



Hittco Tools Ltd.

28Th Annual Report
2021-2022



CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. Surendra Bhandari (Chairman and Managing Director)
Mrs. Madhu Bhandari (Director)
Mr. Sidharth Bhandari (Director)
Mr. Satish Ramarao Shimoga (Independent Director)
Mr. Menezes Braganca Nikhil Fernando De (Independent Director)
Mr. Biligere Shekar Prakash (Independent Director)
Mr. Vikram Gupta (Independent Director)
Mr. Yash Vardhan Bhandari (Whole time Executive Director)

CEO AND CFO

Mr. Rajib Ghosh Roy (CEO)
Mrs. Ruth Mary Chitra J (CFO)

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mrs. Nidhi Kumari
(Appointed w.e.f 01/08/2022)

STATUTORY AUDITORS

M/s. Bothra Nirmal Associates
Chartered Accountant

REGISTERED OFFICE:

HTC Aspire, 19, Ali Asker Road,
Bangalore – 560 052
Tel: 080 4086 5062

FACTORY:

#78/B, III Phase,
Peenya Industrial Area
Bangalore – 560 058

REGISTER AND SHARE TRANSFER AGENT:

Cameo Corporate Services Limited
“Subramanian Building”
No. 1, Club House Road,
Chennai – 600 002
Tel: 044 – 28460390
Email Id: cameo@cameoindia.com

Bankers:

Kotak Mahindra Bank Ltd.
IndusInd Bank Ltd.
State Bank of India
HDFC Bank Ltd.

AUDIT COMMITTEE:

Mr. Satish Ramarao Shimoga
Mr. Surendra Bhandari
Mr. Menezes Braganca Nikhil Fernando De

NOMINATION AND REMUNERATION COMMITTEE:

Mr. Satish Ramarao Shimoga
Mrs. Madhu Bhandari
Mr. Menezes Braganca Nikhil Fernando De

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Mr. Satish Ramarao Shimoga
Mr. Surendra Bhandari
Mr. Menezes Braganca Nikhil Fernando De



NOTICE

Notice is hereby given that the 28th Annual general Meeting of Members of Hittco Tools Limited will be held on Friday, 30th September 2022 at 01:00 P.M. (IST) through Video Conferencing ("VC") /Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Financial Statement of the Company for the Financial Year ended March 31st 2022, together with the Reports of the Board of Directors and Auditor's thereon.

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

"RESOLVED THAT the audited financial statements of the Company for the financial year ended 31st March, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted"

2. To re-appoint Mrs. Madhu Bhandari (DIN: 00353298), who retires by rotation and being eligible, offer herself for re-appointment.

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

"RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder, Mrs. Madhu Bhandari (DIN: 00353298), who retires by rotation at this Annual General Meeting be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. APPROVAL FOR ENTER INTO A CONTRACT WITH RELATED PARTY UNDER SECTION 188(1)(C) OF THE COMPANIES ACT, 2013:

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

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23(4) of Securities and exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (the listing Regulations) the Company's policy on Related Party transactions, and other applicable provisions including any amendments thereto for the time being in force, the consent, sanction, permission or approval as the case may be of the members of the Company be and is hereby accorded to the Board of Directors to enter into any contract or arrangements with related parties Mr. **Surendra Bhandari** in relation to leasing of property by him to the Company on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs 1,00,00,000/- (Rupees One Crore only) provided that the said contract(s)/ arrangement(s) / transaction(s)/ so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT any Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."



4. TO MAKE INVESTMENTS, GIVE LOANS, GUARANTEES AND PROVIDE SECURITIES UNDER SECTION 186 OF THE COMPANIES ACT 2013 :

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 5,00,00,000 (Rupees Five Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT any directors of the company be and are hereby authorized to negotiate and finalise the terms and conditions of the said investment, loans, guarantees and provision of security on behalf of the company as it may deem fit in the interest of the company, to take all such actions and to settle all matters arising out of and incidental thereof, and to sign and execute all deeds, applications, documents, loans, guarantees and provisions of security and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effects to this resolution.

**By order of the Board of Directors
HITCO TOOLS LIMITED**

Sd/-

Nidhi Kumari

Company Secretary and Compliance Officer

Date: 05/09/2022

Place: Bangalore

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the ordinary business under item Nos. 1 & 2 and special business under item Nos. 3, and 4 of the accompanying Notice of the AGM, is annexed hereto. The Board of Directors of the Company at its meeting held on 05.09.2022 considered that the special business under item Nos. 3, and 4, being considered unavoidable, be transacted at the 28th AGM of the Company.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 05th May 2022 read with circular dated May 05, 2020, April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) / Other Audio- Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM, hereinafter called the ‘E-AGM’.
3. The deemed venue for the AGM shall be the Registered Office of the Company.



4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.
5. Facility to join the meeting shall be opened fifteen minutes before and after the scheduled time of the AGM. Members will be allowed to attend the AGM through VC / OAVM on first come, first served basis.
6. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through. The said Resolution/Authorization shall be sent to the Scrutinizer by email to its registered email address i.e., pcsmanjeet@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com
7. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
9. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical forms are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agents - M/s. Cameo Corporate Services Limited for assistance in this regard.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held in electronic form and to M/s. Cameo Corporate Services Limited, in case the shares are held in physical form.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members by writing an e-mail to the Company Secretary at investors@hittco.com.
12. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
13. Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the 28th AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email address investors@hittco.com, atleast 7 days in advance before the start of the meeting i.e., by 23rd September 2022. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
- 14. DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**

In terms of Section 101 and 136 of the Act, read together with the rules made thereunder, listed in compliance with the aforesaid MCA Circulars and SEBI Circular dated January 15, 2021, companies may send notice of Annual General Meeting and the annual report, including financial statements, Board Report etc. by electronic mode. Pursuant to the said provisions of the Companies act read with MCA Circulars and SEBI Circular 15Th January, 2021 read with SEBI Circular dated 12Th May, 2020, Notice of the AGM along with Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2021-22 will also be available on the Company's website at www.hittco.com.



on the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of Registrar and Transfer Agent, Cameo Corporate Services Limited at <https://cameoindia.com> and on the website of CDSL www.evotingindia.com

15. **Central Depository Services Limited** ("CDSL") will be providing facility for voting through remote e-Voting, for participation in the 28th AGM through VC/OAVM Facility and e-Voting during the 28th AGM.
16. For receiving all communication (including Annual Report) from the Company electronically:
 - (a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company's registrar Cameo Corporate Services Limited with details of folio number and attaching a self-attested copy of PAN card to Cameo Corporate Services Limited at cameo@cameoindia.com
 - (b) Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participant.
17. The Register of Members and the Share Transfer Books of the Company will remain closed from September 24, 2022 to September 30, 2022(both days inclusive).
18. **INSTRUCTION FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC / OAVM & E-VOTING DURING MEETING ARE AS UNDER:**
 - (i) The procedure for **attending** meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
 - (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
 - (iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
 - (iv) Shareholders are encouraged to join the Meeting through Laptops / iPad for better experience.
 - (v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - (vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 - (vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@hittco.com. These queries will be replied to by the company suitably by email.
 - (viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 - (ix) Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
 - (x) If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



19. INSTRUCTION FOR REMOTE E-VOTING AND JOINING VIRTUAL MEETING ARE AS UNDER:

- a. The remote e-voting period commences at 9.00 AM (IST) on Tuesday, September 27, 2022 and ends at 5.00 PM (IST) on Thursday, September 29, 2022. During this period, Members holding shares either in physical or de-materialized form as on the Cut-off / Record Date i.e., Friday, September 23, 2022, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their votes on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- b. A person who is not a member as on cut-off date should treat this Notice of 28th AGM for information purpose only.
- c. The Company has appointed M/s. Manjeet & Associates Company Secretaries (Membership No. FCS 22581) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process, in a fair and transparent manner.
- d. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- e. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- f. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as

	<p>per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <ol style="list-style-type: none"> 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting



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

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

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

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013

Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.



Birth (DOB)	<ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.
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- g. After entering these details appropriately, click on "SUBMIT" tab.
- h. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- k. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- m. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- n. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- o. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- p. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- q. **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.



- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@hitco.com. if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

12. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

13. Other Guidelines for Members

- a. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 28th AGM by email and holds shares as on the cut-off date i.e. 23rd September 2022 may obtain the User ID and password by sending a request to the CDSL at mail id helpdesk.evoting@cdslindia.com However, if you are already registered with CDSL for remote e-Voting then you can use your existing user ID and password for casting your vote.
- b. The Scrutinizer shall after the conclusion of e-Voting at the 28th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, who shall then countersign and declare the result of the voting forthwith.
- c. The Results declared along with the report of the Scrutinizer shall be forwarded to the BSE Limited, Mumbai.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 (1) OF THE COMPANIES ACT, 2013 and pursuant to regulation 36 of SEBI (LODR) regulation 2015



Item No – 3

As a part of its on-going and in the ordinary course of business, the Company take a property on lease from Mr. Surendra Bhandari, at arm's length basis.

In addition to that the value of estimated RPTs approved for period a period of 10 year is revised due to growth in the business activities along with inclusion of other transactions.

The Board of Directors at its Meeting held on 05/09/2022, reviewed the actual value of transactions for Financial Year 2022 and estimated value of the transactions for the Period of 10 year is 1,00,00,000 (One Crore) that are refundable after the expiry of 10 year , for recommending the same to the Shareholders of the Company for their approval.

As per Regulation 23(1) of SEBI (LODR) Regulations, 2015, the transactions with Mr Surendra Bhandari are material in nature as these transactions on cumulative basis are likely to exceed 10% of the annual consolidated turnover as per the last audited financial statements of the Company. Therefore, in terms of the SEBI (LODR) Regulations, 2015, the transactions with the said related parties require the approval of members of the Company by passing the resolution at item No. 3 of the Notice.

As per SEBI (LODR) Regulations, 2015 all entities falling under the definition of related parties shall abstain from voting on the resolution and accordingly, the promoters will not vote on item No. 2

Particulars	Information
Description of the Related parties	Mr. Surendra Bhandari
Nature of relationship	Director
Period for which the shareholders' approval is sought	10 year
Name of the director or Key Managerial personnel who is related, if any	Mr. Sidharth Bhandari, Mr. Surendra Bhandari, Mrs. Madhu Bhandari
Nature and Particulars of transactions with Mr. Surendra Bhandari	Leasing of property
Material terms of the RPTs	Terms and conditions are similar for both the related parties. Salient Terms are given in the Board's Report.
Duration of these RPTs have been continued from the past	These transactions have been undertaken by the Company from time to time depending on the needs of business.
Estimated Monetary value of such RPTs	1 Crore that are Refundable after the expiry of 10 year
Whether the transactions have been approved by the Audit Committee	Yes. The Audit Committee has granted omnibus approval as per the prevailing legal requirements. The proposed RPTs are in accordance with the RPT Policy of the Company.

The proposed RPTs are in the ordinary and normal course of business and on arm's length basis and play a significant role in the Company's business operations and accordingly, the Board recommends the Ordinary Resolutions set forth in item No 3 of the Notice for the approval of the Members in terms of Regulation 23 of the SEBI (LODR) Regulations, 2015.

Mr. Sidharth Bhandari, Mrs. Madhu Bhandari and Mr. Yashvardhan Bhandari being the relative of Mr. Surendra Bhandari are deemed to be concerned or interested in the Resolution..



The Members' approval is solicited for the resolutions at item No. 3 of the accompanying Notice as Ordinary Resolution. This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015.

Item No. 4

As per sub-section (2) & (3) of section 186 of the Companies Act, 2013, The company is required to obtain the prior approval of the members through a special resolution, in case the company wants to-

- Give any loan to any person or other body corporate;
- Give any guarantee or provide security in connection with a loan to any other body corporate or person and
- Acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, Exceeding 60% of paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities Premium account, whichever is more.

The company is growing and therefore in order capitulate the various opportunities of the prevailing industry, the Board of Directors is seeking approval of the members to make investments, give loans, guarantees and provide securities the limit as specified under Section 186 of the Companies Act, 2013 as set out in resolution in item no. 4.

The said approval is sought keeping in mind the fund requirement of Company's subsidiaries /Sister concerns in the group companies to meet urgent needs from time to time to yield and grow in business segment.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item no. 5 of the Notice, except to the extent of their shareholding in the Company.

The Board of Directors recommends the proposed resolution for the approval of the Members of the Company.

Details of Directors seeking appointment / re-appointment at the Annual General Meeting

[In pursuance of Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards -2 (SS-2)]

Name of Director	Mrs. Madhu Bhandari
DIN	00353298
Date of Birth	11.04.1947
Date of Appointment	27.02.2013
Qualification	B.A(Hons.)
Expertise in specific functional areas	She is having experience of more than Seven years in business management.
List of other Listed Companies in which Directorship held (excluding in Foreign companies)	NIL
Chairman/Member of Committees	NIL
Details of shareholding (both own or held by/for other persons on a beneficial basis), if any, in the Company.	19379
Relationship between the Director's inter-se	Mr. Surendra Bhandari, Managing Director of the Company – father Mrs. Madhu Bhandari, woman director – mother Mr. Yashvardhan Bhandari - son
Terms and Conditions of Appointment	N.A.



By order of the Board
HITCO TOOLS LIMITED

Sd/-

NIDHI KUMARI

Company Secretary & Compliance Officer

Place: Bangalore

Date: 05/09/2022

BOARD'S REPORT

To
The Members,

Your directors have pleasure in presenting the 28th Annual Report of your Company together with the Audited Financial Statements for the year ended 31st March 2022.

FINANCIAL RESULTS:

The summarized financial results for the year are as under:

(Rs. In Lakhs)

Particulars	2021-2022	2020-2021
INCOME:		
Sales	657.25	548.55
Other Income	8.92	2.36
Total (A)	666.18	550.90
EXPENSES:		
Cost of Material Consumed	235.65	199.17
Changes in inventories of finished goods, work in progress and stock-in-trade	5.38	(12.23)
Employee benefit expenses	151.57	157.47
Interest and Financial Charges	26.50	37.35
Other expenses	112.01	138.18
Total (B)	531.11	519.94
Profit before Depreciation and Tax (C) = (A) - (B)	135.07	30.96
Depreciation and amortization expenses	60.90	52.87
Profit after Depreciation	74.17	(21.91)
Exceptional items – Net Income / Expenditure	0	0



Profit before Tax	74.17	(21.91)
Provision for Tax	0	0
Profit for the period from continuing operation	74.17	(21.91)
Other comprehensive income (Re-measurement of defined benefit obligation / Assets)	4.71	.51
Profit / (Loss) after Depreciation and Tax	78.88	(21.40)
Earnings Per Share (Basic)	1.31	(.35)
Earnings Per Share (Diluted)	1.31	(.35)

OPERATIONS AND BUSINESS PERFORMANCE:

During the year under review the income of the Company increased to Rs.666.18 lakhs during the year 2021-22 as against Rs. 550.90 lakhs during the previous year 2020-21. The Export Sales for the year 2021-22 is Rs. 15.74 lakhs compared to Rs. 25.52 lakhs in the previous financial year 2020-21. Regarding accountability and governance, your company continue to ensure an environment of transparency and responsibility while aiming for the highest standard of corporate governance and trust. There is no change in the nature of business of the company during the year.

COVID-19:

As per the directives of the Government of India and relevant State Governments and keeping in mind the paramount need of safety of the employees, employees who are attending the office, have been advised to follow all safety precautions like mandatory wearing of mask, use of hand sanitizer, social distancing, non-use of air conditioners etc.

ANNUAL RETURN:

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return in form MGT-7 of the Company is available on the website of the Company at the link: <https://www.hittco.com/assets/img/documents/MGT-7-2022>

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors of the Company have given declaration that they meet the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Board of Directors have taken on record the declaration and confirmation received from the Independent Directors and verified the veracity of such disclosures.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The independent directors are regularly updated on the industry and market trends, plants and process and operation performance of the company through presentations in this regard and periodic plant visit. They are also periodically kept aware of the latest development in the corporate governance, their duties as a director and relevant laws.



NOMINATION & REMUNERATIONN POLICY:

In adherence to the provisions of Section 134(3) (e) and 178 (1) & (3) of the Companies Act, 2013, the Board of Directors on the recommendation of the Nomination and Remuneration Committee approved the policy to govern the appointment /Nomination of Directors, KMP and Other Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided. There is no change in the Nomination and Remuneration Policy during the year under review.

CORPORATE GOVERNANCE:

Your Company has a Paid-Up Share Capital of Rs. 615.98 Lakhs and the net worth of Rs. 264.56 Lakhs during the financial year ending 31.03.2022. Hence, Regulation 27(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 are not applicable on the Company and your Company is not required to report on the Corporate Governance. However, your company has made every effort to comply with the provisions of the Corporate Governance and to see that the interest of the shareholders and the Company are properly served.

MANAGEMENT DISCUSSION & ANALISYS REPORT:

A review of the performance of the Company is provided in the Management Discussion & Analysis Report for the year under review, as stipulated under SEBI (LORD) Regulation, 2015, is presented in a separate section forming part of the Annual Report and annexed herewith as Annexure 2.

DIVIDEND:

The Board of Directors has decided not to recommend any dividend for the financial year ended March 31, 2022 due to expansion and future growth of the business.

TRANSFER TO RESERVES:

The Board of Directors of your Company does not propose to carry any amount to reserve.

SHARE CAPITAL:

The paid-up Equity Share Capital of the Company as on March 31, 2022, was Rs. 615,98,470/- During the year under review, the Company has not issued any shares during the period under review.

SUBSIDIARY, JOINT VENTURES AND ASSOCIATE REPORT

During the year under review, no company have become or ceased to be company's subsidiaries, joint ventures, or associate companies.

MATERIAL CHANGES AND COMMITMENTS:

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

DIRECTORS RESPONSIBILITY STATEMENT:

To the best of their knowledge and based on the guidance and insights from the Auditors and pursuant to the provisions of sub-section (5) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- i) In the preparation of the annual account for the year ended March 31, 2022 the applicable accounting standard have been followed along with proper explanation relating to material departure if any.
- ii) Such accounting policies have been selected and applied 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 as on March 31, 2022 and of the profit and loss of the company for that period;



- iii) Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The financial statements have been prepared on a going concern basis.
- v) Proper internal financial controls were in place and the financial controls were adequate and operating effectively; and
- vi) The system to ensure compliance with the provision of all applicable laws were in place and adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12):

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under Section 143(12) of the Companies Act, 2013.

CHANGES IN DIRECTORS:

Appointments

During the year under review, the Board of Directors, based on the recommendation of Nomination and Remuneration Committee, appointment of Mrs. Ruth Mary Chita J as a CFO of the Company in the meeting held on 09.10.2021.

During the year under review, the Board of Directors, based on the recommendation of Nomination and Remuneration Committee, appointed of Mrs. Priya Mehrotra as a CS (Company Secretary) and Compliance Officer of the company in the meeting held on 29.03.2022.

Resignation

Mr. Rajeev Gobind ram Hassanand resigned from the office of Independent Director of the Company w.e.f 30th November, 2021.

Ms. Shalini Kashyap resigned from the office of Company Secretary and Compliance Officer of the Company w.e.f. 27.01.2022.

The Board, at its meeting held on 27th January, 2022, has accepted her resignation w.e.f. 27.01.2022 and recorded its appreciation for his valuable contribution during his tenure on the Board of the Company.

Mr. Yashvardhan Bhandari resigned from the office of Chief Financial Officer of the Company w.e.f. 01.10.2021 and the Board has accepted his resignation with the immediate effect.

Re-appointment:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Article of Association, Mrs. Madhu Bhandari, Director of the Company, retire by rotation in ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

CHANGES IN KEY MANAGERIAL PERSONEL:

During the year under review, Miss. Shalini Kashyap resigned from the office of Company Secretary of the Company w.e.f. 27.01.2022 and Mrs. Priya Mehrotra was appointed as the Company Secretary of the Company w.e.f. 29.03.2022.

Mrs. Ruth Mary Chita J was appointed as Chief Financial Officer of the company by the board in the meeting held on 09.10.2021.

MEETING OF THE BOARD:

Eight meeting of the Board of Directors were held during the year under review. Details of the same are mentioned below:

S. No.	Date of Meeting	Directors associated as on the date of Meeting	Attendance	
			No. of Director	% of attendance
1.	14/06/2021	9	8	80.88
2	30/06/2021	9	9	100
3.	14/08/2021	9	9	100
4.	20/08/2021	9	9	100
5.	09/10/2021	9	9	100
6.	12/11/2021	9	9	100
7.	27/01/2022	9	7	77.77
8.	29/03/2022	9	8	80.88

Audit Committee:

The composition, function and procedure of the Audit Committee and Nomination and Remuneration Committee are in conformity with the requirement of Section 177 & 178 of the Companies Act, 2013. During the year under review, the Board accepted all the recommendation made by the Audit Committee of the Board. The Audit Committee met Five times and **Nomination and Remuneration Committee** met Four times in the year under review on the following dates:

S. No.	Date of Meeting	No. of Members associated on the date of Meeting	Attendance	
			No. of Member	% of Attendance
1.	14/06/2021	3	3	100
2.	30/06/2021	3	3	100
3.	14/08/2021	3	3	100
4.	19/08/2021	3	3	100
5.	12/11/2021	3	3	100

Nomination and Remuneration Committee:

S. No.	Date of Meeting	No. of Members associated on the date of Meeting	Attendance	
			No. of Member	% of Attendance
1.	30/06/2021	3	3	100
2.	08/10/2021	3	3	100



3.	27/01/2022	3	3	100
4.	29/03/2022	3	3	100

PERFORMANCE EVALUATION OF CHAIRMAN, DIRECTORS, BOARD AND COMMITTEES:

Pursuant to the provision of Section 134 of the companies Act, 2013 and regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, the board has carried out an annual performance Evaluation of its performance, the director individually as well as the evaluation of its Audit, Nomination and Remuneration and Other committee.

The performance of the Board was evaluated by the board after seeking inputs from all the directors on the basis of factors which includes Active participation, financial literacy, contribution by Directors, Positive inputs, effective deployment, knowledge & expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement. In the meeting of Independent Directors performance of Non-independent Directors, Board and performance of the Chairman was evaluated. The performance of independent director was carried out by the entire board.

At the conclusion of the evaluation exercise, the members of the Board accessed that the Board together with each of its committees was working effectively in performance of its key functions.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed. Further the testing of such controls was also carried out independently by the statutory and the internal auditor for the financial year 2021-22. In the opinion of the Board, the existing internal control framework is adequate and commensurate with the size and nature of the business of the Company. The details in respect of internal financial control and their adequacy are included in the management and discussion & analysis report, which forms part of this report.

AUDITORS AND AUDITORS REPORT:

Statutory Auditors

In accordance with Sec 139 of the Companies Act, 2013, M/s. Bothra Nirmal Associates (FRN: 322103E), Chartered Accountant were appointed by the shareholders of the Company at the Annual General Meeting held on September 13, 2021, as Statutory Auditors for a period of 5 years to hold office from the conclusion of the 27Th Annual General Meeting till the conclusion of 32nd Annual General meeting to be held in the year 2026.

The Ministry of Corporate Affairs vide its Notification dated May 7, 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, approval of the Members for the ratification of Auditor's appointment is not being sought at the ensuing Annual General Meeting.

Statutory Auditor's Report

Auditor Qualification

Notes to accounts referred to in the Auditor's Report are self – explanatory and therefore, do not call for any further explanation. However the following has not been recognized as explained below:

Auditors Comment:

1. The finished goods and work in progress have been valued at estimated cost. We are unable to obtain Sufficient and appropriate audit evidence about approximation of the estimated cost to the actual cost. As Required by the Ind AS - 2 "Inventories" from the records maintained by the company. Consequently, we are unable to determine the impact of the same on the financial statements for the year end 31st March 2022.



Director View on Auditor Adverse remark:

The company has maintained proper book of account including inventory and the same has been provided to statutory auditor during the audit. Hence the view of audit qualification is unnecessary.

2. Balance confirmations have not been received from Trade receivables, other financial assets and Other Financial liabilities against balance outstanding as on 31st March 2022. In the absence of such confirmations, we are unable to comment on the impact arising out of reconciliation/ adjustments, if any, on the financial statements for the year end 31st March 2022.

Director View on Auditor Adverse remark:

The company has maintained proper book of account and same has been provided to statutory auditor during the audit. Balance confirmations provided to auditor. Hence the view of audit qualification is unnecessary.

SECRETARIAL AUDITOR AND REPORT:

Secretarial Auditor

The Secretarial Auditors, M/s Manjeet & Associates, Practising Company Secretaries, has issued Secretarial Audit Report (Form MR-3) for the Financial Year 2021-22 pursuant to Section 204 of the Companies Act, 2013 and pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which is annexed to Directors' Report (Refer Annexure-3).

Secretarial Auditors Report:

The observations in Secretarial audit report are self -explanatory and therefore does not call for any further explanation.

COST AUDITORS:

The provision of Section 148(1) does not apply to the Company, hence the Company is not required to maintain the cost records.

INTERNAL AUDITOR:

The Board has appointed Internal Auditor in compliance with Section 138 of the Companies Act, 2013 and rules made thereunder.

RISK MANAGEMENT:

The Company has a mechanism to identify, assess, monitor, and mitigate various risks to its key business objective. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. However, as per the listing regulation, constitution of Risk Management Committee for enforcing Risk Management Policy is not applicable to the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

No significant and material orders were passed by the Regulators or Courts or Tribunal which impact the going concern status and future operations of the Company.



There is No application /proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016.

INDIAN ACCOUNTING STANDARDS, 2015:

The annexed financial statements for the Financial Year 2020-21 and corresponding figures for 2020-21 comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

As the Company does not fall under any of the threshold limits given under Section 135 of the Companies Act, 2013, the provision of Corporate Social Responsibility is not applicable to the Company.

CONTRACTS AND ARRANGEMENT WITH RELATED PARTIES:

All related party transaction that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There is no material contract or arrangement in accordance with the requirement of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015.

There is no materially significant related party transactions made by the company with the Promoter, Director, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the company at large. All related party transaction is placed before the audit committee and given in the notes annexed to and forming part of this financial statement.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The company has a vigil mechanism / Whistle Blower policy to deal with the instance of fraud and mismanagement, if any. It provides opportunities to the directors, employees and any other person dealing with the company to report in good faith to the management about the unethical and improper practices, fraud or violation of Company's code of conduct. The vigil mechanism under the policy also provides for adequate safeguard against victimization of employee and directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional Cases. The Company affirms that none of the personnel of the Company has been denied access to the Audit Committee.

Further, as per the provisions of Regulation 18 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (Listing Regulations) read with Part C of Schedule II to Listing Regulations, the Audit Committee has reviewed the functioning of whistle blower mechanism of the Company and found the same satisfactory

PUBLIC DEPOSITS:

During the year under review, the Company has not accepted/renewed any deposit from the public within the meaning of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclose under the act are provided in Annexure I.

PARTICULAR OF LOAN GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:



During the financial year 2021-22 the company has granted advances to one company and LLP during the year. The company has granted advance to a party as below:

Particulars	Amount advanced during the year	Amount outstanding at the BS date
IEM International Pvt Ltd	11,66,575/-	11,66,575/-
HTC Properties LLP	3,66,418/-	3,66,418/-

PERSONNEL RELATIONS:

The Company considers human capital as a critical asset and success factor for smooth organizational workflow. Your directors hereby place on record their appreciation for the service rendered by the executives, staff, and workers of the Company for their hard work, dedication, and commitment. During the year under review, relations between the employee and the management continued to remain cordial.

PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURE:

No employee of the Company had drawn salary in excess of the limits specified under Section 197(12) of the Companies Act, 2013 and the rule 5 of the company (Appointment and Remuneration of managerial personnel) rules 2014 and read with the Companies (Particulars of Employees) Rules, 197.

LISTING ON STOCK EXCHANGE:

The Company's shares are listed on the Bombay Stock Exchanges, Mumbai. The Company has paid the listing fee to the stock exchange for the financial year 2021-22 and has complied with all the requirement of the listing regulations.

DISCLOSURE AS REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013:

Pursuant to the provisions of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14, the internal committee constituted under the said act has confirmed that no complaint / case has been filed / pending against the Company during the year.

SECRETARIAL STANDARD:

The Company complies with all applicable mandatory secretarial standard issued by the Institute of Company Secretaries of India.

CODE OF CONDUCT:

The Company has adopted the code of conduct for all Board members and Senior Management as required under Regulation 17 of the Listing Regulations. All Board Members and Senior Management personnel have affirmed compliance with the code on an annual basis and a declaration to this effect signed by Mr. Rajib Ghosh Roy, CEO of the Company, forming part of this report.

CEO/CFO CERTIFICATION:

A certificate duly signed by CEO and CFO relating to financial statements and internal controls and internal control systems for financial reporting as per the format provided in Regulation 17(8) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 was placed before the Board and was taken on record.

CAUTIONARY NOTE:

Statement in this Management Discussion Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statement within the meaning of applicable laws and



regulation. Actual results may differ substantially or materially from those expressed or implied. Important development that could alter your Company's performance include increase in material costs, technology development and significant changes in political and economic environment tax laws and labor relations.

ACKNOWLEDGEMENTS:

Your Directors would like to place on record their sincere gratitude to the Governments, Financial Institutions and Banks for the assistance, co-operation and encouragement received during the year. Your Directors also wish to place on record their sincere appreciation to the Investors for their continuing support, Dealers, Business Associates and Employees at all levels for their unstinting efforts in ensuring excellent performance.

The Directors regret the loss due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

For and on behalf of the Board of Directors

HITCO TOOLS LIMITED

Sd/-
(Surendra Bhandari)
Managing Director
DIN: 00727912
Place: Bangalore
Date: 05/09/2022

Sd/-
(Madhu Bhandari)
Director
DIN: 00353298

Annexure - 1

ANNEXURE TO THE DIRECTORS REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO [Pursuant to Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

a) Energy conservation measures taken: -

- i. Optimum usage of all electrical appliances.
- ii. Controlling the maximum demand of electricity to reduce the electricity bill and usage of natural light.
- iii. Idle running of Machines avoided.
- iv. Running induction furnace on Sunday to reduce maximum demand and consumption of diesel.
- v. Create awareness of the importance of energy conservation and practice among all.

b) Impact on cost of production of goods: -

The above-mentioned measures have resulted in reduced consumption of electrical energy at various load centers and helped curtailing.



B. Technology Absorption

i. The efforts made towards technology absorption: -

- Technical guest lecturers in various subjects and speculations and skill building exercise.
- In depth IPR analysis and review.
- Theoretical simulation.

ii. The benefit derived like product improvement, cost reduction, product development or import substitution:

- New model machine with innovative feature, improvement in performance of machines and enhancement of the knowledge base.

iii. Details of the imported Technology: -

During the last three-year company has not purchased any imported machine.

C. Foreign Exchange Earnings and Outgoing

The Export Sales during the year has contributed 2.21 % of the total Sales.

	<u>2021-22</u>	<u>2020-21</u>
Total Foreign Exchange – Used (Rs.):	1,17,000.00	3,23,800.00
Earned (Rs.):	15,74,000.00	25,51,516.00

For and on behalf of the Board of Directors

HITCO TOOLS LIMITED

Sd/-
(Surendra Bhandari)
Managing Director
DIN: 00727912

Sd/-
(Madhu Bhandari)
Director
DIN: 00353298

Place: Bangalore

Date: 05/09/2022

Annexure - 2

MANGEMENT DISCUSSION & ANALYSIS REPORT

A. INDUSTRY STRUCTURE & DEVELOPMENTS

The Indian machine tools industry consists of about 1000 manufacturing units out of which approximately 400 units are under the organized category. Further, ten major Indian companies constitute almost 70 per cent of the total production. While the large, organized player caters to India heavy and medium industries, the small scales sector meets the demand of ancillary and other unites. The machine tools industry can be broadly classified into metal-cutting and metal cutting –forming tools, based on the type of operation. Metal cutting accounts 81 per cent of the total output of machine tools in India. Key metal cutting tools include turning centers, machining centers and grinding centers which account for nearly two –thirds of the total metal cutting production.

There has been a growing need to adopt CNC- based machine tools in the end user segments to achieve precision and accuracy in the production process. Moreover, non- CNC machines consume more time and energy and are prone to considerable wear and tear in a short period. This demand for CNC- based machine is expected to aid the growth of the machine tools market in India over the next four years.



Metal forming is dominated by presses, which account for 55 percent share. Based on technology, Machine tools can be classified into CNC (Computerized Numerically Controlled) and conventional tools. CNC machine tools, which are highly productive and cost effective comprising nearly 73 percent of machine tools. Of these, CNC turning centers, machining centers and grinding centers are the biggest segments, accounting for nearly 92 percent of the total CNC machine tools production in India. The increasing domestic demand which is not currently met by domestic production indicates the vast business potential available within the country for machine tools. Further Technavio market research analyst forecasts the production of machine tools in India to grow at a CAGR of 13% during the forecast period.

B. OPPORTUNITIES:

- Expansions in strategic sectors, will fuel the demand for machine tools.
- Global hub for manufacturing components.
- Impetus being given by Government for growth in manufacturing sector.
- Growth in power, nuclear power, aerospace to fuel demand for machine tools.
- Tie –up with major player in the field and diversification to medical equipment manufacturing.

C. THREATS:

- Increasing interest rates
- Lowering of import duty.
- Influx of second hand/reconditioned imported machines.
- Surplus manpower & employee cost and shortage of skilled manpower in critical areas.

D. STRENGTH

- Qualified & experienced engineers and technicians.
- Focus group for strategic segments
- Good infrastructure for manufacturing machine tools.
- Strong brand image.
- Country wide sales and service network.
- Wide variety – Conventional, CNC, Special purpose & metal forming machine.
- Adaptability to change.

E. SEGMENT-WISE PERFORMANCE

Your Company made after tax profit of Rs. **78.88**lakhs on a turnover of Rs. **657.25**lakhs and other income of Rs. 8.92 lakhs.

	Drill Bits & Taps (in Lakhs)
Net Sales & Operating Revenue	Rs. 657.25
Profit after Tax	Rs. 78.88
Capital Employed	Rs. 689.82

F. OUTLOOK FOR THE INDUSTRY

The domestic Drill Bits and Taps supply is going increase in the coming years. Your Company has plans to increase production of Drill Bits and Taps as well as Carbide Tools. Additionally, we are planning to expand our overseas marketing activities.



G. OUTLOOK FOR THE COMPANY

In your Company's future strategic growth plans, the core areas include further expansion of the capacities of machines. Its strategic plans are also directed towards meaningful utilization & redeployment of resources depending on the situations and full capacity utilization of existing

operations with proactive financial management and with qualitative focus on human resource development.

H. RISKS & CONCERNS

The rising price of fuel oil and other input materials are a cause of concern for the industry. International disturbances caused by terrorist strikes and sudden unhealthy trends in the international scenario arising out of political uncertainty in the global context are a risk factor.

I. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has well established internal control systems commensurate with the size of the Company. Company has entrusted the jobs of internal audit to well experienced employees of the Company. The internal audit reports are discussed by an independent committee constituted by the Board. Action is being taken to further strengthen internal control procedures in respect of inventory and management.

J. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECTS TO OPERATIONAL PERFORMANCE

Details on financial performance with respect to operational performance are given in the Directors' Report.

K. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

Human Resources Development is the key for the success of any organization. Keeping this in mind and the targets set, functional and development training needs are identified from multiple sources, primarily the competency related needs, secondly, needs arising from organizational requirements and finally departmental/sectional imperatives. So, your Company has appointed in this year as many employees required for higher production.

For and on behalf of the Board of Directors

HITCO TOOLS LIMITED

Sd/-
(Surendra Bhandari)
Managing Director
DIN: 00727912

Sd/-
(Madhu Bhandari)
Director
DIN: 00353298

Place: Bangalore

Date: 05/09/2022



To,

The Members of Hittco Tools Ltd

DECLARATION BY THE CEO PURSUANT TO REGULATION 34(3) AND SCHEDULE V OF THE SEBI (LORD) REGULATION, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT.

In accordance with regulation 34(3) and Schedule V of the SEBI (LORD) regulation, 2015 with the stock exchanges, I, Rajib Ghosh Roy, CEO of the company, hereby declare that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct formulated by the Company for the financial year ended March 31, 2022.

For and on behalf of the Board of Directors

HITCO TOOLS LIMITED

Sd/-

(Rajib Ghosh Roy)

CEO

PAN: AGLPG2234R

Place: Bangalore

Date: 05/09/2022

CEO/CFO CERTIFICATION

To

The Board of Director

Hittco Tools Limited

Bangalore

We, Ruth Mary Chitra J, Chief Financial Officer and Rajib Ghosh Roy, Chief Executive officer of the company hereby certify to the Board that:

- A) We have reviewed financial statement and cash flow statement for the year ended 31 March, 2022 and that to the best of our knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
 - These statements together present a true and fair view of the company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transaction entered by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- D) We have indicated to the Auditors and the Audit committee:
- Significant change in internal control over financial reporting during the year:



- Significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of the Board of Directors

HITCO TOOLS LIMITED

Sd/-
(Rajib Ghosh Roy)
CEO
PAN: AGLPG2234R

Sd/-
(Ruth Mary Chitra J)
CFO
PAN: BDWPR9490K

Place: Bangalore
Date: 05/09/2022

Annexure – 3

To,
The Members,
Hittco Tools Limited
HTC Aspire, 19, Ali Asker Road, 2nd Floor
Bangalore, Karnataka-560052, India

Our Secretarial Audit report of even date, for the Financial Year 2021-2022 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the company to maintain Secretarial Records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the system are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on secretarial records standard and procedures followed by the company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of law, rules and regulations and happening of event etc.

Disclaimer

5. The secretarial audit report is neither as assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.
6. We have not verified the correctness and appropriateness of financial records and books of account of the company.

**For Manjeet and Associates
Company Secretaries**

Sd/-
CS Manjeet
Proprietor
M. No: 11588
COP No: 22581

Place: Bangalore
Date: 02/09/2022



FORM No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2022

[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,
Hittco Tools Limited
HTC Aspire, 19, Ali Asker Road, 2nd Floor
Karnataka-560052, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hittco Tools Limited** (hereinafter called the "Company"). The 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 and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, 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 maintained by the Company for the financial year ended on 31st March 2022 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder and the relevant provisions of the Act;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws 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; as amended from time to time;
 - 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 Disclosures Requirements) Regulations, 2009; – Not Applicable as the Company did not issue any security during the Financial Year under review;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, and The Securities and Exchange Board of India (Share Based Employee Benefits; - Not Applicable as Company has not issued any ESOPS to its employees during the Financial Year under review;



- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; – Not applicable as the Company has not issued any debt securities during the financial year under review;
 - 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 as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; – Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable as the Company has not done any buyback of its securities during the financial year under review.
- vi. The following key / significant laws as specifically applicable to the Company: -
- 1) The Apprentices Act, 1961
 - 2) The Factories Act, 1948
 - 3) The Legal Metrology Act, 2009 and rules made thereunder
 - 4) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
 - 5) The Water (Prevention and Control of Pollution) Act, 1974
 - 6) The Water (Prevention and Control of Pollution) Cess Act, 1977
 - 7) The Air (Prevention and Control of Pollution) Act, 1981
 - 8) The Environment (Protection) Act 1986
 - 9) The Hazardous Wastes (Management and Handling) Rules, 1989
 - 10) The Government Order Under Environment (Protection) Act, 1986
 - 11) The Karnataka Ground Water (Regulation for Protection of Sources of Drinking Water) Act, 1999
 - 12) The Contract Labour (Regulation and Abolition) Act, 1970 & its Central Rules/ concerned State Rules.
 - 13) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & EPF, FPF Schemes.
 - 14) The Employees' State Insurance Act, 1948 & its Central Rules / concerned State Rules.
 - 15) The Minimum Wages Act, 1948 & its Central Rules/ concerned State Rules/ Notification of Minimum Wages applicable to various class of industries/ Trade.
 - 16) The Payment of Wages Act, 1936 & its Central Rules/ concerned State Rules if any.
 - 17) The Payment of Bonus Act, 1965 & its Central Rules/ concerned State Rules if any.
 - 18) The Payment of Gratuity Act & its Central Rules/ concerned State Rules if any.
 - 19) The Child Labour (Regulation & Abolition) Act, 1970
 - 20) The Karnataka Daily Wage Employees Welfare Act, 2012
 - 21) The Maternity Benefit Act, 1961 & its Rules.
 - 22) The Equal Remuneration Act, 1976.
 - 23) The Labour Welfare Fund Act, 1965
 - 24) The Workmen's Compensation Act, 1923
 - 25) The Karnataka Shops & Establishments Act, 1961 and rules made thereunder
 - 26) Information Technology Act, 2000
 - 27) The Industrial Dispute Act, 1947
 - 28) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013



- 29) Persons with Disabilities (Equal Opportunities, Protection, Protection of Rights and Full Participation) Act, 1996
- 30) The Competition Act, 2002
- 31) The Indian Contract Act, 1872
- 32) The Sales of Goods Act, 1930
- 33) The Forward Contracts (Regulation) Act, 1952
- 34) The Indian Stamp Act, 1899

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- (ii) The Securities and Exchange Board of India (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.

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 is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, Shorter Notice consent is obtained from all the directors where notices of Board Meeting is sent later than 7 days 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

There are no other specific events/actions in pursuance of the above referred laws, rules, regulations guidelines etc., having a major bearing on the Company's Affairs.

Place: Bangalore
Date: 02/09/2022

For Manjeet and Associates
Company Secretaries
Sd/-
CS Manjeet
Proprietor
M. No: 11588
COP No: 22581
UDIN: F011588D000893073



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of M/s. Hittco Tools Limited
HTC Aspire, 19, Ali Asker Road 2nd Floor
Bangalore KA 560052

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Hittco Tools Limited** having CIN: L28939KA1995PLC016888 and having registered office at **HTC Aspire, 19, Ali Asker Road, 2nd Floor, Bangalore - 560052** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1.	SIDHARTH BHANDARI	00237174	04/01/1995
2.	MADHU BHANDARI	00353298	27/02/2013
3.	SURENDRA BHANDARI	00727912	04/01/1995
4.	VIKRAM GUPTA	01064379	30/06/2009
5.	SATISH RAMARAO SHIMOGA	01536009	19/05/2008
6.	YASHVARDHAN BHANDARI	06688573	22/05/2022
7.	MENEZES BRAGANCA NIKHIL FERNANDO DE	07101045	28/09/2018
8.	BILIGERE SHEKAR PRAKASH	07507383	04/03/2017

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

For Manjeet and Associates
Company Secretaries

Sd/-

CS Manjeet

Proprietor

M. No: 11588

COP No: 22581

UDIN: F011588D000893073

Place: Bangalore

Date: 02/09/2022



INDEPENDENT AUDITOR'S REPORT

To the Members of HITCO TOOLS LIMITED

Qualified Opinion:

We have audited the Standalone Financial Statements of **HITCO TOOLS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred as standalone financial statements)

In our opinion, and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our audit report, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and its loss, (Including other comprehensive Income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion:

1. Note (4) - The finished goods and work-in progress have been valued at estimated cost. The estimated Cost has been arrived by deducting certain percentage towards margin from the estimated selling price. We are unable to obtain sufficient and appropriate audit evidence about approximation of the estimated cost to the Actual cost as required by the Ind AS - 2 "Inventories" from the records maintained by the company. Consequently, we are unable to determine the impact of the same on the financial statements for the year end 31st March 2022.

2. Balance confirmations have not been received from Trade receivables, Other Financial assets and Other Financial liabilities against balance outstanding as on 31st March 2022. In the absence of such confirmations, we are unable to comment on the impact arising out of reconciliation/ adjustments, if any, on the financial statements for the year end 31st March 2022.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

The Company's management Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we



have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Board of Directors for the Standalone Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

That Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions, that



may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of auditor's report. However, future events or conditions may cause the company to cease to continue as going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - iii) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - iv) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - v) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.



- vi) With respect to the adequacy of the Internal Financial Control with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- vii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (a) The Company does not have any pending litigations which would impact its standalone financial statements.
 - (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For BOTHRA NIRMAL ASSOCIATES

Chartered Accountant

F.R.N 322103E

Sd/-

Nirmal Kumar Bothra

Partner

Membership No. 052248

UDIN: 22052248AJVODH4826

**7/1B, GRANT LANE,
SHYAM KUNJ,
1ST FLOOR, R.N. 15,
KOLKATA – 700012**

Date: 28/05/2022

Annexure "A" to the Independent Auditor's Report

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended 31st March, 2022,

In terms of the information and explanation sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:-

1.

- (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (ii) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company doesn't have any regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are not verified in a phased manner over a period of three years.
- (c) We have examined the original title deed and xerox copies of title deeds in case of mortgaged properties. Based on our audit procedures and according to the information and explanations given to us, we report that all title deeds of immovable properties are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.



- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
2. (i) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits of fifty-five lakhs rupees, in aggregate, from banks on the basis of security of promoters personal property.
3. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted advance to one company and LLP during the year, details of the loan is stated in sub-clause (a) below. The Company has not granted any loans, secured or unsecured, to firms, or any other parties during the year.

Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted advance to a party as below

Particulars	Amount advanced during the year	Amount Outstanding at the BS date
IEM International Pvt Ltd	11,66,575/-	11,66,575/-
HTC Properties LLP	3,66,418/-	3,66,418/-

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company
4. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
5. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable
6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/ or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable
7. (a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanations given to us and on the basis of our examination



of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

S No	Name of the Act	Assessment Year	Amount
1	Income Tax Act	2018-19	62,200/-
2	Traces	2022-23	96,242/-
3	Traces	2021-22	579/-
4	Traces	2020-21	238/-
5	Traces	Prior Years	8,98,101/-

8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

9. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has loans or borrowings from any lender during the year. But the company has not defaulted in repayments of its principal and interest during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

© According to the information and explanations given to us by the management, the Company has obtained any Vehicles loans during the year.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis and utilized for long term purpose by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

10. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.



management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For BOTHRA NIRMAL ASSOCIATES

Chartered Accountant

F.R.N 322103E

Sd/-

Nirmal Kumar Bothra

Partner

Membership No. 052248

UDIN: 22052248AJVODH4826

**7/1B, GRANT LANE,
SHYAM KUNJ,
1ST FLOOR, R.N. 15,
KOLKATA – 700012**

Date: 28/05/2022

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

Report on the Internal Financial Controls Over Financial Reporting 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 **HITCO TOOLS LIMITED** (“the Company”) as on 31st March 2022, in conjunction with our audit of the Standalone financial statements of the company for the year ended on that date.

Management’s and Board of Director’s Responsibility for Internal Financial Controls

The Company’s Management and the board of Directors are 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 control 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 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 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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



- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
11. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- © We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
12. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
14. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
17. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and



financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, 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.

7/1B, GRANT LANE,
SHYAM KUNJ,
1ST FLOOR, R.N. 15,
KOLKATA – 700012

Date: 28/05/2022

For BOTHRA NIRMAL ASSOCIATES
Chartered Accountant
F.R.N 322103E
Sd/-
Nirmal Kumar Bothra
Partner
Membership No. 052248
UDIN: 22052248AJVODH4826

PART II – STATEMENT OF PROFIT AND LOSS

Name of the Company- **Hittco Tools Limited**

Statement of Profit and Loss for the period ended 31st March 2022

Figures in '000

	Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue From Operations	19	65,725	54,855
II	Other Income	20	892	236
III	Total Income (I+II)		66,618	55,091
IV	EXPENSES			
	Cost of materials consumed	21	23,565	19,917
	Purchase of Stock-in-Trade			-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	22	538	(1,224)
	Employee benefits expense	23	15,157	15,748
	Finance costs	24	2,650	3,735
	Depreciation and amortization expense	25	6,090	5,287
	Other expenses	26	11,201	13,819
	Total expenses (IV)		59,201	57,282
V	Profit/(loss) before exceptional items and tax (I- IV)		7,417	(2,192)
VI	Exceptional Items	27		-
VII	Profit/(loss) before tax (V-VI)		7,417	(2,192)
VIII	Tax expense:	28		
	(1) Current tax		-	-
	(2) Deferred tax	13	-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		7,417	(2,192)
X	Profit/(loss) from discontinued operations			-
XI	Tax expense of discontinued operations			-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)			-
XIII	Profit/(loss) for the period (IX+XII)		7,417	(2,192)
XIV	Other Comprehensive Income(net of tax) Items that will be subsequently not re-classified to Profit & Loss Statement			
	Re-measurement of Defined Benefit Obligations/Assets	29.2 (viii)	471	51
XV	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		7,888	(2,141)
XVI	Earnings per equity share (for continuing operation):			
	(1) Basic	30	0.00	(0.00)
	(2) Diluted		0.00	(0.00)
XVII	Earnings per equity share (for discontinued operation):			
	(1) Basic			-
	(2) Diluted			-
XVIII	Earnings per equity share(for discontinued & continuing operations)			
	(1) Basic	30	0.00	(0.00)
	(2) Diluted		0.00	(0.00)

Significant Accounting policies and notes to accounts

29-33

The accompanying notes are an integral part of these financial statements

For and on behalf of the board of directors of
HITCO TOOLS LIMITED

This is the statement of profit and loss referred
to in our report of even date

Sd/-
Surendra Bhandari
Managing Director
DIN: 00727912

Sd/-
Sidharth Bhandari
Director
DIN: 00237174

For Bothra Nirmal Associates
Chartered Accountants
Firms' Registration No.322103E

Sd/-
Yashvardhan Bhandari
Director & CFO
DIN: 06688573

Sd/-
Rajib Ghosh Roy
CEO

Sd/-
Priya Mehrotra
CS

Sd/-
CA Nirmal Kumar Bothra
Membership No.052248
UDIN: 22052248AJVODH4826
Place: Kolkata
Date: 28/05/2022

PART I –BALANCE SHEET			
Name of the Company- Hittco Tools Limited			
Balance Sheet as at 31st March 2022			
Figures in '000			
Particulars	Notes	As at 31st March 2022	As at 31st March 2021
(1) ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	1	41,766	27,480
(b) Other Intangible assets	2	361	321
(c) Financial Assets			
(i) Other financial Assets	3	6,179	5,588
(f) Deferred tax assets (net)	13	-	-
(g) Other non-current assets		-	-
Total Non-Current Assets		48,306	33,389
(2) Current assets			
(a) Inventories	4	9,924	9,799
(b) Financial Assets			
(i) Trade receivables	5	20,015	19,718
(ii) Cash and cash equivalents	6	4,544	3,738
(c) Current Tax Assets (Net)		-	-
(c) Other current assets	7	2,759	1,223
Total Current Assets		37,242	34,478
Total Assets		85,547	67,867
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	8	63,207	63,207
(b) Other Equity	9	(36,751)	(44,639)
Total Equity		26,456	18,568
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	38,721	33,781
(ii) Other financial liabilities	11	2,425	2,606
(b) Provisions	12	1,381	2,058
(c) Deferred tax liabilities (Net)	13	-	-
Total Non-Current Liabilities		42,526	38,444
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	6,348	-
(ii) Trade payables	15	6,672	5,273
(iii) Other financial liabilities	16	2,560	3,509
(b) Provisions	17	756	791
(c) Current Tax Liabilities (Net)		-	-
(d) Other current liabilities	18	228	1,282
Total Current Liabilities		16,565	10,855
Total Equity and Liabilities		85,547	67,867
Significant Accounting policies and notes to accounts		29-33	
		(0)	(0)
The accompanying notes are an integral part of these financial statements			
For and on behalf of the board of directors of HITTCO TOOLS LIMITED		This is the balance sheet referred to in our report of even date	
Sd/- Surendra Bhandari Managing Director DIN: 00727912	Sd/- Sidharth Bhandari Director DIN: 00237174	For Bothra Nirmal Associates Chartered Accountants Firms' Registration No.322103E	
Sd/- Yashvardhan Bhandari Director & CFO DIN: 06688573	Sd/- Rajib Ghosh Roy CEO	Sd/- Priya Mehrotra CS	Sd/- CA Nirmal Kumar Bothra Membership No.052248 UDIN: 22052248AJVODH4826 Date: 28/05/2022 Place: Kolkata
Place: Bengaluru Date: 28/05/2022			

HITTCO TOOLS LIMITED		
Cash Flow Statement for the year ended 31st March 2022		
Figures in '000		
Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
A. Cash Flow from Operating Activities		
Profit before Taxation and extraordinary items (before taxes)	7,417	-2,192
Adjustments for Depreciation	6,090	5,287
(Profit)/Loss on sale of Tangible assets	-	-
Finance Charges	2,650	3,735
Interest Income	-96	-38
Investment Income	-	-
Other Non cash adjustments	471	51
Operating Profit before working capital changes	16,532	6,844
Changes in Working Capital:		
(Increase)/Decrease in Trade Receivables	-297	-3,008
(Increase)/Decrease in Inventories	-125	-541
(Increase)/Decrease in Other non-current financial assets	-591	-860
(Increase)/Decrease in Other Non Financial assets	-1,536	1,297
Increase/(Decrease) in Trade Payables	1,399	493
Increase/(Decrease) in Provisions	-711	-405
Increase/(Decrease) in Other Financial Liabilities	-1,129	-370
Increase/(Decrease) in Other Current Liabilities	-1,054	751
Increase/(Decrease) in Other Current Liabilities	6,348	-
Cash generated from Operations	18,837	4,201
Less: Taxes paid (Net of refunds)	-	-
Net cash generated from operations before extraordinary items	18,837	4,201
Net cash generated from operating activities	18,837	4,201
B. Cash Flow from Investing Activities		
Sale of Property, Plant and Equipment	34	-
Interest received	96	38
Purchase of Property, Plant & Equipment, Intangible assets	(20,450)	-79
Net Cash used in Investing Activities	(20,320)	(41)
C. Cash flow from Financing Activities		
Increase/(Repayment) of borrowings	4,940	334
Interest and other finance costs paid	-2,650	-3,735
Net cash used in Financing activities	2,290	(3,401)
Net increase in cash and cash equivalents	806	759
Cash and Cash equivalents at the beginning of the year	3,738	2,979
Cash and Cash equivalents at the end of the year	4,544	3,738
Reconciliation of Cash and Cash equivalents as per the cash flow statement:-		
Cash and Cash Equivalents as per above comprises of the following		
	31st Mar 2022	31st Mar 2021
Cash and Cash Equivalents	4,544	3,738
Bank overdrafts	-	-
Balance as per statement of cash flows	4,544	3,738
Notes:		
1. Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 -Cash flow statements		
2. Cash and cash equivalents represent cash and bank balances.		
3. Previous year's figures have been regrouped/reclassified wherever applicable.		
The accompanying notes are an integral part of these financial statements		
For and on behalf of the Board of Directors of HITTCO TOOLS LIMITED		This is the cash flow statement referred to in our report of even
Sd/- Surendra Bhandari Managing Director DIN: 00727912	Sd/- Sidharth Bhandari Director DIN: 00237174	For Bothra Nirmal Associates Chartered Accountants Firms' Registration No.322103E
Sd/- Yashvardhan Bhandari Director & CFO DIN: 06688573	Sd/- Rajib Ghosh Roy CEO	Sd/- CA Nirmal Kumar Bothra Membership No.052248 UDIN: 22052248AJVODH4826
Sd/- Priya Mehrotra CS		
Place: Bengaluru Date: 28/05/2022		Date: 28/05/2022 Place: Kolkata

HITTCO TOOLS LIMITED
Notes Forming Integral Part of the Balance Sheet as at 31st March , 2022

Notes : 1 - Property, Plant & Equipment for the year ended 31st March 2022.

Sr. No	Particulars	Cost or Deemed Cost				Depreciation Block				Carrying Amount
		Balance as on 01.04.2021	Additions during the year	Disposals/Adjustme nts during the year	Balance as on 31.03.2022	Balance as on 01.04.2021	Depreciation expense	Disposals	Balance as on 31.03.2022	As on 31.03.2022
I	Tangible Assets									
	Building	14,039,323	-	-	14,039,323	8,851,883	492,807	-	9,344,689	4,694,634
	Leasehold Properties	528,661	-	-	528,661	429,758	9,396	-	439,154	89,507
	Furniture & Fittings	2,107,947	40,000	-	2,147,947	1,936,487	28,628	-	1,965,116	182,831
	Office Equipment	2,617,305	52,665	-	2,669,970	2,470,047	36,301	-	2,506,348	163,622
	Vehicles	11,894,683	8,949,438	-	20,844,121	10,672,066	1,741,879	-	12,413,945	8,430,177
	Plant & Machinery	118,396,117	11,122,857	-	129,518,974	97,935,760	3,626,607	-	101,562,367	27,956,607
	Computers	2,693,170	118,837	-	2,812,007	2,500,914	62,174	-	2,563,087	248,920
					-				-	
	Total	152,277,206	20,283,797	-	172,561,003	124,796,914	5,997,792	-	130,794,706	41,766,297

Notes : 2 Intangible Assets for the year ended 31st March 2022.

Sr. No	Particulars	Cost or Deemed Cost								Carrying Amount
		Balance as on 01.04.2021	Additions during the year	Disposals/Adjustme nts during the year	Balance as on 31.03.2022	Balance as on 01.04.2021	Amprtization expense	Disposals	Balance as on 31.03.2022	As on 31.03.2022
I	Intangible Assets									
	Computer Software	977,400	166,568	34,549	1,109,419	656,376	92,185	-	748,561	360,858
	Total	977,400	166,568	34,549	1,109,419	656,376	92,185	-	748,561	360,858
Total Fixed Assets		153,254,606	20,450,365	34,549	173,670,422	125,453,290	6,089,977	-	131,543,267	42,127,155



3 Other Financial Assets(Non Current)

Figures in '000

Particulars	As at 31.03.2022	As at 31.03.2021
Unsecured, Considered good		
Security Deposits	2,348	2,276
Total	2,348	2,276
Fixed deposits with maturity more than 12 months	3,830	3,312
Total	6,179	5,588

4 Inventories (as taken, valued and certified by the management)

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Raw materials	812	539
(b) Work-in-progress	573	729
(c) Finished goods	6,462	6,844
(d) Consumables Stores and Spares	2,076	1,687
Total	9,924	9,799

5 Trade Receivables

Particulars	As at 31.03.2022	As at 31.03.2021
Current		
Billed	20,015	19,718
Unbilled	-	-
Total	20,015	19,718

6 Cash and Cash Equivalents

Particulars	As at 31.03.2022	As at 31.03.2021
Balances with Banks		
In current Accounts	4,351	3,653
Cash and Cash equivalents:		
Cash on hand (as certified by the management)	193	84
Total	4,544	3,738

7 Other Current Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
i)Advances other than capital advances:		
Advance to related parties	1,533	60
Advances to suppliers	286	286
Staff Advances	59	372
ii) Balances with Statutory & Govt authorities	661	271
iii) Others	220	234
Total	2,759	1,223

HITCO TOOLS LIMITED.,

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2022

**8 Share Capital**

Particulars	As at 31st March 2022		As at 31st March 2021	
	No.Of Shares	Amount (Rs/-)	No.Of Shares	Amount (Rs/-)
Authorised Share Capital: 70,00,000 (March 31,2020 :70,00,000) Equity Shares of Rs.10/- each	7,000,000	70,000,000	7,000,000	70,000,000
Issued Share Capital 61,59,847 (March 31,2020 : 61,59,847) Equity Shares of Rs.10/- each	6,159,847	60,360,470	6,159,847	60,360,470
Subscribed and fully Paid up: 59,12,247 (March 31, 2020 : 59,12,247) Equity Shares of Rs. 10/- fully paid up	5,912,247	59,122,470	5,912,247	59,122,470
Subscribed and partly Paid up: 247,600 (March 31, 2020 : 247,600) Equity Shares of Rs.10 each (Rs.5/- Partly paid up)	247,600	1,238,000	247,600	1,238,000
Total	6,159,847	60,360,470	6,159,847	60,360,470
Forfeited Shares: 569,300 (March 31, 2018 : 569,300) Equity Shares of Rs. 5/- not reissued	569,300	2,846,500	569,300	2,846,500

Terms/Rights attached to equity share holders

The Company has only one class of shares, referred to as equity shares, having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share held.

The Company declares and pays dividend in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Dividend, if any, is payable to the shareholders in proportion to their shareholding.

The Company has not declared any dividend during the year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Reconciliation of number of Shares outstanding at the beginning and as on 31st March 2022

Particulars	As at 31st March 2022		As at 31st March 2021	
	No.Of Shares	Amount (Rs/-)	No.Of Shares	Amount (Rs/-)
Balance as at the beginning of the previous year				
Fully paid up (Rs. 10/- each)	5,912,247	59,122,470	5,912,247	59,122,470
Partly paid up (Rs. 5/- each)	247,600	1,238,000	247,600	1,238,000
Add: Shares issued during the year				
Less : Shares bought back during the year				
Balance as at the end of the year	6,159,847	60,360,470	6,159,847	60,360,470

Details of Shares held by shareholders, holding more than 5% of the aggregate shares in the Company:

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Percentage	No. of shares	Percentage
Surendra Bhandari	1,000,684	16.25%	1,000,684	16.25%
Hittco Properties LLP	370,051	6.01%	652,044	10.59%
B I Holdings (Bangalore) LLP			917,064	14.89%
Sidharth Bhanadari			392,699	6.38%
Total	1,370,735	16.25	2,962,491	48.11

Figures in '000

9 Reserves and Surplus	31st March 2022	31st March 2021	31st March 2020
Capital reserve	3,000	3,000	3,000
Securities Premium	13,200	13,200	13,200
Retained Earnings			
Balance at the beginning of the year	(60,839)	(58,698)	(49,965)
Add: Profit/(loss) for the year	7,417	(2,192)	(8,506)
Items of other comprehensive income recognized directly in retained earnings:			
Remeasurement of post-employment benefits obligation, net of tax	471	51	(227)
Balance at the end of the year	(52,951)	(60,839)	(58,698)
Total Reserves and Surplus	(36,751)	(44,639)	(42,498)



10 Non Current Borrowings

Figures in '000

Particulars	As at 31.03.2022	As at 31.03.2021
Secured:		
Term Loans from Banks (Car Loans)	6,265	35,178
Less : Current Maturities of Long term Debt	1,345	1,397
Total Secured Non Current Borrowings	4,919	33,781
Unsecured		
Loans from related parties:	33,801	-
Total Unsecured Non Current Borrowings	33,801	-
Total	38,721	33,781

Note: Terms of Repayment of Non Current Borrowings , Nature of Security and interest rate

Borrowings	Repayment Terms EMI p.m	Security	Finance Charges	Maturity Date
a) Term Loans from Banks - ECL Financial Ltd	Loan from ECL Finance Ltd was repaid fully during the year.			
b) Vehicle loans - Car Finance Daimler Financial Services India Pvt Ltd Benz Car	109	Hypothecation of Vehicle	MCLR rate + Spread	18th July 2026
c) Vehicle loans - Car Finance KOTAK MAHINDRA PRIME LTD	22	Hypothecation of Vehicle	MCLR rate + Spread	05th Sep 2026
d) Vehicle loans - Car Finance Kotak Mahindra Prime Ltd - CF 17428590	15	Hypothecation of Vehicle	MCLR rate + Spread	05th Aug 2023

Nature of Security:*

All the banking facilities sanctioned by the Bank are primarily secured by extension of charge over all existing and future current assets/ moveable Fixed assets of the company and also further collaterally secured by:

- Collateral Security over residential properties located at Plot no 78, Peenya Industrial area, 3rd Stage ,Bangalore owned by Hindustan Tools Corporation for which Surendra Bhandari is the proprietor.
- All the banking facilities are further personally guaranteed by two directors (Surendra Bhandari and Siddharth Bhandari) .

** The entire outstanding balance as on the reporting date has been disclosed under 'Current maturities of Non Current Borrowings'.

11 Other Financial Liabilities(Non Current)

Particulars	As at 31.03.2022	As at 31.03.2021
Unsecured,Considered good		
Security Deposits	2,425	2,606
Total	2,425	2,606

12 Non Current Provisions

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits	1,381	2,058
Total	1,381	2,058



13 Deferred Tax Liability / (Assets):

The balance comprises temporary differences attributable to :

Figures in '000

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Tax Liabilities		
Property, Plant and Equipment, Intangible assets	60	(7,203,120)
Financial assets at Fair value through other comprehensive income	122,540	(10)
Deferred Tax assets		
Attributable to:		
Expenses allowable for tax purposes when paid	(93,310)	98,900
Carry forward loss	(29,290)	7,104,230
Total DTL/(DTA)	-	-

Movement in Deferred tax liabilities

Particulars	Property, Plant and Equipment and intangible assets	Financial assets at FVOCI	Expenses allowed for tax purposes when paid	On Carry forward of loss
Charged/(Credited)				
- to Profit or Loss	(7,367,120)	-	19,900	7,410,230
- to Other Comprehensive Income	-	(63,010)	-	-
As at 31st March 2021	(7,203,120)	(10)	98,900	7,104,230
Charged/(Credited)				
- to Profit or Loss	7,203,180	-	(192,210)	(7,133,520)
- to Other Comprehensive Income	-	122,550	-	-
As at 31st March 2022	60	122,540	(93,310)	(29,290)

Note:

On the basis of principle of prudence, deferred tax assets on unaborsbed losses and carry forward of losses have been recognised to the extent of that there is a reasonable certainty of their realisation.

14 Borrowings

Particulars	As at 31.03.2022	As at 31.03.2021
- Bank OD Axis Bank	5,003	-
The Overdraft Facility has been sanctioned on the security of Personal Property of promotor (Residential Apartment)*		
(i) Current maturities of Non Current Borrowings *	1,345	-
Total	6,348	-

* Address of the Security: Flat No TF-6, 3rd Floor, Ratan Apartments, Corporation Nos. 34 and 34/1, Muthappa Block, Gangenahalli (Ganganagar), Division No 82, Bangalore.

15 Trade Payables

Particulars	As at 31.03.2022	As at 31.03.2021
- Dues of MSME *	-	-
- Others	6,672	5,273
Total	6,672	5,273

* The company has not received any intimation from the suppliers regarding status under Micro, Small and Medium Enterprises Development Act, 2006(the Act) and hence disclosures regarding the same cannot be furnished in the financial statements. Further, the Company is making efforts to get the confirmation from the suppliers as regard their status under the act on the reporting date.

16 Other Financial Liabilities (Current):

Particulars	As at 31.03.2022	As at 31.03.2021
(i) Current maturities of Non Current Borrowings *	-	1,397
(ii) Other Payables		
a) Payable to employees	1,036	1,104
b) Creditors for expenses	1,524	1,008
Total	2,560	3,509

* Details of Current maturities of long-term borrowings

Particulars	As at 31.03.2022	As at 31.03.2021
Loans from Banks (Refer note (10) for details)	-	-
Vehicle loans - Car Finance (Refer note (10) for details)	-	1,397
Total	-	1,397

17 Provisions

Figures in '000

Particulars	As at 31.03.2022	As at 31.03.2021
Current		
Provision for Employee benefits	756	791
Total	756	791

18 Other Current liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Statutory Liabilities	228	1,282
Others	-	-
Total	228	1,282

19 Revenue from Operations

Figures in '000

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
(a) Sale of Products		
- Finished goods	65,200	54,691
(b) Sale of Service	525	164
Total	65,725	54,855

20 Other Income

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
(a) Interest Income	96	38
(b) Other non-operating income	22	198
(b) Sundry Creditors Writen off	774	
Total	892	236

21 Cost of Material consumed

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Opening stock of Raw Materials	539	1,083
Opening stock of consumables	1,687	1,825
Add: Purchase of Raw Materials & incidental expenses	20,806	16,726
Add: Purchases of Consumables	3,421	2,508
	26,453	22,142
Less: Closing stock of Raw Materials	812	539
Less: Closing stock of consumables	2,076	1,687
	2,888	2,225
Raw material consumed	23,565	19,917

22 Changes in inventory of finished goods, work in Progress and Stock in Trade

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
(Increase)/Decrease in Stocks		
Inventories at the end of the year:		
Finished Goods	6,462	6,844
Work-in-Progress	573	729
Stock in Trade	-	-
TOTAL A	7,035	7,574
Less: Inventories at the beginning of the year		
Finished Goods	6,844	5,986
Work-in-Progress	729	364
Stock in Trade	-	-
TOTAL B	7,574	6,350
Total Changes in inventory of finished goods, work in Progress and Stock in Trade (B-A)	538	(1,224)

23 Employee Benefit Expenses

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Salaries, Wages & Bonus	13,672	13,953
Contribution to Provident and other funds		
i. Contribution to Provident fund	544	499
ii. Contribution to Employee State Insurance	141	153
Gratuity	288	374
Leave encashment	123	47
Staff welfare expenses	389	723
Total	15,157	15,748

24 Finance Costs

Figures in '000

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Finance Charges	1,775	3,661
Other Borrowing costs	875	74
Total	2,650	3,735

25 Depreciation and Amortisation

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Depreciation of Property, Plant and Equipment	5,998	5,178
Amortisation of Intangible assets	92	110
Total	6,090	5,287

26 Other Expenses

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Currency Exchange (Gain)/Loss	(20)	464
Power and Fuel	3,340	3,303
Annual listing fees	300	300
Repairs and Maintenance – Plant and Machinery	548	326
Repairs and Maintenance – Building	661	252
Insurance	136	130
Donation	450	250
Rates and Taxes	0	365
Rent	223	253
Travelling & Conveyance Expenses	285	2,277
Statutory Audit fees	90	80
Postage and courier charges	770	767
Professional and consultancy charges	1,032	1,049
Printing & Stationary	8	20
Business Promotion expenses	681	1,562
Internet & Telephone Expenses	101	139
Transportation Charges	256	81
Security Charges	687	640
Other expenses	1,652	1,561
Total	11,201	13,819

27 Exceptional items

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Loss on sale of Fixed asset	-	-
Total	-	-

28 Taxes

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Current taxes		
- Income Tax (MAT)	-	-
- Income Tax	-	-
Total	-	-
Deferred taxes		
DTL (Reversal)	-	-
Deferred tax assets	-	-
Total	-	-
Total	-	-

30 Earnings Per Equity Share

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Profit/(loss) after tax	7,888	(2,141)
Weighted average number of equity shares	6,036,047	6,036,047
Basic and diluted earnings/(loss) per share(INR)	0.00	(0.00)
Face value per share(INR)	10	10



29.2 (i) Contingent Liabilities and Commitments

Figures in '000

Particulars	As at 31.3.2022	As at 31.3.2021
Bank Guarantees		-
On account of capital contracts remaining to be executed	-	-
VAT Interest demand	-	-
Total	-	-

Note : A Case has been filed with 1st Addl.Labour court by S V Govindaraju against the company. Another case is filed with the labour office 1 by the union employees for protected workmen case. Apart from that one Writ Petition filed by Govindaraju for full back wages is pending before the Hon'ble High Court and the said case not listed for hearing from almost 2 years. No provision has been made in the books relating to this cases as the management is confident that matter will be decided in its favour.

29.2 (ii) CIF value of Imports

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Raw Materials	-	-
Total	-	-

29.2 (iii) Expenditure Incurred in foreign currency

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Travelling expenses	-	-
Total	-	-

29.2 (iv) Details of Consumption and purchase

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
a) Details of Raw Materials Consumed		
Total	-	-
b) Details of value of imported and indigenous material consumed		
	Imported	Imported
Raw Materials and Stores and Spares	-	-
Percentage	0.00%	0.00%
		Indigenous
Raw Materials and Stores and Spares	23,565	19,917
Percentage	100.00%	100.00%
Total	23,565	19,917

29.2 (v) Dividend Remitted in Foreign Exchange

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Dividend paid during the year	Nil	Nil
Number of Non Resident Shareholders	1	1
Number of equity shares held by such Non Resident Shareholders	392,699	392,699
Year to which the Dividend relates to	Nil	Nil

29.2 (vi) EARNINGS IN FOREIGN CURRENCY

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Revenue from exports on FOB basis	1,574	2,552



29.2 (vii) Earnings per Share

Figures in '000

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
(a) Basic earnings per share		
Profit after tax	7,887,804	(2,140,610)
Weighted average number of shares outstanding	6,036,047	6,036,047
Basic EPS	1.31	(0.35)
(b) Diluted earnings per share		
Profit after tax	7,887,804	(2,140,610)
Weighted average number of shares outstanding	6,036,047	6,036,047
Add: Weighted average number of potential equity shares	-	-
Weighted average number of shares outstanding for diluted EPS	6,036,047	6,036,047
Diluted EPS	1.31	(0.35)
Face value per share of Rs 10/-		

29.2 (viii) EMPLOYEE BENEFITS

The details required under Ind AS 19 – Employee Benefits are as follows;

The Employees' Gratuity Fund Scheme managed by the Hittco Tools Employees Group Gratuity Fund Trust is a defined benefit plan. The present value of the obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	As at 31.3.2022	As at 31.3.2021
Present value of Defined benefit obligation		
Obligations at Period beginning	2,036	2,283
Service cost	178	232
Interest cost	111	142
Actuarial (Gain) / Loss	(471)	(51)
Benefits paid	(616)	(570)
Obligations at Period at the end of the year	1,237	2,036
Defined benefit obligation liability, on account of gratuity, as at the Balance Sheet date has not been funded.		
Fair value of plan assets		
Plan assets at period beginning at fair value		
Expected return on plan assets		
Actuarial (Gain) / Loss		
Employers' Contributions	616	570
Benefits paid	(616)	(570)
Plan assets at period end at fair value	-	-
Assets/liabilities recognised in the balance sheet		
Fair value of plan assets at period end	-	-
Asset / (Liability) recognised in the balance sheet	(1,237)	(2,036)
Significant estimates: actuarial assumptions and sensitivity		
Discount rate	6.85%	6.05%
Estimated salary escalation rate	5.00%	5.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Withdrawal rate	7.00%	7.00%
Gratuity expenses recognised in 'other comprehensive income'(net of taxes)	(471)	(51)
Gratuity Expenses recognised in the Profit or Loss	288	374



For the financial year 2021-22		Figures in '000
Item / Change in assumptions		Impact in case of increase in assumption
Discount rate / 0.50 %		1,196,851
Salary inflation rate / 1%		1,276,739
Withdrawal rate / 5%		1,239,729

29.2 (ix) SEGMENT REPORTING

The Company is primarily engaged in one segment of manufacture and sale of Machine tools , accordingly there is only one operating segment. Hence disclosures for operating segment, as envisaged in Ind AS 108 on segment reporting as notified under section 133 of the companies act, is not applicable.

29.2 (x) Managerial Remuneration (including employer contribution to Provident fund where ever applicable)

Particulars	Remuneration	
	FY: 2021-22	FY: 2020-21
Rajib Gosh Roy - Chief Executive Officer	1,350	1,070
Huma M Tamatgar - erstwhile Company Secretary	-	115
Shalini Kashyap - erstwhile Company Secretary *	318	346
Priya Malhotra - Company Secretary	-	-
Surendra Bhandari - Managing Director	600	1,117
Yashvardhan - CFO	630	274,734
Total	2,898	277,381

As the future liability of Gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Directors is not ascertainable and therefore not included in above.

* Till November 2021

29.2 (xi) Derivative instruments and unhedged foreign currency exposure

Particulars of unhedged foreign currency exposures as at the reporting date

Particulars	31.3.2022	31.3.2021
Trade Payables	Nil	Nil
Trade Receivable	Nil	Nil

29.2 (xii) Disclosure of dues/payments to Micro and Small enterprises to the extent such enterprises are identified by the company.

The company has not received any intimation from the suppliers regarding status under Micro, Small and Medium Enterprises Development Act, 2006(the Act) and hence disclosures regarding the same cannot be furnished in the financial statements. Further, the Company is making efforts to get the confirmation from the suppliers as regard their status under the act on the reporting date.

29.2 (xiv) In the Opinion of Board of Directors, Advances to related parties, security deposits have atleast the realizable value as stated in the Balance Sheet.

29.2 (xv) Confirmation of balances - balances of Trade receivables, Advances from Customers , Advances to suppliers and other advances if any and 'Other Financial liabilities' are subject to confirmation from respective parties.

29.2 (xvi) Pursuant to IND AS 109- Impairment of assets, the Company assessed its fixed assets for impairment as at 31st March 2021 and concluded that there has been no significant impaired fixed asset that needs to be recognised in the books of accounts.



29.2 (xvi) Auditors' Remuneration (Excluding Service Tax/GST)

Figures in '000

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
For Statutory Audit	90	80
For Tax Audit	-	-
For Other Services	-	-
Total	90	80

29.2 (xvii) TRANSACTIONS WITH RELATED PARTIES (as identified by the Company)

Description of the nature of transaction	Year ended 31st March 2022	Year ended 31st March 2021
Remuneration paid		
Rajib Gosh Roy	1,350	1,070
Huma M Tamatgar - erstwhile Company Secretary	-	115
Shalini Kashyap - erstwhile Company Secretary *	318	346
Surendra Bhandari	600	1,117
Yashvardhan	630	275
Interest on Loan		
BE1 Global Tech Private Limited	548	-
Donation Given		
Ananth Bhandari Trust	450	-
Total	3,896	2,922
Non-current Borrowings from related parties received/(paid)		
Hittco Properties LLP	-	-
Madhu Bhandari	-	-
BI Holdings (Bangalore) LLP	-	-
Hitech Prints (India) Private Limited	-	-
BE1 Global Tech Private Limited	38,700	-
BE1 Global Tech Private Limited	(36,794)	-
Sidharth Bhandari	35,225	-
Sidharth Bhandari	(3,329)	-
Total	33,801	-
Advances received from related parties		
HTC Properties LLP	-	769
BI Holdings (Bangalore) LLP	-	-
Surendra Bhandari	-	122
Sidharth Bhandari	-	221
Total		1,112
Advances paid/(Received) to the related parties		
IEM International Private Limited	1,167	(480)
BI Realtors LLP	-	(26)
HTC Properties LLP	413	-
HTC Properties LLP	(47)	(769)
HTC Tools and Trading Co	-	(119)
Sidharth Bhandari	-	(221)
Surendra Bhandari	-	(122)
Total		(1,737)
Balances Outstanding as on the reporting dates	31st March 2022	31st March 2021
Advances Receivable at Year end		
IEM International Private Limited	1,167	-
BI Realtors LLP	(4)	-
HTC Properties LLP	366	-
HTC Tools and Trading Co	-	60
Sidharth Bhandari	(31,896)	-
BE1 Global Tech Private Limited	(1,906)	-
Surendra Bhandari	-	-
Total	(32,273)	60
Creditors for expenses		
BI Realtors LLP	-	-



Total		-
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List of related parties and relationship:

Key Management Personnel	Associates / Other related party (Parties under common control)
Surendra Bhandari - Managing director Rajib Gosh Roy - CEO Priya Malhotra - Company Secretary Shalini Kashyap - erstwhile Company Secretary * Huma M Tamatgar - erstwhile Company Secretary Madhu Bhandari Sidharth Bhandari Yashvardhan Bhandari - CFO	HTC Properties LLP Fotoset Trading Private Limited Hitech Prints (India) Private Limited Hittco (Thailand) Ltd Hittco Properties LLP IEM International Private Limited BI Holdings (Banglore) LLP BI Realtors LLP BE1 Global Tech Private Limited

* Till November 2021

Note: Certain transactions were awaiting Board approval on the reporting date.

29.2 (xviii) Company has not provided any provision for current tax as the company are not liable to pay tax u/s 115BAA after considering bought forward unabsorbed depreciation .

29.2 (xviiv) Previous period figures have been regrouped / reclassified wherever necessary to conform to the current period classification / disclosure.

For and on behalf of the Board of Directors of
HITCO TOOLS LTD

Sd/-
Surendra Bhandari
Managing Director
DIN: 00727912

Sd/-
Sidharth Bhandari
Director
DIN: 00237174

For Bothra Nirmal Associates
Chartered Accountants
Firms' Registration No.322103E

Sd/-
Yashvardhan Bhandari
Director
DIN: 06688573
Place: Bengaluru
Date: 28/05/2022

Sd/-
Rajib Ghosh Roy
CEO

Sd/-
Priya Malhotra
CS

Sd/-
CA Nirmal Kumar Bothra
Membership No.052248
UDIN: 22052248AJVODH4826

30 Financial Instruments

Disclosure of Financial Instruments by Category

Financial instruments by categories	31.03.2022			31.03.2021		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset						
Trade Receivables	-	-	20,015	-	-	19,718
Cash and cash equivalents	-	-	4,544	-	-	3,738
Other Financial assets	-	-	6,179	-	-	5,588
Total Financial Assets	-	-	30,737	-	-	29,044
Financial liability						
Borrowings	-	-	38,721	-	-	33,781
Trade payables	-	-	6,672	-	-	5,273
Other Financial liabilities	-	-	2,425	-	-	2,606
Total Financial Liabilities	-	-	47,818	-	-	41,659

Default and Breaches

There are no defaults with respect to payment of principal, interest and no breaches of the terms and conditions of the Loans taken from Banks and financial institutions.

There are no breaches during the year which permitted lender to demand accelerated payment.

31 Fair Value Hierarchy

Management considers that the carrying amount of those financial assets and financial liabilities, that are not subsequently measured at fair value, in the financial statements approximate their fair values

For financial instruments that are subsequently measured at fair value, their fair value measurement is grouped into Levels 1 to 3 based on the following fair value hierarchy

Level 1 :quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 :inputs other than quoted prices included within level 1, that are observable for the asset or liability, either directly (i.e. as a price) or indirectly (i.e. derived from prices)

Level 3:derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There are no financial instruments measured at Level 1, Level 2, Level 3 of Fair Value Hierarchy as at reporting date

The carrying amounts of financial instruments carried at amortized cost i.e. Trade receivables, Cash and Cash equivalents, other financial assets, Borrowings, other financial liabilities and trade payables are considered to be the same as their fair values, due to their short term nature

Fair Valuation techniques

Fair value of financial assets and liabilities measured at amortized cost

Trade receivables, cash and cash equivalents, borrowings, trade payables, other financial assets, other financial liabilities are financial instruments with carrying values that approximate fair value. If measured at fair value in the financial statements, these financial instruments would be classified as level 3 in the fair value hierarchy

32 Asset pledged as security

The Carrying amounts of assets pledged as security for current and non current borrowings are :

Particulars	Figures in '000	
	31.03.2022	31.03.2021
Non Financial Asset		
Property, Plant & Equipment	41,766	27,480
Financial Asset		
Cash and Cash Equivalents	4,544	3,738
Inventories	9,924	9,799
Trade Receivables	20,015	19,718
TOTAL	76,249	60,735

Notes:

1) The Banking facilities sanctioned by the ECL Finance Ltd on Security of Pledge of the assets, was fully repaid during the year. And the Closing letter also received from the concerned financial institution by discharging the Pledge against the Financial and Non Financial Assets of the Company.

2) As on Year end all the Financial and Non Financial assets are free from the Pledge.



TWENTY-SIXTH ANNUAL REPORT

STATEMENT OF CHANGES IN EQUITY

Name of the Company- **Hittco Tools Limited**
Statement of Changes in Equity for the period ended **31st March 2022**

	Issued and paid up capital at 01st April 2018	Changes in equity share capital during the year 2018-19	Balance at 31st March 2019	Changes in equity share capital during the year 2019-20	Balance at 31st March 2020	Changes in equity share capital during the year 2020-21	Balance at 31st March 2021	Changes in equity share capital during the year 2021-22	Balance at 31st March 2022
A. Equity Share Capital	63,206,970	-	63,206,970	-	63,206,970	-	63,206,970	-	63,206,970
Total Equity Share Capital	63,206,970	-	63,206,970	-	63,206,970	-	63,206,970	-	63,206,970

B. Other Equity

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Revaluation Surplus	Other Items of Other Comprehensive Income	Total of Other Equity
			Capital Reserve	Securities Premium Reserve	Other Reserves	Retained Earnings					
Balance at the 01st April 2018	-	-	3,000,000	13,200,000	-	(50,863,337)	-	-	-	-	(34,663,337)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	(642,023)	-	-	-	-	(642,023)
Dividends	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	1,540,368	-	-	-	-	1,540,368
Balance at the 31st March 2019	-	-	3,000,000	13,200,000	-	(49,964,991)	-	-	-	-	(33,764,991)
Balance at the 31st March 2019	-	-	3,000,000	13,200,000	-	(49,964,991)	-	-	-	-	(33,764,991)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	(227,315)	-	-	-	-	(227,315)
Dividends	-	-	-	-	-	-	-	-	-	-	-
Profit/(loss) for the year	-	-	-	-	-	(8,505,705)	-	-	-	-	(8,505,705)
Balance at the 31st March 2020	-	-	3,000,000	13,200,000	-	(58,698,012)	-	-	-	-	(42,498,012)
Balance at the 31st March 2020	-	-	3,000,000	13,200,000	-	(58,698,012)	-	-	-	-	(42,498,012)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	50,974	-	-	-	-	50,974
Dividends	-	-	-	-	-	-	-	-	-	-	-
Profit/(loss) for the year	-	-	-	-	-	(2,191,584)	-	-	-	-	(2,191,584)
Balance at the 31st March 2021	-	-	3,000,000	13,200,000	-	(60,838,622)	-	-	-	-	(44,638,622)
Balance at the 31st March 2021	-	-	3,000,000	13,200,000	-	(60,838,622)	-	-	-	-	(44,638,622)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-
Profit/(loss) for the year	-	-	-	-	-	7,416,509	-	-	-	-	7,416,509
Balance at the 31st March 2022	-	-	3,000,000	13,200,000	-	(53,422,113)	-	-	-	-	(37,222,113)

The accompanying notes are an integral part of these financial statements

For and on behalf of the Board of Directors of
HITCO TOOLS LIMITED

This is the statement of changes in equity referred to in our report of
even date

Surendra Bhandari
Managing Director
DIN: 00727912

Sidharth Bhandari
Director
DIN: 00237174

For Bothra Nirmal Associates
Chartered Accountants
Firms' Registration No.322103E

Yashvardhan Bhandari
Director & CFO
DIN: 0668573

Rajib Ghosh Roy
CEO

Priya Malhotra
CS

CA Nirmal Kumar Bothra
Membership No.05248
UDIN: 22052248AJVODH4826

Place: Bengaluru
Date: 30/06/2021