498450	100.00	0.00

Category of shareholders	No of shares held at the beginning of the year (as on 01.04.2016)				No of shares held at end of the year (as on 31.03.2017)				%Change during the year
	0	0	0	0.00	0	0	0	0.00	
Shares held by Custodians for GDRs & ADRs									
GRAND TOTAL (A)+(B)+(C)	1334759	163691	1498450	100.00	1337599	160851	1498450	100.00	0.00

ii. Shareholding of Promoters :

S No	Shareholders Name	Shareholding at the beginning of the year 01.04.2016			Shareholding at the end of the year-31.03.2017			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares pledged/ encumbered to total shares	
1	XLO INDIA LTD	599993	40.04	0	599993	40.04	0	0.00
2	Spicer Gelenkwellenbau Gmbh	390000	26.03	0	390000	26.03	0	0.00
3	Sanjaya Chandrabhushan Saran	501	0.03	0	501	0.03	0	0.00
4	Minal C Saran	500	0.03	0	500	0.03	0	0.00
5	Devaki Saran Holdings Private Limited	450	0.03	0	450	0.03	0	0.00
6	Gopika Saran	400	0.03	0	400	0.03	0	0.00
7	Mallika Saran Holdings Private Limited	250	0.02	0	250	0.02	0	0.00
8	Arati Vasant Pandit	100	0.01	0	100	0.01	0	0.00
9	Arati Sanjaya Saran	50	0.00	0	50	0.00	0	0.00
10	Minal Chandra Saran	50	0.00	0	50	0.00	0	0.00
11	Gopika Saran	50	0.00	0	50	0.00	0	0.00
12	Charminsan Investments Private Limited	50	0.00	0	50	0.00	0	0.00
TOTAL		992394		0	992394			

iii. Change in Promoters' Shareholding: NIL

Sl. No.		Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	<p style="text-align: center;"><i>There is no change in Promoter's Shareholding between 01.04.2016 to 31.03.2017</i></p>			
	Date wise Increase / Decrease in Promoters				
	Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

iv. Shareholding pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs):

Sr. No	Name of Shareholders	No Of Shares At The Beginning 01-04-2016		(+/-) Increase/(-) Decrease In Share Holding		Cumulative Shareholding During The Year 31.03.2017	
		No Shares	% Of Total Shares Of The Company	Date	Shares	No Of Shares	% Of Total Shares Of The Company
1	Dilipkumar Lakhi IN30015910026342	21754	1.45	01.04.2016		21754	1.45
				31.03.2017		21754	1.45
2	Hitesh Ramji Javeri IN30036020087818	0	0.00	01.04.2016		0	0.00
				09.09.2016	2384	2384	0.16
				16.09.2016	963	3347	0.22
				23.09.2016	516	3863	0.26
				14.10.2016	1823	5686	0.38
				02.12.2016	4650	10336	0.69
				31.12.2016	10996	21332	1.42
				31.03.2017		21332	1.42
3	Prakash Gajanan Nayak 1203210000004694	9563	0.64	01.04.2016		9563	0.64
				31.03.2017	0	9563	0.64
4	Vsl Securities Private Limited 1201060001602763	8463	0.56	01.04.2016		8463	0.56
				31.03.2017	0	8463	0.56
5	Udayankumar N Kothari IN30015910084869	6930	0.46	01.04.2016		6930	0.46
				31.03.2017	0	6930	0.46
6	Saumil S Shah IN30015910933889	0	0.00	01.04.2016		0	0.00
				24.03.2017	5789	5789	0.39
				31.03.2017		5789	0.39
7	Disha Samir Jariwala IN30154952511187	0	0.00	01.04.2016		0	0.00
				30.09.2016	5500	5500	0.37
				31.03.2017		5500	0.37
8	Nirmal Kumar Chopra IN30125013339478	5121	0.34	01.04.2016		5121	0.34
				31.03.2017	0	5121	0.34

Sr. No	Name of Shareholders	No Of Shares At The Beginning 01-04-2016		(+) Increase / (-) Decrease In Share Holding		Cumulative Shareholding During The Year 31.03.2017	
		No Shares	% Of Total Shares Of The Company	Date	Shares	No Of Shares	% Of Total Shares Of The Company
9	Sarita Bothra IN30289810353746	5000	0.33	01.04.2016		5000	0.33
				31.03.2017	0	5000	0.33
10	Babubhai Nathubhai Patel 1207710000000653	3150	0.21	01.04.2016		3150	0.21
				31.03.2017	0	3150	0.21
11	Shesh Karan Singhi IN30149310023639	2600	0.17	01.04.2016		2600	0.17
				31.03.2017	0	2600	0.17

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Sanjaya Chandrabhushan Saran	01-04-2016	At the begining of the year	501	0.03	0	
		31-03-2017	At the end of the year	501	0.03		
Key Managerial Personnel							
	NIL		At the beginning of the year				
			At the end of the year				

V. Indebtedness:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	550.39	-	-	550.39
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	<u>550.39</u>	-	-	550.39
Change in Indebtedness during the financial year				
- Addition	-			
- Reduction	119.43			119.43
Net Change	<u>-119.43</u>	-	-	<u>-119.43</u>
Indebtedness at the end of the financial year				
(i) Principal Amount	430.96			430.96
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i+ii+iii)	<u>430.96</u>			<u>430.96</u>

VI. Remuneration of Directors and Key Managerial Personnel
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

	Devaki Saran– Executive Director & CFO	Ravindra Kale- Executive Director & CEO
Gross Salary		
a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	26.40	30.40
b) Value of Perquisites u/s 17(2) of Income Tax Act, 1961	5.12	8.53
c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-
Stock Option	-	-
Sweat Equity	-	-
Commission	-	-
Others (PL encashment & superannuation)	3.60	3.60
Total (A)	35.12	43.07
Ceiling as per the Act	Within Schedule V of the Act	Within Schedule V of the Act

B. Remuneration to other Directors

Name Of Directors	Remuneration (Rs)	Sitting Fees (Rs.)	Commission (Rs.)
Independent Directors			
Jehangir H.C. Jehangir	-	22,000	-
Shaimak Marshall	-	29,000	-
Richard Koszarek	-	12,000	-
TOTAL (B1)	-	63,000	
Other Non-Executive Directors			
S. C. Saran	18,00,000*	29,000	-
Sharad Jain	-	-	-
TOTAL (B2)	-	29,000	-
TOTAL B1+B2	18,00,000*	92,000	-

* Mr. S. C. Saran was paid professional fees of Rs. 18.00 during the year 2016-2017 for the technical and management expertise services provided by him as approved by the Board of Directors of the Company at its meeting held on 12.02.2016.

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD- NIL

VII. Penalties/ Punishment/ Compounding of Offences- NONE

For and on behalf of the Board

Date : 19.05.2017

Place : Mumbai

S. C. Saran
Chairman

ANNEXURE II**FORM No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

The Members,

HINDUSTAN HARDY SPICER LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hindustan Hardy Spicer Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period).
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period).
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period).
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period).
- (vi) Other laws applicable specifically to the Company namely :
1. The Factories Act, 1948.
 2. The Contract Labour Act, 1970.
 3. The Workmen's Compensation Act, 1923.
 4. The Environment (Protection) Act, 1986.
 5. Air(Prevention and Control of Pollution) Act, 1981.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above except that the Company has not appointed a whole-time Company Secretary as required under Section 203 of the Act and the rules made thereunder.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Parikh & Associates
Company Secretaries

Signature:
Name of Company Secretaries:
Jigyasa N. Ved
Partner

Place : Mumbai
Date : 19.05.2017

FCS No : 6488
CP No : 6018

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

ANNEXURE 'A'

To,

The Members

Hindustan Hardy Spicer Limited

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 process 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 process and practices, we followed 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. Where ever 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 procedure 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.

For Parikh & Associates
Company Secretaries

Signature:
Name of Company Secretaries:
Jigyasa N. Ved
Partner

Place : Mumbai
Date : 19.05.2017

FCS No : 6488
CP No : 6018

ANNEXURE III**HINDUSTAN HARDY SPICER LIMITED****A. A.Conservation of energy, technology absorption, foreign exchange earnings and outgo: [Rule9.10(3)]****1. Conservation of energy:**

- i. Steps taken / impact on conservation of energy, with special reference to the following:
 - Installation of LED lightbulbs in place of CFL lightbulbs both of the shop floor and the office. This is an ongoing process as fused lightbulbs are being replaced by LED powered ones.
 - High horse power motors on old machines are being replaced by Variable Frequency Drive motors on an ongoing basis.
 - Paperless initiative to reduce printing and conserve paper.
 - Skylights in the factory ceiling eliminate the need for lighting during the day as far as possible
- ii. Steps taken by the company for utilizing alternate sources of energy including waste generated
 - Installation of Solar Powered LED Streetlight fixtures
 - Installation of 400 LPD Solar Hot water System at Canteen.
- iii. Capital investment on energy conservation equipment Rs. NIL

2. Technology :

- i) Our technology had been imported from our Collaborators, Spicer Gelenkwellenbau GmbH, Germany in 1984. Since then upgradation has continued in consultation with various Agencies.

3. Foreign exchange earnings and Outgo

The Foreign Exchange earnings and outgo are as under	(Rs. in lacs)
1. Foreign Exchange Earnings	1236.84
2. Foreign Exchange Outgo on account of import	14.72
3. Foreign Exchange Outgo on account of travel	8.16
Total Foreign Exchange outgo	22.88
Net Foreign Exchange earnings	1213.96

For and on behalf of the Board

Date : 19.05.2017
Place : Mumbai

S. C. Saran
Chairman

ANNEXURE IV**PARTICULARS OF EMPLOYEES****B. I] Remuneration of Directors [Section 197(12) and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- (a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

	Ratio to median remuneration
Chairman	5.63
Executive Director & CEO	13.46
Executive Director & CFO	10.98

- (b) The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase/decrease in remuneration in the financial year
Chairman	0.00
Executive Director & Chief Operation Officer	0.00
Executive Director & Chief Financial Officer	0.54

**** Previous year's Remuneration is annualized for calculating the percentage.**

- (c) The percentage increase in the average remuneration of employees in the financial year: 5.75%.
- (d) The number of permanent employees on the rolls of company: 188
- (e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Increase in the managerial remuneration in the last financial year is 0.18% as against 5.80% average remuneration increase of the employees. This is because managerial remuneration is governed by contract and remains fixed for the duration of the contract. The remuneration of other staff is revised yearly and also impacted by changes in the Dearness Allowance.

- (f) Affirmation that the remuneration is as per the remuneration policy of the Company
- The Company affirms remuneration is as per the remuneration policy of the Company.

II] The names of the top ten employees in terms of remuneration drawn is as under:

Name of employee	Designation	Remuneration received	Nature of employment	Qualifications	Experience	Age	Last employment	Percentage of equity shares held
Mr. Ravindra Kale	Executive Director & CEO	43.07	Contractual	BE (Mechanical)	31 Years	54	Curtiss Wright, Pune	NIL
Ms. Devaki Saran	Executive Director & CFO	35.12	Contractual	B.S. (Mechanical Engg.); M.B.A	3 years	32	UBS Investment Bank, New York	NIL
Murgunde N R	Sr. Manager Business Development & Purchase	9.07	Regular	DME	20 Years	41	Spicer India Ltd., Satara	NIL
Nilkanth S J	Sr. Manager Engineering	8.57	Regular	ME (Design)	13 Years	35	Atlas Copco (I) Ltd., Nashik-7.	NIL
Sambhus M S	Sr. Manager QA	8.31	Regular	DME	34 Years	54	Associated Manufacturing LLP, Pune	NIL
Sonawane B J	Sr. Manager Metallurgy	7.06	Regular	DME, DBM, MMS	20 Years	41	Taparia Tools Ltd., Nashik-7	NIL
Taskar AS	Sr. Manager Production	4.98	Regular	DME	26 Years	48	Started his career in Hindustan Hardy	NIL
Tarle SF	Sr. Manager QA	4.63	Regular	DME	28 Years	49	Started his career in Hindustan Hardy	NIL
Patil MS	Sr. Manager TR	4.53	Regular	DME	28 Years	50	Started his career in Hindustan Hardy	NIL
Mulay DS	Sr. Manager Production	4.53	Regular	DME	28 Years	49	Started his career in Hindustan Hardy	NIL

Note: The employees falling in the management cadre are being considered for the above purpose.

There are no employees who are in receipt of remuneration in aggregate of Rupees One Crore and two Lakh for the year or Rupees Eight Lakh fifty thousand per month, if employed for part of the year.

Date : 19.05.2017
Place : Mumbai

For and on behalf of the Board

S. C. Saran
Chairman

ANNEXURE V**FORM AOC2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the 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 –

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Mr. S.C. Saran Director	Professional Fees	Continuous	A sum not exceeding Rs. 18.00 per annum to be paid on quarterly basis	He is highly qualified having both an BSc in Mechanical Engineering from Carnegie Mellon University (USA) and an MBA from Columbia University (USA). Under his leadership the Company has earned a very good reputation both in the domestic and international markets. He has thorough knowledge of the product and of the automotive component industry as a whole. He also has very good relationships with domestic and global customers. The technical expertise and guidance of Mr. Sanjaya Saran is invaluable to the Company.	12.02.2016	-	N.A.
XLO India Limited, Directorship and Shareholding	The Company will use the registered trademark of XLO, XLO Value, to market its products in the Indian aftermarket.	Continuous	payment of 1% royalty on sales value to be paid on quarterly basis	XLO brand already has good brand recognition in the Indian aftermarket and it would be beneficial to the business of the Company	01.08.2016	-	N.A.

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

- (a) Name(s) of the related party and nature of relationship – NIL
- (b) Nature of contracts/arrangements/transactions – Not Applicable
- (c) Duration of the contracts / arrangements/transactions – Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Date(s) of approval by the Board, if any: - Not Applicable
- (f) Amount paid as advances, if any: - None

Date : 19.05.2017
Place : Mumbai

For and on behalf of the Board

S. C. Saran
Chairman

AS PER SCHEDULE V OF SEBI LODR : ANNUAL REPORT**[See Regulation 34(3) and 53(f)]****MANAGEMENT DISCUSSION AND ANALYSIS****a. *Industry structure and developments.***

Sales are primarily to 4 customer segments – domestic OEMs, export customers, industrial customers and after market (both to OEMs and to dealers and distributors). In FY 16-17, 41% of the Company's sales were to domestic OEMs, 35% export, 13% to industrial customers and 11% to the after market.

b. *Opportunities and Threats.*

The Indian propeller shaft market is dominated by 4 major players who all jostle for market share amongst the major commercial vehicle manufacturers, the differentiating factor being price competitiveness. The after sale market is also crowded by a number of low cost suppliers supplying unbranded generic components at low prices.

In the export market, Indian manufacturers have a cost advantage compared to their European and American counterparts. However quality standards and very stringent and monetary penalties for rejections or product failures is very high. Export to the US and Europe has significant potential – however uncertainty surrounding US trade policy and weakness in the European economy pose difficulties in the short term.

Several foreign players in India are taking steps to indigenize components that were previously imported which provides an attractive opportunity to Indian manufacturers. They are also looking to India for global sourcing as the capabilities and quality standards of Indian manufacturers have improved considerably.

c. *Segment-wise or product-wise performance.*

The company operates in a single segment.

Total sales in FY 16-17 were Rs. 3684.73 Lakh, a 33% reduction from 5514.98 Lakh in FY 15-16.

Domestic sales decreased by 43%. This was a result of both government policy changes and loss of market share of a major OEM customer. Demonetisation impacted sales for the third quarter as both commercial vehicle and tractor sales dropped sharply. Fourth quarter sales suffered from the introduction of BS IV norms. Commercial vehicle manufacturers slowed down production as they were left with sizeable inventory of BS III vehicles that needed to be converted to BS IV. In addition, the company lost market share of its largest domestic OEM customer.

Export sales decreased marginally from Rs 13.0 crores in FY 15-16 to Rs 12.6 crores in FY 16-17. Volume sales increased slightly; however due to weakness in the EURO and GBP realisation per unit sale reduced.

d. Outlook

Sales decreased sharply during the year under review on account of loss of market share of a major OEM customer. The Company is taking several steps to counter the lost volumes.

The Company so far has a more limited product offering than its competitors and also has not penetrated the after market sale. The Company is taking steps to expand its product range so it can cater to a broader set of customers. The Company is also increasing sales and marketing efforts both in India and overseas.

e. Risks and concerns.

Exports are primarily to the European market and the slowdown and volatility in the European economy poses a risk as this impacts both export volume and realization on account of fluctuation in the EURO. The Company is focusing on diversifying its export markets; however developing new export customers is a long process as the approval process is very lengthy.

Increasing competition and rising costs are also putting downward pressure on margins. The Company is trying to counter this by focusing on operational efficiencies.

f. Internal control systems and their adequacy.

The adequacy of control systems is reviewed on a monthly basis by the management and assessed quarterly by the internal auditor and the Board.

The internal control systems in place are more than adequate.

g. Discussion on financial performance with respect to operational performance.

In FY 14-15, the Company had made a loss on account of a one-time depreciation charge on account of change in the method of calculating depreciation and on account of sharp depreciation in the EURO. In FY 15-16, the Company returned to profitability as management has focused on increasingly operational efficiencies which directly translated into improved margins.

However during FY 16-17 sales volume decreased drastically and exchange rates moved unfavourably resulting in a loss despite the considerable savings achieved by the various cost reduction initiatives. Efforts to further improve efficiency continue at all levels and across all departments.

h. Material developments in Human Resources / Industrial Relations front, including number of people employed.

Total number of employees reduced to 188 from 207 at the end of the prior financial year.

The four year labour agreement ended on 31st March 2016. Negotiations are currently underway with the union to finalise new terms for the next four year agreement.

DETAILS OF MEETINGS OF BOARD OF DIRECTORS AND COMMITTEES HELD AND ATTENDED BY DIRECTORS

MEETING OF THE BOARD OF DIRECTORS

The date of the meeting were - 13.05.2016, 01.08.2016, 11.11.2016, 30.01.2017

Name of the Director	No. of Board Meetings attended
Mr. S. C. Saran	4
Mr. Shiamak Marshall	4
Mr. Jehangir H. C. Jehangir	3
Ms. Devaki Sanjaya Saran	4
Mr. Richard George Koszarek	2
Mr. Sharad Jain	3
Mr. Ravindra Kale	4

AUDIT COMMITTEE

The date of the meetings were -13.05.2016, 01.08.2016, 11.11.2016, 30.01.2017

Composition	Meetings attended
Mr. S. C. Saran	4
Mr. Shiamak Marshall	4
Mr. Jehangir H. C. Jehangir	3
Mr. Richard Koszarek	2

NOMINATION AND REMUNERATION COMMITTEE

The Date of the Meetings were – 13.05.2016

Composition	Meetings attended
Mr. S. C. Saran	1
Mr. Shiamak Marshall	1
Mr. Jehangir H. C. Jehangir	1
Mr. Richard Koszarek	-

SHARE TRANSFERS AND STAKEHOLDERS RELATIONSHIP COMMITTEE

The date of the Meetings were –13.05.2016, 01.08.2016, 11.11.2016, 30.01.2017

Composition	Meetings attended
Mr. S. C. Saran	4
Mr. Shiamak Marshall	4
Mr. Jehangir H. C. Jehangir	3

INDEPENDENT AUDITOR'S REPORT

To the Members of

HINDUSTAN HARDY SPICER LIMITED.

We have audited the accompanying financial statements of **HINDUSTAN HARDY SPICER LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance and Cash Flow of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2017, and its profit and its cash flow for the year ended on that date.

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 A" 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 purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet and Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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 and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - g) With respect to the other matter to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) There are no litigations pending against the company which impacts its financial position in its financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- (iii) There has been no delay in transferring amounts, required to be transferred, to the investor Education and protection Fund by the Company.
- (iv) The Company has provided requisite disclosures in the financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

For J. L. BHATT & COMPANY

Chartered Accountants

Firm Reg. No: 101332W

YOGESH J. BHATT

Partner

Place: Mumbai

Date: 19th May, 2017

Membership No. 30170

ANNEXURE TO AUDITORS REPORT**“ANNEXURE A” REFERRED TO IN PARA 1 OF OUR REPORT ON REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:**

1. The nature of Company's activities during the year has been such that Clause (xii) in paragraph 3 of the Companies (Auditors' Report) Order, 2017 is not applicable to the Company :
 - (i) {a} The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - {b} As explained to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - {c} The Title deeds of immovable properties are held in the name of the Company.
 - (ii) As per the information furnished, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such verification.
 - (iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other related parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - (iv) The company has not given or made any loans, investments, guarantees, and security during the year under review.
 - (v) The Company has not accepted any deposits during the year under review.
 - (vi) The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
 - (vii) {a} The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sale tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations give to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31st March 2017, for a period of more than six months from the date they became payable.
 - {b} According to the information and explanation given to us, there are no dues of sale tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute. In case of income tax, demand outstanding for the following year is disputed before the higher authorities and hence not deposited. The details of which are as under:-

Nature of the dues	Amount (Rs. Lakhs)	Period for which the amount relates	Forum where the dispute is pending
Income Tax	20.64 lacs	2005-2006	Income Tax Appellate Tribunal
Total	20.64 lacs		

- (viii) The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The term loans were applied for the purposes for which those were raised.
- (x) As per the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- (xii) All transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiii) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xiv) According to the information and explanations given to us, the company has not entered into non cash transactions with directors or persons connected with him.
- (xv) The Company is not required to be registered under 45-IA of the Reserve Bank of India Act, 1934.

For J. L. BHATT & COMPANY

Chartered Accountants

Firm Reg. No: 101332W

YOGESH J. BHATT

Partner

Membership No. 30170

Place: Mumbai

Date: 19th May, 2017

“ANNEXURE B” REFERRED TO IN PARA 2 (F) OF OUR REPORT ON REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS :**Report on the internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **HINDUSTAN HARDY SPICER LIMITED** (“ the Company”) as of **31 March 2017** in conjunction with our audit of the 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 (‘ICAI’) .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 Companies Act,2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting(the “Guidance Note”) and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act,2013, 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 and 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 judgment, 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 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 expenditure 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 control over financial reporting were operating effectively as at 31st March, 2017, 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.

For J. L. BHATT & COMPANY

Chartered Accountants

Firm Reg. No: 101332W

YOGESH J. BHATT

Partner

Membership No. 30170

Place: Mumbai

Date: 19th May, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

(Rs in Lacs)

	Particulars	Note No	As At 31.03.2017	As At 31.03.2016
I.	EQUITY AND LIABILITIES			
	Shareholders' Funds			
	(a) Share Capital	02	149.85	149.85
	(b) Reserves and Surplus	03	584.96	681.95
	Non-Current Liabilities			
	(a) Long-term borrowings	04	49.82	51.57
	(b) Deferred tax liabilities (Net)	32	22.53	35.88
	Current Liabilities			
	(a) Short-term borrowings	05	451.60	549.58
	(b) Trade payables	06	718.88	1085.34
	(c) Other current liabilities	07	251.10	249.53
	(d) Short-term provisions	08	72.52	96.68
	Total		2301.26	2900.38
II.	Assets			
	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9A	380.32	599.01
	(ii) Capital work-in-progress	9B	67.66	29.25
	(b) Non-current investments	10	0.55	0.55
	(c) Long term loans and advances	11	396.79	507.81
	Current assets			
	(a) Inventories			
	(b) Trade receivables	12	354.01	500.75
	(c) Cash and cash equivalents	13	940.71	1132.21
	(d) Short-term loans and advances	14	35.36	15.50
		15	125.86	115.30
	Total		2301.26	2900.38
	Significant Accounting Policies	1		

As per our report of even date attached

For J.L. Bhatt & Co.

Chartered Accountants

Firm Reg. No.: 101332W

Yogesh J. Bhatt

Partner

Membership No. 30170

Chairman

S.C. Saran

Executive Director & CEO

Ravindra Kale

Executive Director & CFO

Devaki Saran

Mumbai, May 19, 2017

May 19, 2017

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2017

Particulars	Note No	As At	As At
		31.03.2017	31.03.2016
Revenue from operations	16	3684.73	5514.98
Other Income	22	30.17	69.61
Total Revenue		3714.90	5584.59
Expenses:			
Cost of materials consumed	17	1911.02	3304.67
Purchase of Stock-in-Trade	18	5.25	19.11
Changes in inventories of finished goods, work - in - progress and stock - in - trade	19	49.55	16.74
Employee benefit expense	20	841.43	875.52
Other expenses	23	842.26	1095.35
Total Expenses		3649.51	5311.39
Earnings before Interest, Tax, Depreciation And Amortisation		65.39	273.20
Depreciation and amortization expenses.	09	89.03	104.21
Financial costs	21	86.70	102.63
		175.73	206.84
Profit before Tax		-110.34	66.36
Less: Tax expense			
(1) Current tax		0	13.00
(2) Deferred tax		-13.35	-2.46
Total Tax Expenses		-13.35	10.54
Profit after Tax		-96.99	55.82
-		-96.99	55.82
Earning per equity share: (Refer Note No: 36)			
(1) Basic		-6.47	3.73
(2) Diluted		-6.47	3.73
Significant Accounting Policies	1		
Notes are an integral part of the financial statements			

As per our report of even date attached

For J.L. Bhatt & Co.

Chartered Accountants

Firm Reg. No.: 101332W

Yogesh J. Bhatt

Partner

Membership No. 30170

Chairman

S.C. Saran

Executive Director & CEO

Ravindra Kale

Executive Director & CFO

Devaki Saran

Mumbai, May 19, 2017**May 19, 2017**

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	2016-17 (Rs.in lac)	2015-16 (Rs.in lac)
A. Cash flow from Operating Activities		
{Net Profit Before Tax and Extraordinary Items}	(110.34)	66.36
Adjustments for :		
Depreciation	89.03	104.21
Dividend & Other Income	6.69	(1.37)
Interest & Other Finance Cost	86.70	102.63
Provision for Leave Encashment	4.14	12.36
Operating Profit before Working Capital changes	62.84	284.19
Adjustments for :		
(Increase) / Decrease in Inventories	146.74	(4.65)
(Increase) / Decrease in Trade Receivables	191.50	(72.06)
(Increase) / Decrease in Short Term Loans & Advances	(10.56)	(73.56)
Increase / (Decrease) in Short Term Borrowings	(97.97)	(68.58)
Increase / (Decrease) in Trade Payables	(366.46)	90.53
Increase / (Decrease) in Other Current Liabilities	1.56	125.45
Increase / (Decrease) in Short Term Provisions	(7.06)	(25.41)
Cash Generated from Operations	(79.42)	255.91
Income Taxes	(12.18)	0.00
Cash flow before Extraordinary Items	(91.60)	255.91
Add/(Less) Extra Ordinary Items	0.00	0.00
Net Cash Flow from Operating Activities	(91.60)	255.91
B. Cash flow from Investment Activities		
Purchase of Fixed Assets	(21.05)	(11.97)
Investment on CWIP	(57.80)	(26.43)
Capital Subsidy (<i>PSI Scheme</i>) adjusted from the cost of an asset	170.11	0.00
Sale of Fixed Asset	0.00	2.00
Purchase of Investment	0.00	0.00
(Increase)/Decrease in Long Term Advance	111.02	(109.96)
Dividend & Other Income	6.69	1.37
Net Cash Used in Investing Activities	208.97	(144.99)

C. Cash flow from Financing Activities		
Net Proceeds from Long-Term Borrowings	(1.74)	(22.13)
Proceeds from Share Application	0.00	0.00
Interest & Other Finance Cost Paid	(86.70)	(102.63)
Dividend & DDT Paid	(9.06)	0.00
Net cash used in financing activities	(97.50)	(124.76)
Net Increase in cash and Cash Equivalents	19.87	(13.83)
Opening Balance of Cash and Cash Equivalents	15.50	29.34
Closing Balance of Cash and Cash Equivalents	35.36	15.50

Chairman
S.C. Saran

Executive Director & CEO
Ravindra Kale

Executive Director & CFO
Devaki Saran

May 19, 2017

Note :

1. Cash and Cash Equivalents consists of :

		(Rs. In lacs)	
	AS AT	AS AT	AS AT
	31/03/2017	31/03/2016	31/03/2015
Cash and Cheques on hand	3.58	0.72	0.78
Balances with Scheduled and other banks			
In Current Accounts	31.78	14.48	28.26
In Margin Money Account	0.00	0.30	0.30
Total	35.36	15.50	29.34

2. Previous years figures have been regrouped wherever necessary to confirm with current year's classification.

As per our report of even date attached
For J.L. Bhatt & Co.
Chartered Accountants
Firm Reg. No.: 101332W

Yogesh J. Bhatt
Partner
Membership No. 30170

Mumbai, May 19, 2017

Chairman
S.C. Saran

Executive Director & CEO
Ravindra Kale

Executive Director & CFO
Devaki Saran

May 19, 2017

NOTES TO FINANCIAL STATEMENTS**1) Significant Accounting Policies:-****a) Basis of Accounting :-**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention except warranty claims and refund claims from central /state governments and local authorities, which are accounted on receipt of claim/s.

b) Fixed Assets :-

Fixed Assets are stated at cost net of Cenvat, Vat setoff and incentives related to Fixed Assets, less depreciation. Depreciation is provided (except in the case of leasehold land which is being amortised over the period of lease) at prorata monthly basis on the straight line method and at the rates and in the manner specified in Schedule II to the Companies Act, 2013. Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of the net selling price and value in use.

c) Inventories :-

Inventory is valued as below,

- a) Raw material / Components are valued on First in First out (FIFO) basis.
- b) Stores and spares are valued on weighted average basis.
- c) Finished goods and work in progress are valued at lower of cost or net realisable value. Cost is determined on absorption basis and includes material, labour and production overheads. Material cost for the purpose of valuation is ascertained on First in First out (FIFO) basis.

Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

d) Revenue Recognition :-**Sale of Goods**

- a) Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Warranty claims are accounted for on the basis of settlement of the same.
- b) Duty entitlement under the Duty Entitlement Pass Book Scheme (DEPB Scheme) on export of the goods manufactured by the Company is accounted on realisation basis. Refund of excise duty of " Export under the claim of rebate " is accounted for on completion of formality of claiming refund of excise.

Revenues from services are recognised when services are rendered and related costs are incurred.

e) Other Income :-

Interest income is accounted on accrual basis.

f) Investment :-

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

g) Retirement Benefits : -

The Company has a Group Gratuity-cum-Life Assurance Scheme with Life Insurance Corporation of India for future payment of Gratuity to retiring employees. The premium thereof is paid annually in terms of the said policy which is charged off to the Profit & Loss Account. Provisions for leave encashment benefit and gratuity are made on actual basis, on the assumption that the benefits will be payable to all the employees at the end of the accounting year, if all employees were to terminate their services with the company. Liability for Provident Fund dues is being deposited with appropriate authorities. In case of Superannuation liability Company makes contribution to Life Insurance Corporation of India.

h) Transactions in Foreign currencies (Other than Fixed Assets) :-

Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss.

i) Provisions, Contingent Liabilities and Contingent Assets

As per Accounting Standard 29, Provisions, Contingent Liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, the Company recognises provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. No provision is recognised for -

- a) Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- b) Any present obligation that arises from past events but is not recognised because-
 - i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation ; or
 - ii) A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized.

j) Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

k) Other Accounting Policies :-

The Company follows generally accepted accounting principles in respect of accounting policies not specifically referred to herein above.

Note No	Particulars	As At 31.03.2017 (Rs. In Lacs)	As At 31.03.2016 (Rs. In Lacs)
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2) Share Capital

Equity Share Capital

Authorised Share capital 50,00,000 equity shares of Rs. 10/- each	500.00	500.00
Issued, subscribed & fully paid share capital 14,98,450 equity shares of Rs. 10/- each	149.85	149.85
Total	149.85	149.85

2.1) Terms and rights attached to Equity Share.

The company has only one class of Equity share having a Par Value of Rs.10/- each. Each holder of equity share is entitled for one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval by the share holders in the ensuring Annual General Meeting.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive 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.

Sr. No	Name of the shareholder	2016-17 No. of Shares (% of holding)	2015-16 No. of Shares (% of holding)
i	XLO India Ltd	599993 (40.04)	599993 (40.04)
ii	Spicer Gelenkwellembau GMBH	390000 (26.03)	390000 (26.03)

Note No	Particulars	As At 31.03.2017 (Rs. In Lacs)	As At 31.03.2016 (Rs. In Lacs)
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3) Reserves and Surplus

a) Capital Reserves (Capital Subsidy)	15.00	15.00
b) Other Reserve / fund [Investment Allowance (Utilised) Reserve]	24.36	24.36
Less: Transferred To General Reserve	24.36	0.00
c) General Reserve	401.73	401.73
Add : Transferred made during the Year	24.36	0.00
Total General Reserve	426.09	401.73
d) Share Forfeiture Reserve	0.08	0.08
e) Surplus	262.55	215.78
Add : Profit for the year	-96.99	55.82
	165.55	271.61
Less : Depreciation of earlier years	21.76	21.76
Less : Transferred To General Reserve	0.00	0.00
Less : Dividend Proposed	0.00	7.49
Less : Tax on Dividend Proposed	0.00	1.57
Surplus	143.80	240.78
Total	584.96	681.95

4) Long-term borrowings

Secured Term Loans		
State Bank of India	0.00	40.04
ICICI Bank Ltd.	9.51	11.53
AXISBank Ltd.	40.31	0.00
(Secured against Equitable Mortgage on Factory land & building situated at C-12, MIDC, Ambad Nashik-422010 & Hypothecation of Stocks.)		
Total	49.82	51.57

Note:- Terms of Repayment

4.1) From State Bank of India

- 1) Additional Term loan of Rs 1.Crore from state Bank of India was sanctioned on 12/05/2016 for a period of 5 years, subsequently taken over by Axis bank on 15/03/2017 to the extend availed.

Note: Secured against Registered Mortgage on Factory Land & Building situated at C-12, MIDC, Ambad, Nashik-422010.

Note No	Particulars	As At 31.03.2017 (Rs. In Lacs)	As At 31.03.2016 (Rs. In Lacs)
4.2)	From ICICI Bank		
	1) Term loan for car of 12 Lakhs from ICICI Bank was sanctioned on 01/01/2016 for a period of 5 years. Current EMI per month is Rs. 0.25 Lacs.		
4.3)	From Axis Bank		
	1) During the year, the company has received Term and Working Capital loans from the bank. The bank agreed to take over both the loan from State Bank of India. Pending completion legal formalities like "No Due Certificates" etc, the company has executed Hypothecation Deed with the bank and thereby created second charge on the "Movable assets" of the company.		
5)	Short-term borrowings		
	Loans repayable on demand From Bank		
	Secured		
	Cash Credit from State Bank of India, Satpur, Nashik	0.00	549.58
	Cash Credit from Axis Bank Ltd Nashik (Secured against Hypothecation of Stock & Debtors and entire present and future current assets)	451.60	0.00
	Total	451.60	549.58
6)	Trade Payables		
	Trade Payables (Refer Note No:31)	718.88	1085.34
	Total	718.88	1085.34
7)	Other current liabilities		
	Current maturities of long term debt	20.40	20.04
	Unpaid dividends	11.60	11.80
	Other payables		
	(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	66.80	75.80
	(ii) Trade / security deposits received	0.06	0.06
	(iii) Advances from customers	0.17	0.29
	(iv) Acceptances of Hundis from suppliers	146.48	134.40
	(v) Stale Cheques	4.53	7.14
	(vi) Imprest Cash-Delhi	0.06	0.00
	Total	251.10	249.53
8)	Short-term provisions:		
	Provision for employee benefits	70.64	74.78
	Bonus Provision	0.88	0.66
	Proposed Dividend	0.00	7.49
	Tax on Proposed Dividend	0.00	1.57
	Provision for Taxation	0.00	12.18
	Total	72.52	96.68

(Rs. in Lacs)

9 - Fixed Assets :

PERTICULARS	Gross Block			Depreciation			Net Block (WDV)		
	ASAT 01/04/16	Additions 2016-17	Deductions Adjustment	AS AT 31/03/17	AS AT 01/04/16	For the Year	Deductions Adjustment	AS AT 31/03/17	ASAT 31/03/16
a) Tangible Assets									
LAND - Leasehold	8.29	0.00	0.00	8.29	2.83	0.09	0.00	5.37	5.46
BUILDINGS - Own use	238.83	0.00	0.00	238.83	137.27	4.06	0.00	97.51	101.57
PLANT & MACHINERY - Owned	1546.92	24.51	170.11	1401.32	1120.52	70.54	0.00	210.25	426.40
COMPUTERS	58.27	13.94	0.00	72.21	44.57	6.04	0.00	21.60	13.69
ELE. INSTALLATIONS	29.76	0.00	0.00	29.76	23.15	0.43	0.00	6.18	6.61
AIR CONDITIONERS	11.71	0.40	0.00	12.11	5.88	0.53	0.00	5.70	5.83
PERMANENT TOOLS	32.50	0.00	0.00	32.50	30.88	0.00	0.00	1.62	1.62
OFFICE EQUIPMENTS	11.60	1.43	0.00	13.03	9.77	0.69	0.00	2.57	1.83
FURNITURE & FIXTURES -Owned	55.04	1.18	0.00	55.22	36.84	3.76	0.00	14.62	18.19
VEHICLES - (Owned)	34.85	0.00	0.00	34.85	17.04	2.90	0.00	14.91	17.81
TOTAL	2027.77	40.46	170.11	1898.11	1428.76	89.03	0.00	380.32	599.01
b) Capital Work in Progress:									
CAPITAL WORK IN PROGRESS *								67.66	29.25
TOTAL								447.98	628.27
PREVIOUS YEAR	1983.04	70.40	25.68	2027.77	1348.23	104.21	23.68	628.27	696.07

* Including Capital Advances of Rs. 67.65 lacs (previous year Rs. 29.25 lacs)

Note No	Particulars	As At 31.03.2017 (Rs. In Lacs)	As At 31.03.2016 (Rs. In Lacs)
10)	Non-current investments		
	Investments in Equity instruments		
	50 Equity Shares of Rs.100 each Fully paid, in Dinette Exclusive Club Private Limited	0.05	0.05
	2000 Equity Shares of Rs. 25 each fully paid in Janlaxmi Co-operative Bank Limited.	0.50	0.50
	Total	0.55	0.55
11)	Long Term Loans and Advances		
	Security Deposits		
	Unsecured considered good	17.59	16.96
	Loans and advances to employees		
	Unsecured considered good	0.00	0.10
	Balances with government authorities		
	Unsecured considered good		
	Income Tax		
	(i) Advance Tax net (including TDS)	79.29	78.61
	(ii) VAT credit receivable	299.91	412.14
	Total	396.79	507.81
12)	Inventories		
	Raw materials	137.36	207.32
	Work in progress	125.02	200.66
	Finished goods	50.41	24.31
	Stores and spares	41.22	68.46
	Others (Trading Goods)	0.00	0.00
	Total	354.01	500.75

Note No	Particulars	As At 31.03.2017 (Rs. In Lacs)	As At 31.03.2016 (Rs. In Lacs)
13)	Trade receivables		
	I. Unsecured		
	i. Over Six Months		
	Considered Good	38.99	11.26
	a) Total	38.99	11.26
	ii. Less than Six Months		
	Considered Good	901.72	1120.95
	b) Total	901.72	1120.95
	Trade Receivables (i+ii)	901.72	1132.21
	Total (A+B)	940.71	1132.21
14)	Cash and cash equivalents		
	i. Cash and cash equivalents		
	Cash on hand	0.67	0.72
	Balances in Current Accounts	20.17	2.67
	ii. Other Bank Balances		
	Balances with banks (Dividend Accounts)	11.61	11.81
	Othes (Margin Money Account)	2.91	0.30
	Total	35.36	15.50
15)	Short term loans and advances		
	<u>Balances with government authorities</u>		
	<u>Unsecured considered good</u>		
	(i) Balance with Collectorate of Central Excise	22.16	16.07
	(ii) CENVAT credit receivable	4.19	7.41
	<u>Other loans and advances</u>		
	<u>Unsecured considered good</u>		
	Prepaid expenses	10.68	19.12
	TDS on expenses which are not provided	5.53	1.13
	Exchange difference gain provision	0.00	12.85
	Prepaid Interest on Bills Discounted	0.87	6.27
	Interest receivable on MSEB Deposit	1.32	1.23
	Advances to suppliers	7.07	6.18
	Gratuity Fund Balance (LIC)	74.01	36.07
	Accounts Payble Overseas	0.02	8.97
	Tax Deducted at source	0.01	0.00
	Total	125.86	115.30

Note No	Particulars	As At 31.03.2017 (Rs. In Lacs)	As At 31.03.2016 (Rs. In Lacs)
16)	Revenue from Operations (for companies other than a finance company)		
	Revenue from - Sale of products (Including Excise Duty) (Includes sale of traded goods 5.89 Lacs) (Previous year 21.47 lacs)	3853.63	5907.10
	Total (a)	3853.63	5907.10
	<u>Other operating revenues</u>		
	Sale of services	5.86	19.68
	Sale of Scrap	42.39	45.10
	Duty Drawback	28.26	23.48
	Total (b)	76.51	88.25
	Less: Excise Duty		
	Total (c)	-245.41	-480.37
	Total [(a)+(b)-(c)]	3684.73	5514.98
17)	Cost of Material Consumed		
	<u>Raw Material Consumed</u>		
	Opening Stock	207.32	188.77
	Add : Purchases	1841.06	3323.22
		2048.38	3511.99
	Less : Closing Stock	137.36	207.32
	Total	1911.02	3304.67
18)	Purchases of Stock - In -Trade		
	Purchases Traded Goods.	5.25	19.11
	Total	5.25	19.11

Note No	Particulars	As At 31.03.2017 (Rs. In Lacs)	As At 31.03.2016 (Rs. In Lacs)
19)	Changes in inventories of finished goods		
	work-in-progress and Stock-in-Trade		
	<u>Opening Stock</u>		
	Work-in-progress	200.66	201.63
	Finished Goods	24.31	39.39
	Stock - In -Trade	0.00	0.70
	a) Total	224.98	241.72
	<u>Less : Closing Stock</u>		
	Work-in-progress	125.01	200.66
	Finished Goods	50.42	24.31
	Stock - In -Trade	0.00	0.00
	b) Total	175.43	224.98
	Total (A- B)	49.55	16.74
20)	Employee Benefits Expense		
	Salaries and wages	742.94	763.04
	Contribution to provident and other funds	35.49	39.07
	Staff welfare expenses	63.00	73.41
	Total	841.43	875.52
21)	Finance Costs		
	Interest expenses	8.40	12.51
	Other borrowing costs	78.30	90.12
	Total	86.70	102.63

Note No	Particulars	As At 31.03.2017 (Rs. In Lacs)	As At 31.03.2016 (Rs. In Lacs)
22)	Othe Income		
	Interest income	6.69	1.37
	Insurance claim	0.00	3.25
	Other non-operating income (net of expenses directly attributable to such income)	8.38	0.00
	Provisions written Back	15.09	9.62
	Foreign Exchange Difference gain	0.00	55.37
	Total	30.17	69.61
23)	Other Expense		
	Consumption of stores and spare parts	145.26	173.27
	Power fuel and water	146.06	193.76
	Rent	1.85	1.71
	Repairs to buildings	2.83	0.51
	Repairs to Plant & Machinery	36.89	78.14
	Other Repairs	3.32	2.30
	Insurance	13.28	11.59
	Rates and Taxes, excluding taxes on income	1.34	1.31
	Packing & Forwarding Expenses	195.65	355.95
	Travelling Expenses & Conveyance Charges	36.78	25.62
	Commission on Sales	3.13	3.16
	Discount on Sales	0.70	0.82
	Debts/Advances written off	4.02	1.56
	Directors' Fees	0.92	1.23
	Exchange Fluctuation Loss	28.96	0.00
	Loading & Unloading	57.61	87.90
	Payments to Auditor (Refer Note No 25)	8.18	8.53
	Miscellaneous expenses	155.48	147.99
	Total	842.26	1095.35

Note No	Particulars	As At 31.03.2017 (Rs. In Lacs)	As At 31.03.2016 (Rs. In Lacs)
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24) Contingent Liabilities & commitments Not Provided For :

- a) Estimated amounts of contracts remaining to be executed on capital account but not provided Rs. 67.65 (Previous year Rs. 29.25)
- b) For Income Tax (Disputed at various higher authorities) Rs. 20.64 lacs (Previous year Rs 20.64)
- c) For Labour related matters Rs.16.80 lacs (Previous year 16.80 lacs)

25) Payment to Statutory Auditors :

Particulars	Current Year (Rs. In Lacs)	Previous Year (Rs. In Lacs)
i) Statutory Audit fees	3.48	3.46
ii) For expenses reimbursed	0.37	0.59
iii) Tax Audit Fees	1.58	2.07
iv) Certification including Qtrly review	1.56	1.37
v) Tax matters including appearance before tax Authorities. and for Gratuity Audit and Taxation.	1.19	1.04
Total	8.18	8.53

26) Information for each class of Goods manufactured during the year :

(Figures in brackets relate to previous year)

a) Production, Opening Stock and Closing Stock.

Class of Goods	Production Nos	Opening Stock		Closing Stock	
		Nos.	Value* (Rs.in lacs)	Nos.	Value (Rs.in lacs)
Propeller Shafts	102441 (154028)	731 (1113)	19.21 (28.68)	11.65 (731)	34.40 (19.21)
Spare Parts		-	5.05 (9.19)		16.01 (5.05)
Scrap		-	0.06 (1.52)		0.00 (0.06)
			24.32 (39.39)		50.41 (24.32)

* Includes Excise Duty

b) Turnover :

	Quantity (Nos.)	Value (Rs.in lacs)
Propeller Shafts	102,007.00	3,136.09
	(154,410.00)	(4,681.99)
Spare Parts		710.90
		(1,202.60)
Total manufacturing sale		3,846.99
		(5,884.59)
Trading Sale		5.89
		(22.51)
Total Sale		3,852.88
		(5,907.10)

C) Raw Material Consumed:

	Quantity (Nos.)	Value (Rs.in lacs)
Forgings (kgs.)	1,086,812.44	1,203.22
	(1,663,941.00)	(1,880.79)
Castings (kgs.)	108,241.66	98.00
	(197,302.00)	(221.27)
Tubes (mtrs.)	66,880.18	193.60
	(120,301.00)	(401.89)
Others		416.20
		(800.72)
		1,911.02
		(3,304.67)

Value (Rs.in lacs)	Percentage
---------------------------	-------------------

d) Imported and Indigenous Consumption :**i) Raw Materials :**

Imported	14.72	0.78
	(11.81)	(0.36)
Indigenous	1,896.30	99.22
	(3,292.86)	(99.64)
Total	1,911.02	100.00
	(3,304.67)	(100.00)

ii) Stores, Spares and Tools.

Indigenous	145.26	100.00
	(173.27)	(100.00)

The item "Spare Parts" in paragraph 4D (ii) of Schedule VI of the Companies Act, 1956 is interpreted to mean components used in the manufacture of finished products or sold as such and not spare parts used for repairs and maintenance of machinery.

27) C.I.F. Value of Imports :

Raw Materials

Value
(Rs. In Lacs)
10.78
(9.50)

28) Quantitative information for traded goods during the year :

(Figures in brackets relate to previous year)

(Rs. In Lacs)

Class of Goods	Opening Stock		Purchase		Despatches		Closing Stock	
	Nos	Value	Nos	Value	Nos	Value	Nos	Value
Propeller Shafts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(Nos) Propeller Shafts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Spare Parts	Nil	Nil	300	5.25	300	5.89	Nil	Nil
(Vibration Dampers) (Steel Bar - Kgs)	(1184)	(0.70)	(18480)	(19.11)	(19664)	(21.47)	Nil	Nil

29) Earnings & Expenditure in Foreign Currency**a) Earnings in Foreign Exchange :**

(Figures in brackets relate to previous year)

Value
(Rs. in Lacs)

F.O.B. Value of Exports

1,236.84
(1360.04)

b) Expenditure in Foreign Currency :

Capital Expenditure

NIL
(NIL)

Travel

8.16
(7.91)

Others

NIL
(NIL)

30) Particulars of Dividend remitted to non-resident shareholders

Year to which dividend relates

2015-16

2014-15

Number of non-resident shareholders

1

1

Number of equity shares held

390000

390000

Dividend remitted (Rs. In lacs)

1.95

Nil

31) The company is in continuous process of compiling the data of suppliers which are covered under the Micro, Small & Medium Enterprises Development Act, 2006". Hence the details pertaining to that are not disclosed separately. However, Out of the total Trade payables, **Rs. 393.44 lacs** (Previous Year **Rs. 620.46 lacs**) are due to Small Scale Industrial Units. No amount is outstanding for more than 30 days with SSI Units. Information regarding small scale industrial undertakings has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

32) Deferred Tax

The Company has accounted for Deferred Tax in accordance with Accounting Standard -22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. The Deferred Tax during the year for Timing difference is accounted using tax rates that have been enacted, the net difference arising thereon is debited to the Profit & Loss Account. The break up of net deferred tax Liability as on 31st March 2017 is as under :

Particulars	As At 31.03.2017 (Rs. In Lacs)	As At 31.03.2016 (Rs. In Lacs)
Deferred tax (liability) / asset		
Tax effect of items constituting deferred tax liability :		
On difference between book balance and tax balance of fixed assets	40.58	52.17
On expenditure deferred in the books but allowable for tax purposes	1.14	1.19
Tax effect of items constituting deferred tax liability	(41.72)	(53.36)
Tax effect of items constituting deferred tax assets :		
Provision for compensated absences, gratuity and other employee benefits	19.19	17.48
Tax effect of items constituting deferred tax assets	19.19	17.48
Net deferred tax (liability) / asset	(22.53)	(35.88)

33) **Gratuity :**
(i) Disclosures under Accounting Standards :

Particulars	As At 31.03.2017 (Rs. In Lacs)	As At 31.03.2016 (Rs. In Lacs)
Change in Obligations over the year ended 31 March		
Present Value of Defined Benefit Obligation at the beginning of the year	364.97	392.02
Current Service Cost	14.47	13.51
Interest Cost	28.47	31.05
Actuarial (gains) / losses	27.21	(23.87)
Benefits paid	(54.57)	(47.74)
Present Value of Defined Benefit Obligation at the end of the year	380.55	364.97
Change in Plan Assets (Reconciliation of opening and closing balances)		
Fair value of Plan Assets at the beginning of the year	461.56	458.30
Expected return on Plan Assets	36.00	36.30
Actuarial Gain / (Loss)	0.08	0.40
Contributions	14.40	14.31
Benefits paid	(54.57)	(47.74)
Fair value of Plan Assets at the end of the year	457.48	461.56
Reconciliation of fair value of assets and obligations		
Fair value of Plan Assets at the end of the year	457.48	461.56
Present value of Obligation at the end of the year	(380.55)	(364.97)
Amount recognised in Balance Sheet	76.93	96.59
Expense recognised during the year		
Current Service Cost	14.47	13.51
Interest Cost	(7.53)	(5.25)
Actuarial (gains) / losses	27.13	(24.27)
Expected return on plan assets	-	-
Total	34.07	(16.00)
Principal Actuarial Assumptions		
Discount rate	7.80%	7.80%
Expected rate of return on assets	7.80%	7.80%
Salary increase (taking in account inflation, seniority, promotion and other relevant factors)	5.00%	5.00%
Attrition Rate (Current)	2.00%	2.00%

The Company has single scheme for payment of gratuity to all eligible employees calculated at 15 days of last drawn Salary, depending upon tenure of service for each year of completed service, subject to minimum service of five years, payable at the time of seperation upon superannuation or on exit otherwise.

ii) In respect of Defined contribution schemes -

- a) The Company contributes 12% of Salary for all eligible employees towards Provident Fund managed by the Central Government.
- b) The Company also contributes a certain percentage of Salary for all eligibe employees in managerial cadre towards Superannuation Funds managed by approved trusts or by Life Insurance Corporation of India.

34) Related Party Disclosure

The party with whom the company is having transactions, covered under the defination of "Related Party" given in accounting Standard 18 -Related party disclosure issued by Institute of Chartered Accountants of India is as follows.

Sr. No	Name Of Party	Relationship	Nature of Transactions	Transaction Amount		Outstanding Balance as at year end.	
				2016-17	2015-16	2016-17	2015-16
i)	Mr. S. C. Saran.	Chairman	Technical fees. -See Note- 39 (ii)	18.00	18.00	Nil	Nil
ii)	Ms. Devaki Saran	ED & CFO	Remuneration as ED & CFO.	35.12	19.18	Nil	Nil
iii)	Mr. Ravindra Kale	ED & CEO	Remuneration as ED & CEO.	43.07	20.14	Nil	Nil

35) Segment Information :**a) Primary Segment**

The Company is exclusively engaged in the business of designing and manufacturing of propeller Shafts and other accessories required for automotive, industrial and other applications. These in the context of Accounting Standard 17 on Segment Reporting issued by the Institute of Chartered Accountants of India, are considered to constitute one single primary segment.

b) Secondary Segment

(Figures in brackets relate to previous year)

Two secondary segments have been identified based on geographical locations of customers

Domestic & Export :

	Domestic	Export	(Rs. in lacs) Total
Segment Revenue	2398.41	1258.06	3656.47
	(4186.35)	(1305.15)	(5491.50)

Note: The Company's Tangible Assets are located entirely in India.

36) Earning per share (EPS)

Particulars	As At 31.03.2017 (Rs. In Lacs)	As At 31.03.2016 (Rs. In Lacs)
Earnings per share		
Basic		
<u>Total operations</u>		
Net profit / (loss) for the year	(96.99)	55.82
(Add) / Less: Extraordinary items (net of tax)	0.00	0.00
Less: Preference dividend and tax thereon	(96.99)	55.82
Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items		
Weighted average number of equity shares	1498450.00	1498450.00
Par value per share	10.00	10.00
<u>Earnings per share, excluding extraordinary items</u>		
Basic	(6.47)	3.73
Diluted	(6.47)	3.73

37) Details of provisions and movements in each class of provisions as required by the Accounting Standard on Provisions, contingent Liabilities and Contingent Assets

(Accounting Standard-29)

Particulars	As At 1 April 2016	Adiitions	Utilisation	Reversal	As At 31 Mar 2017
Leave Encashment	74.77	17.47	21.60	0.00	70.74
Total	74.77	17.47	21.60	0.00	70.74

38) Disclosure of foreign currency exposures

Disclosure of foreign currency exposures that are not hedged by a derivative instrument or otherwise

Particulars	Currency Type	2016-17		Currency Type	2014-15	
		Amount in foreign Currency	Equivalent Amount in Rs. Lac		Amount in foreign Currency	Equivalent Amount in Rs. Lac
Debtors	GBP	42970.00	34.69	GBP	66509.00	63.05
	EURO	639738.94	456.03	EURO	577320.00	415.50
	USD	6354.60	4.02	USD	7045.00	4.46
<u>Bank Balance</u> (FCNR Loan)		NIL	NIL		NIL	NIL

39) Directors' Remuneration : (see note)

Particulars	Current Year (Rs. In Lacs)	Previous Year (Rs. In Lacs)
a) Salaries	57.34	68.78
b) Contribution to Provident Fund and Other Funds	5.76	5.72
c) Perquisites	1.20	0.96
d) Superannuation	7.20	6.09
e) Technical fees (Net of Service Tax) see note ii below	18.00	18.00
f) LTA and Incentive	6.69	0.00
	<u>96.19</u>	<u>99.55</u>

Note :

- As employee wise break-up of contribution to gratuity fund is not ascertainable, the same has not been included in the above figure.
- The Chairman and Director Mr. S.C.Saran has been paid professional fees of Rs 18.00 lacs plus Service Tax for the year ended 31-03-17 for the Technical Expertise and Services provided by him as a consultant under section 188 read with Section 177(4) of the Companies ACT, 2013.

- 40) The Balance of Creditors and Debtors appearing in the balance sheet are subject to balance confirmation / reconciliation at the year end. The management is in process of obtaining the respective confirmations in due course. However, the reconciliation is not expected to result in any material adjustment in stated balances.
- 41) The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 pursuant to the requirement of Notification G.S.R 308(E) dated 30th March 2017 is given in below table.

Particulars	SBN's	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	152500	34357	186857
(+) Permitted receipts		303049	303049
(-) Permitted payments		280974	280974
(-) Amount deposited in bank	152500		152500
Closing cash in hand as on 30.12.2016		56432	56432

- 42) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date attached
For J.L. Bhatt & Co.
 Chartered Accountants
 Firm Reg. No.: 101332W

Yogesh J. Bhatt
 Partner
 Membership No. 30170

Mumbai, May 19, 2017

Chairman
 S.C. Saran

Executive Director & CEO
 Ravindra Kale

Executive Director & CFO
 Devaki Saran

May 19, 2017

Form No. MGT-11**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

HINDUSTAN HARDY SPICER LIMITED

Regd. Office: Plot No. C-12, M.I.D.C. Area, Ambad, Nashik – 422010, Maharashtra, INDIA.

CIN: L29300MH1982PLC028498 | Website: www.hhsl.net | Tel No: 0253-2382018 | Fax No: 0253-2382528 | Email: co@hhardys.com

Name of the Member (s) : _____

Registered address: _____

E-mail Id: _____ Folio No./ Client ID: _____ DP ID No. _____

I/We, being the member(s) of _____ equity shares of the above named company, hereby appoint

1. Name : _____ E-mail Id : _____

Address : _____ Signature : _____, or failing him/her:

2. Name : _____ E-mail Id : _____

Address : _____ Signature : _____, or failing him/her:

3. Name : _____ E-mail Id : _____

Address : _____ Signature : _____, or failing him/her:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the thirty-fifth Annual General Meeting of the Company, to be held on the 18th day of August, 2017 at Plot No. C-12, M.I.D.C. Area, Ambad, Nashik – 422010, Maharashtra, INDIA, and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Sr. No.	Resolution	No of Shares*	(FOR) I/We assent to the Resolution*	(AGAINST) I/We dissent to the Resolution*
1.	Adoption of the Audited Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon.			
2.	Appointment of Director in place of Mr. Sharad Jain (holding DIN 06988659), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.			
3.	Appointment of Auditors and to fix their remuneration.			
4.	Reappointment of Ms. Devaki Saran (DIN 06504653) as the Whole-Time Director, designated as "Executive Director and Chief Financial Officer (CFO) of the Company for a period of one year with effect from August 14, 2017.			

- This is optional. Please put a ✓ in the appropriate column for each resolution. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner he/ she thinks appropriate.

Signed this ____ day of _____, 2017

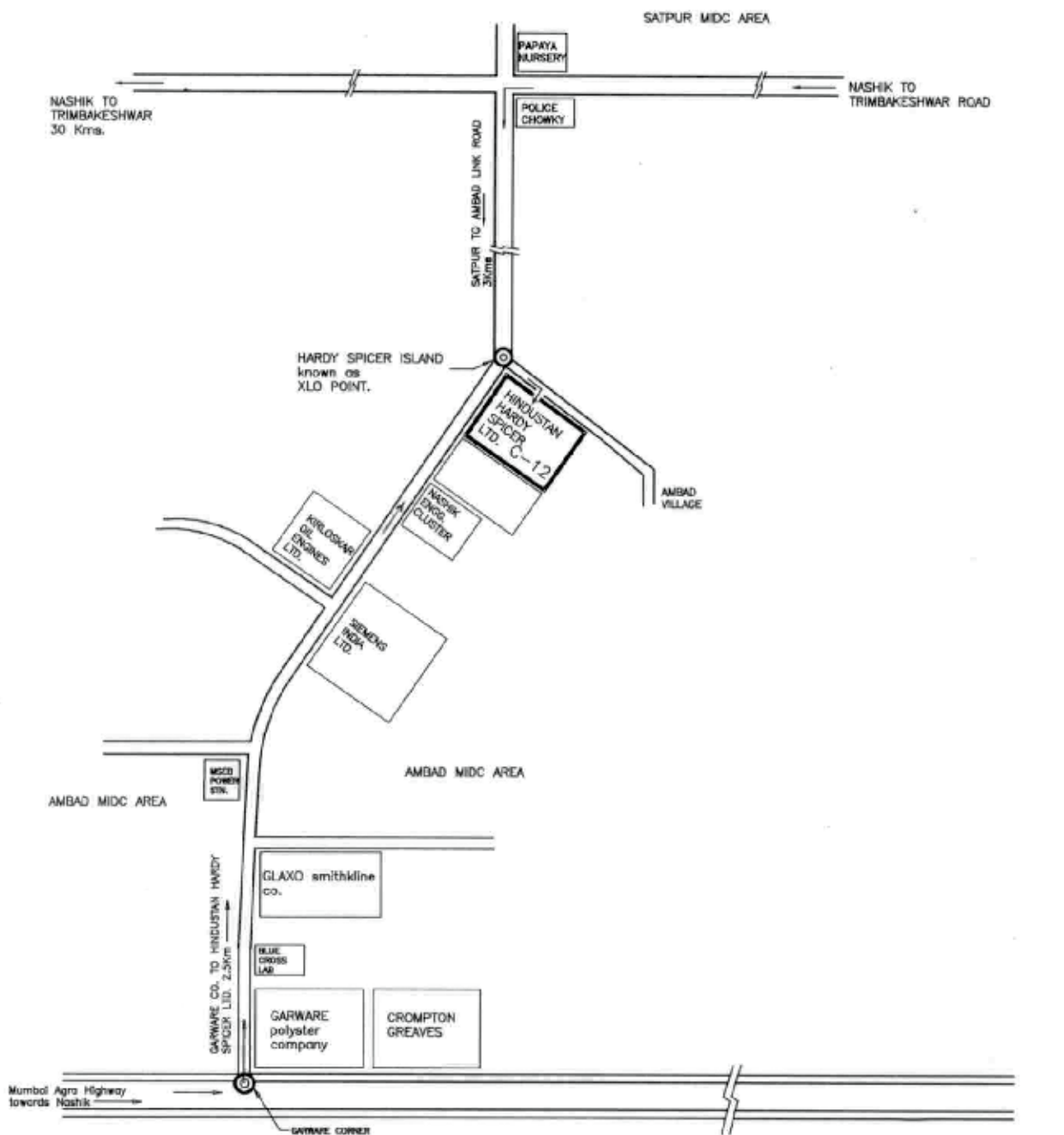
Signature of Shareholder _____

Signature of Proxy Holder (s) _____

Affix
Rs. 1/-
Revenue
Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Please complete all details including details of member(s) in above box before submission.



ROAD MAP
FOR HINDUSTAN HARDY SPICER LTD. C-12
MIDC AMBAD, NASHIK.

HINDUSTAN HARDY SPICER LIMITED

Regd.Office : Plot No. C-12, M.I.D.C. Area, Ambad, Nashik – 422010, Maharashtra, INDIA.

CIN : L29300MH1982PLC028498

Website: www.hhsl.net

Tel No: 0253-2382018

Fax No: + 0253-2382528

Email: co@hhardys.com

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

Members attending the Meeting in person or by Proxy are requested to complete the Attendance slip and hand it over at the entrance of the meeting room.

I hereby record my presence at the Thirty Fifth Annual General Meeting of the Company at the Registered Office at Plot No. C-12, M.I.D.C. Area, Ambad, Nashik – 422010, Maharashtra, INDIA on Friday, August 18, 2017 at 2.30 p.m.

Folio No./DP Id/ Client ID	
Name and address of the first holder	
Name of the Joint Holder(s)	
No of shares	

.....
Full name of the Member (in block letters)

.....
Signature

.....
Full name of the proxy (in block letters)

.....
Signature

ELECTRONIC VOTING PARTICULARS

EVEN Electronic Voting Event Number	USER ID	PASSWORD/ PIN