HITTCO TOOLS LIMITED

Registered Office- HTC Aspire, 19, Ali Asker Road, 2nd Floor Bangalore- 560052
CIN: L28939KA1995PLC016888; website- www.hittco.com;
Email Id: cs@hittco.com; Contact No.: 080 4086 5062

Date: 20.08.2021

To,
The General Manager,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

SUB: 27Th Annual Report and Notice of the 27Th Annual General Meeting ("AGM") for the Financial Year 2020-21.

Ref: Scrip Code: 531661

Dear Sir/Madam,

Pursuant-to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the 27Th Annual Report of the Company for the F.Y. 2020-21 along with the Notice of the 27Th AGM of the Company.

The 27Th AGM of the Company scheduled to be held on Monday, the 13Th September, 2021 at 11.00 A.M. (IST) through Video Conferencing ('VC') facility / other audio visual means ((OAVM'). The Register of Members and the Share Transfer Books of the Company will remain closed from 7Th September, 2021 to 13Th September, 2021 (both days inclusive) and the remote e-voting shall commence from 10Th September, 2021 at 9.00 A.M. and ends on 12th September, 2021 at 5.00 P.M. The cut-off date (record date) is 6th September, 2021 for e-voting.

The 27Th Annual Report of the Company along with the Notice convening 27Th AGM are also available on the website of the Company at www. Hittco.com

Kindly take the same on record and oblige.
Thanking You!
For Hittco Tools Limited

For HITTCO TOOLS LTD

Shalini

COMPANY SECRETARY

(Shalini Kashyap)
Company Secretary & Compliance Officer
Mem. No. 32383

AN ISO 9001-2015 COMPANY

Hittco Tools Ltd.

27Th Annual Report

2020-2021

CORPORATE INFORMATION

BOARD OF DIRECTORS:
Mr. Surendra Bhandari (Managing Director)
Mrs. Madhu Bhandari
Mr. Sidharth Bhandari
Mr. Satish Ramarao Shimoga
Mr. Rajeev Gobindram Hassanand
Mr. Menezes Braganca Nikhil Fernando De
Mr. Biligere Shekar Prakash
Mr. Vikram Gupta
Mr. Yash Vardhan Bhandari (CFO and Director)
Mr. Rajib Ghosh Roy (CEO)

COMPANY SECRETARY AND COMPLIANCE OFFICER
Miss. Shalini Kashyap

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.
Induslnd 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 27Th Annual general Meeting of Members of Hittco Tools Limited will be held on Monday, 13Th September 2021 at 11:00 AM (IST) through Video Conferencing ("VC") /Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statement of the Company for the Financial Year ended March 31St 2021, together with the Reports of the Board of Directors and Auditor's thereon.

   To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the audited financial statements of the Company for the financial year ended 31St March, 2021 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 Mr. Sidharth Bhandari (DIN: 00237174), who retires by rotation and being eligible, offer himself for re-appointment.

   To consider and, if thought fit, to pass with or without modification 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, Mr. Sidharth Bhandari (DIN: 00237174), 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."

3. To appoint M/s Bothra Nirmal Associates, Chartered Accountants (Firm Registration No. 322103E) as Statutory Auditors of the Company and to fix their remuneration.

   To consider and if thought fit, to pass, with or without modification the following Resolution as Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of directors, M/s. Bothra Nirmal Associates, Chartered Accountants having registration number 322103E, be and hereby appointed as the Statutory Auditors of the Company for a period of Five years i.e. from the Financial Year 2021-2022 to Financial Year 2025-2026 to hold office till the conclusion of the Annual General Meeting of the Company for the Financial Year 2025-2026, on a remuneration as may be mutually decided by the Board of Directors of the Company and Auditors."

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

SPECIAL BUSINESS:

4. Appointment of M/s. Bothra Nirmal Associates, Chartered Accountants, as Statutory Auditors of the Company to fill the casual vacancy caused due to the Resignation of M/s. DTSB & ASSOCIATES, Chartered Accountants.

   To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 read along with the Companies (Audit and Auditors) Rules, 2014, and other applicable rules, if any, (including any statutory modification(s) or amendment (s) thereto, re-enactment thereof for the time being in force) consent of the Members of the Company be and is hereby accorded for appointment of M/s. Bothra Nirmal Associates, Chartered Accountants, registered with the Institute of Chartered Accountants of India vide Firm Registration No. 322103E as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. DTSB & Associates, Chartered Accountants, (Firm Registration No 329277E) for the financial year ended March 31, 2021, on a remuneration of Rs 80,000 plus applicable taxes and reimbursement of out of pocket expenses for the purpose of audit.

"RESOLVED FURTHER THAT any director of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors
HITTCO TOOLS LIMITED
Sd/-
Shalini Kashyap
Company Secretary and Compliance Officer

Date: 20/08/2021
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. 2 & 3 and special business under item Nos. 4 of the accompanying Notice of the AGM, is annexed hereto. The Board of Directors of the Company at its meeting held on 20.08.2021 considered that the special business under item Nos. 4, being considered unavoidable, be transacted at the 27th AGM of the Company.

2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 13Th January 2021 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., csspc21@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 27Th 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 6th September 2021. 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 2020-21 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 2020-21 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 27th AGM through VC/OAVM Facility and e-Voting during the 27Th 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 7, 2021 to September 13, 2021 (both days inclusive).

18. INSTRUCTION FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC / OAVM & E-VOTING DURING MEETING ARE AS UNDER:

(i) Shareholders are encouraged to join the Meeting through Laptops / iPad for better experience.

(ii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

(iii) 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.

(iv) 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.

(v) 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 Friday, September 10, 2021 and ends at 5.00 PM (IST) on Sunday, September 12, 2021. During this period, Members holding shares either in physical or de-materialized form as on the Cut-off / Record Date i.e., Monday, September 6, 2021, 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 27th AGM for information purpose only.

c. The Company has appointed M/s. Suraj Parasher & Co.,Company Secretaries (Membership No. ACS 62759) 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. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on September 6, 2021 ("Cut-Off Date").

f. E-voting Instructions: The details of the process and manner for remote e-voting are explained herein below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	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 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. 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**	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 re-directed 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 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.

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)

	• 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 Birth (DOB)	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. • 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.

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. Click on the EVSN for the relevant <Company Name> on which you choose to vote.

j. 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.

k. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

l. 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.

m. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

n. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

o. **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@hittco.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. **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 27Th AGM by email and holds shares as on the cut-off date i.e. 6th September 2021, 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 27th 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 -2

Pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the Company's Articles of Association, not less than two thirds of the total number of Directors of the Company shall be liable to retire by rotation. One third of these Directors must retire from office at each Annual General Meeting, but each retiring director is eligible for re-election at such meeting. Mr. Sidharth Bhandari retire by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.

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

Item No – 3

The Board of directors of the Company, on the recommendation of the Audit Committee appointed Bothra Nirmal Associates, Chartered Accountants (Firm Registration Number: 322103E) as the Statutory Auditors of the Company w.e.f. 14Th June 2021, to fill the casual vacancy caused by the resignation of DTSB & Associates (Chartered Accountants) (Firm Registration number: 329277E), till the conclusion of next Annual General Meeting (27Th) of the Company.

As per the provisions of Section 139 of the Companies Act, 2013 read with rules made there under, the Statutory Auditors appointed to fill causal vacancy can hold office up to the conclusion of ensuing Annual General Meeting.

In view of the above, the Board of Directors of the Company, on the recommendation of the Audit Committee, recommended for the approval of the Members, the appointment of Bothra Nirmal Associates, as the Statutory Auditors of the Company for the first term for a period of 5 years from the conclusion of this Annual General Meeting till the conclusion of the 32Nd Annual General Meeting to be held in 2026.

The Board and Audit Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found Bothra Nirmal Associates to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

Considering the above, the Board and Audit Committee are of the view that continuance of M/s Bothra Nirmal Associates as Auditors of the Company will be beneficial to the Company, shareholders and other stakeholders as well, therefore recommends their appointment as the Auditors of the Company for first term for a period of 5 years from the conclusion of the ensuing Annual General Meeting till the conclusion of Annual General meeting to be held in the year 2026.

Bothra Nirmal Associates have conveyed their consent to act as Statutory Auditors of the Company and have also provided their necessary certificate of eligibility for appointment as Statutory Auditors of the Company as required in Section 139(1) and 141(3) of the Companies Act, 2013, confirming the fact that they are not disqualified to be appointed as Statutory Auditors.

Bothra Nirmal Associates have also confirmed that there are no proceedings against the audit firm or any partner of the audit firm pending with respect to professional matters of conduct.

A brief profile of Bothra Nirmal Associates is given below:

Bothra Nirmal Associates is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India having head office in Kolkata. The Audit firm has valid Peer Review Certificate. The firm has gained varied experience in the audit, assurance, and management services.

Total remuneration will be provided to auditor Rs. 80,000/- p.a.

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

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution.

Item No-4

Appointment of M/s Bothra Nirmal Associates, Chartered Accountants, as Statutory Auditors of the Company to fill the casual vacancy caused due to the Resignation of M/s DTSB & Associates, Chartered Accountants.

M/s. DTSB & Associates, Chartered Accountants, had tendered their resignation vide letter dated June 2, 2021, as the Statutory Auditor of the Company for the accounting year 2020-21 and this resignation has resulted into a casual vacancy in the office of the Statutory Auditors of the Company.

As per Section 139(8) of the Companies Act, 2013, appointment of the new auditor shall be approved by the Company at a general meeting convened within three months of the recommendation of the Board and he shall hold the office till the conclusion of the next annual general meeting.

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. 4 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	Mr. Sidharth Bhandari
DIN	00237174
Date of Birth	17.02.1972
Date of Appointment	04.01.1995
Qualification	B. E. in Industrial Production
Expertise in specific functional areas	He possesses good business sense and administrative capabilities and having experience of more than twenty-five years of Building and developing strong relationships within the industry and has been involved in the operations of the manufacturing Company over a long period of time
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.	392699
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
HITTCO TOOLS LIMITED
Sd/-
Shalini Kashyap
Company Secretary & Compliance Officer

Place: Bangalore
Date: 20.08.2021

DIRECTORS' REPORT

To
The Members,

Your directors have pleasure in presenting the 27th Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2021.

FINANCIAL RESULTS:

The summarized financial results for the year are as under:

(Rs. In Lakhs)

Particulars	2020-21	2019-20
INCOME:		
Sales	548.55	563.78

Other Income	2.36	10.66
Total (A)	**550.90**	**574.44**
EXPENSES:		
Cost of Material Consumed	199.17	206.02
Changes in inventories of finished goods, work in progress and stock-in-trade	(12.23)	22.47
Employee benefit expenses	157.47	157.95
Interest and Financial Charges	37.35	39.19
Other expenses	138.18	162.12
Total (B)	**519.94**	**587.75**
Profit before Depreciation and Tax (C) = (A) - (B)	**30.96**	**(13.31)**
Depreciation and amortization expenses	52.87	71.42
Profit after Depreciation	(21.91)	(84.74)
Exceptional items – Net Income / Expenditure	0	0
Profit before Tax	(21.91)	(84.74)
Provision for Tax	0	.31
Profit for the period from continuing operation	(21.91)	(85.05)
Other comprehensive income (Re-measurement of defined benefit obligation / Assets)	.51	(2.27)
Profit / (Loss) after Depreciation and Tax	**(21.40)**	**(87.32)**
Earnings Per Share (Basic)	(.35)	(1.45)
Earnings Per Share (Diluted)	(.35)	(1.45)

OPERATIONS AND BUSINESS PERFORMANCE:

During the year under review the income of the Company decreased to Rs.550.90 lakhs during the year 2020-21 as against Rs. 574.96 lakhs during the previous year 2019-20. The Export Sales for the year 2020-21 is Rs. 25.51 lakhs compared to Rs. 25.25 lakhs in the previous financial year 2019-20. 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.

EXTRACTS OF 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 of the Company is available on the website of the Company at the link: https://www.hittco.com/assets/img/documents/MGT-9-2021

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. 185.68 Lakhs during the financial year ending 31.03.2021. 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:

Keeping in view the losses for the year under review, the Board of Directors has decided not to recommend any dividend for the financial year ended March 31, 2021.

TRANSFER TO RESERVES:

The closing balance of the retained earnings of the Company for FY 2021, after all appropriation and adjustments was Rs. (608.38). In view of the loss during the year the Board of Directors of your Company do not proposes to carry any amount to reserve.

SHARE CAPITAL:

The paid-up Equity Share Capital of the Company as on March 31, 2021, was Rs. 6,15,98,470/- 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 31,2021, 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, 2021 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, had approved the appointment of Mr. Yashvardhan Bhandari (holding DIN 06688573), as an Executive Director of the company in the meeting held on 22.05.2020.

The Shareholders of the Company, at their Annual General Meeting held on 25Th September, 2020, had approved the appointment of Mr. Yashvardhan Bhandari as an executive director of the Company.

Resignation

Mr. Rajib Ghosh Roy resigned from the post of whole-time director of the Company w.e.f. 22.05.2020.

The Board, at its meeting held on 21St May, 2020, has accepted his resignation w.e.f. 22.05.2020 and recorded its appreciation for his valuable contribution during his tenure on the Board of the Company.

Re-appointment:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Article of Association, Mr. Sidharth 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 Huma M Tamatgar resigned from the post of Company Secretary of the Company w.e.f. 25.06.2020 and Miss. Shalini Kashyap was appointed as the Company Secretary of the Company w.e.f. 06.07.2020.

Mr. Rajib Ghosh Roy resigned from the post of Chief Financial Officer of the Company and appointed as Chief Executive Officer w.e.f. 22.05.2020.

Mr. Yashvardhan Bhandari was appointed as Chief Financial Officer of the company by the board in the meeting held on 22.05.2020.

MEETING OF THE BOARD:

Six 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.	21.05.2020	10	8	80
2	26.06.2020	9	7	78
3.	28.08.2020	9	7	78
4.	15.09.2020	9	9	100
5.	12.11.2020	9	9	100
6.	13.02.2021	9	7	78

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 5 times and **Nomination and Remuneration Committee** met three times in the year under review on the following dates:

S. No.	**Date of Meeting**		**Attendance**

		No. of Members associated on the date of Meeting	No. of Member	% of Attendance
1.	21.05.2020	3	3	100
2.	26.06.2020	3	3	100
3.	15.09.2020	3	3	100
4.	12.11.2020	3	3	100
5.	13.02.2021	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.	21.05.2020	3	3	100
2.	04.07.2020	3	3	100
3.	15.09.2020	3	3	100

PERFORMANCE EVALUATION OF C H A I R M A N, 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 2020-21. 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

M/s. DTSB AND ASSOCIATES, who were appointed as the Statutory Auditors of the Company for a period of five years from the conclusion of Twenty-sixth Annual General Meeting held on 25th September 2020, have resigned as the Statutory Auditors of the Company w.e.f. 2nd June, 2021 due to lack of human resources caused by Covid 19 pandemic. The Board, at its meeting held on 14th June 2021, on the recommendation of the Audit Committee, accepted the resignation tendered by the Statutory Auditors and placed on record their appreciation to M/s. DTSB AND ASSOCIATES for their contribution to the Company with their audit processes and standards of auditing.

Appointment of M/s. Bothra Nirmal Associates, pursuant to the provision of Section 139 of the Companies Act, 2013, the Company was required to fill the casual vacancy caused by the resignation of M/s. DTSB AND ASSOCIATES as Statutory Auditors of the Company. Accordingly, the Board of Directors and Audit Committee, have appointed M/s. Bothra Nirmal Associates as Statutory Auditors of the Company to fill the casual vacancy caused due to the resignation M/s. DTSB AND ASSOCIATES, as Statutory Auditors of the Company, till the conclusion of 27Th Annual General Meeting of the company to be held in the calendar year 2021. Considering the varied experience that Bothra Nirmal Associates has gained in the field of audit, assurance and management services, your Board is of the view that continuance of M/s Bothra Nirmal Associates, Chartered Accountants as Statutory Auditors of the Company will be beneficial to the Company, shareholders and other stakeholders as well, therefore recommends their appointment as the Auditors of the Company for further period of 5 years from the conclusion of the ensuing 27Th Annual General Meeting till the conclusion of 32nd Annual General meeting to be held in the year 2026. M/s. Bothra Nirmal Associates, Chartered Accountants, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with the requisite confirmation that, their appointment, if made by the shareholders, would be within the limits prescribed under the Companies Act, 2013. The Auditors' Report to the Shareholders for the year under review does not contain any qualification, reservation or adverse remark or disclaimer.

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 2021.

   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 2021. 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 2021.

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.

3. Confirmation for balances of fixed deposits have not been provided for our verification. 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 2021

Director View on Auditor Adverse remark:

These FDs are closed and have been utilized already. Auditor has not provided any guidelines for adjustment of the same.

SECRETARIAL AUDITOR AND REPORT:

Secretarial Auditor

The Secretarial Auditors, M/s Suraj Parasher & Co., Practising Company Secretaries, has issued Secretarial Audit Report (Form MR-3) for the Financial Year 2020-21 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 Annexure1.

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

During the financial year 2020-21 the company has neither made any investment nor given any loans or guarantee covered under the provision of section 186 of the Companies Act, 2013.

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, 1975.

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 2020-21 and has complied with all the requirement of the listing regulations.

DISCLOSURE AS REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSEL) 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
HITTCO TOOLS LIMITED

Sd/-	**Sd/-**
(Surendra Bhandari)	**(Madhu Bhandari)**
Managing Director	**Director**
DIN: 00727912	**DIN: 00353298**

Place: Bangalore
Date: 20.08.2021

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 4.48 % of the total Sales.

	2020-21	2019-20
Total Foreign Exchange – Used (Rs.):	3,23,800.00	59,59,530.00
Earned (Rs.):	25,51,516.00	25,25,687.00

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

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

Sd/-
(Madhu Bhandari)
Director
DIN: 00353298

Place: Bangalore
Date: 20.08.2021

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 loss of Rs. 21.40 lakhs on a turnover of Rs. 548.54 lakhs and other income of Rs. 2.35 lakhs.

	Drill Bits & Taps (in Lakhs)
Net Sales & Operating Revenue	**Rs. 548.54**
Loss after Tax	**Rs. 21.40**
Capital Employed	**Rs. 185.68**

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 ADEQUECY

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 PEFORMANCE 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

HITTCO TOOLS LIMITED

Sd/-	**Sd/-**
(Surendra Bhandari)	**(Madhu Bhandari)**
Managing Director	**Director**
DIN: 00727912	**DIN: 00353298**

Place: Bangalore
Date: 20.08.2021

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 31,2021.

For and on behalf of the Board of Directors

HITTCO TOOLS LIMITED

Sd/-
(Rajib Ghosh Roy)
CEO
PAN : AGLPG2234R
Place: Bangalore
Date: 20.08.2021

CEO/CFO CERTIFICATION

To
The Board of Director
Hittco Tools Limited
Bangalore

We, Yashvardhan Bhandari, 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, 2021 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
HITTCO TOOLS LIMITED

Sd/-	**Sd/-**
(Rajib Ghosh Roy)	**(Yashvardhan Bhandari)**
CEO	**CFO**
PAN : AGLPG2234R	**PAN : ACVPY3047L**

Place: Bangalore
Date: 20.08.2021

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 2020-21 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 Suraj Parasher & Co
Company Secretaries

Sd/-
Suraj Parasher
Proprietor
M. No: 62759
CoP No: 23404

Place: Deoghar
Date: 19/08/2021

FORM No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

[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
Deoghar, 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 2021 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.

For Suraj Parasher & Co
Company Secretaries
Sd/-
Suraj Parasher
Proprietor
M. No: 62759
CoP No: 23404
UDIN: A062759C000807745

Place: Deoghar
Date: 19/08/2021

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, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1.	SIDHARTH BHANDARI	00237174	04/01/1995
2.	MADHU BHANDARI	00353298	04/01/1995
3.	SURENDRA BHANDARI	00727912	04/01/1995
4.	VIKRAM GUPTA	01064379	30/06/2009

5.	SATISH RAMARAO SHIMOGA	01536009	19/05/2008
6.	RAJEEV GOBINDRAM HASSANAND	02192261	19/05/2008
7.	YASHVARDHAN BHANDARI	06688573	18/12/2017
8.	MENEZES BRAGANCA NIKHIL FERNANDO DE	07101045	28/09/2018
9.	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 Suraj Parasher & Co
Company Secretaries
Sd/-
Suraj Parasher
Proprietor
M. No: 62759
CoP No: 23404
UDIN: A062759C000807668

Place: Bangalore
Date: 19/08/2021

INDEPENDENT AUDITOR'S REPORT
To the Members of HITTCO TOOLS LIMITED

Qualified Opinion:

We have audited the Standalone Ind AS Financial Statements of HITTCO TOOLS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, 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, 2021 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:

Members' attention is invited to

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 2021.

2. Balance confirmations have not been received from Trade receivables, Other Financial assets and Other Financial liabilities against balance outstanding as on 31st March 2021. 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 2021.

3. Confirmation for balances of fixed deposits have not been provided for our verification. 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 2021.

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 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.

Key Audit Matters

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

S.N.	Key Audit Matter	Auditor's Response
1.	Issue of going concern and dependency on automobile sector The Company's revenue is significantly dependent on the automobile sector. The sector is witnessing down turn, along with the present situation of COVID19 pandamic, it has resulted in sinkage of revenue during the financial year 2020-21. The uncertainty of the present situation, in the normal course of business may cast significant doubt on the Company's ability to continue as a going concern in near term.	Our audit procedures related to and include the following: We enquired about the Management's future plans and its ability to mitigate the present situation on near term basis. Although the Company's revenue has been dependent on automobile sector; the Management is confidant of its efforts to mitigate the present situation as the Company has an established track record of accessing diverse customer base, across markets in India and abroad. We have additionally sought and studied the company's future business projections submitted by the management to external credit institutions. However, there can be no assurance of the success of management's plans.

Emphasis of Matter- Corona developments

The developments surrounding the Corona (Covid-19) virus have a profound impact on people's health and on our society as a whole, as well as on the operational and financial performance of organizations. The situation changes on a daily basis giving rise to inherent uncertainty. The Company is confronted with this uncertainty as well, which has been disclosed in the Note 29. (1).(a). (4) to the Ind AS financial

results, together with its evaluation thereof. We draw attention to these disclosures. Our opinion is not modified in respect of this matter.

Management's Responsibility for the standalone IND AS Financial Statements

The Company's Board of directors is responsible for the matters stated in section 134(5) of the act with respect to the preparation of these standalone IND AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those 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 Ind AS 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 the SAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of the user taken on the basis of the these standalone IND AS 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 audit 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the act, we are also responsible for expressing our opinion on whether the company has adequate financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 upto 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, 2016 ("the Order") issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
    i) We have sought and except for the matters described in the **"Basis for Qualified opinion"** paragraph above obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
    ii) Except for the possible effects of the matters described in the **"Basis for Qualified opinion"** paragraph above, in our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
    iii) The balance sheet, the statement of profit and loss, including Other Comprehensive income, statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;
    iv) Except for the possible effects of the matters described in the **"Basis for Qualified opinion"**paragraph, the aforesaid standalone financial statements
    comply with the Indian Accounting Standards specified under Section 133 of the Companies Act,2013.
    v) The matters described in the **"Basis for Qualified opinion"** paragraph above, in our opinion may not have an adverse effect on the functioning of the company.

vi) On the basis of written representations received from the directors of the company as on 31st March 2021, none of the directors is disqualified to be appointed as director in terms of section 164(2) of the act.

vii) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the **"Basis for Qualified opinion"** paragraph above.

viii) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Annexure 'B'. our report expresses a unmodified opinion on the adequacy and operating effectiveness of the company's financial controls over financial reporting

ix) 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 has disclosed the impact of pending litigations on its financial position in its financial statements under note 29.2. (i).
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:21052248AAAAF17179

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

Date: 30/06/2021

Annexure A referred to in paragraph 1 under the heading " Report on Other Legal and Regulatory Requirements " of our report of even date

i. (a) The Company has maintained records of fixed assets showing value, location and nature of assets. However, decscription and quantitative details of fixed assets have been maintained.
(b) The Company has not conducted physical verification of fixed assets during the financial year. All the title deeds of immovable properties are held in the name of the Company.

ii. (a) According to the information and explanations given to us, the company had conducted physical verification of inventory on reasonable interval. However, the nation wide lock down due to the COVID19 pandamic, the company could not conduct physical verification of inventory on the reporting date. Accordingly The quantity, rate per unit, location, condition, the carrying value of Inventory has been considered, as certificated by the Management on the reporting date.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

iii. (a) The Company has not granted secured/unsecured loan to parties covered in the register maintained under section 189 of the Companies Act, 2013 during the financial year.

iv. In our opinion and according to the information and explanation provided to us, the provisions of section 185 and 186 of The Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable have been complied, subject to ceratin transactions which require special resolution at general meeting to bring into conformity with the rules of these sections on the reporting date.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year and therefore, the provisions of the clause 3(V) of the order is not applicable to the company.

vi. The Central Government has not prescribed maintenance of cost of records by the Company under section 148(1) of the Companies Act, 2013 for any of the products. Hence reporting under clause 3(vi) of the order is not applicable to the company.

vii. According to the information and explanations given to us :
(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income–tax, goods and service tax, customs duty, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income–tax, goods and service tax, customs duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, there are no dues outstanding of income–tax, goods and service tax, customs duty, and cess on account of any dispute.

viii. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders. The Company has not borrowed any funds from the government.

ix. Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained. There was no money raised by way of initial public offer or further public offer(including debt instruments) during the financial year 2020-21.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanation provided to us, and based on our examination of the records of the company, the company has paid/provided managerial remuneration in accordance with requisite approval mandated by the provisions of section 197 read with schedule V of the Act,

xii. In our opinion and according to explanation provide to us, the Company is not a Nidhi Company. Accordingly paragraph 3(xii) of the order is not applicable to the company.

xiii. According to the information and explanation provided to us, for all transactions with the related parties and the details of related parties and the details of related party transactions are in compliance with sections 177 & 188 of the Companies Act, 2013 wherever applicable, for all transactions with the

related parties and the details of such related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. The Company has not made any preferential allotment/ private placement of shares or fully or partly convertible debentures during the financial year.Therefore,the provisions of clause 3(xiv) of the order is not applicable.

xv. According to the information and explanation provided to us, the company has not entered into any non-cash transaction 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.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For BOTHRA NIRMAL ASSOCIATES
Chartered Accountant
F.R.N 322103E
Sd/-
Nirmal Kumar Bothra
Partner
Membership No. 052248
UDIN:21052248AAAAF17179

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

Date: 30/06/2021

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 **HITTCO TOOLS LIMITED** ("the Company") as on 31st March 2021, in conjunction with our audit of the Standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal financial 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 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.

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 2021, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BOTHRA NIRMAL ASSOCIATES
Chartered Accountant
F.R.N 322103E
Sd/-
Nirmal Kumar Bothra
Partner
Membership No. 052248
UDIN:21052248AAAAF17179

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

Date: 30/06/2021

PART I –BALANCE SHEET

Name of the Company- **Hittco Tools Limited**
Balance Sheet as at **31st March 2021**

(Amount in Rs.)

Particulars	Notes	As at 31st March 2021	As at 31st March 2020
(1) ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	1	2,74,80,080	3,25,79,254
(b) Other Intangible assets	2	3,21,024	4,30,593
(c) Financial Assets			-
(i) Other financial Assets	3	55,88,064	47,27,650
(f) Deferred tax assets (net)	13	-	-
(g) Other non-current assets		-	-
Total Non-Current Assets		**3,33,89,168**	**3,77,37,497**
(2) Current assets			
(a) Inventories	4	97,99,127	92,57,729
(b) Financial Assets			-
(i) Trade receivables	5	1,97,17,984	1,67,09,619
(ii) Cash and cash equivalents	6	37,37,600	29,79,158
(c) Current Tax Assets (Net)		-	-
(c) Other current assets	7	12,23,192	25,20,605
Total Current Assets		**3,44,77,903**	**3,14,67,110**
Total Assets		**6,78,67,071**	**6,92,04,607**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	8	6,32,06,970	6,32,06,970
(b) Other Equity	9	(4,46,38,622)	(4,24,98,011)
Total Equity		**1,85,68,348**	**2,07,08,959**
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	3,37,80,940	3,34,47,234
(ii) Other financial liabilities	11	26,05,543	29,57,917
(b) Provisions	12	20,57,519	26,28,453
(c) Deferred tax liabilities (Net)	13	-	-
Total Non-Current Liabilities		**3,84,44,002**	**3,90,33,604**
Current liabilities			
(a) Financial Liabilities			-
(i) Borrowings		-	-
(ii) Trade payables	14	52,72,603	56,58,341
(iii) Other financial liabilities	15	35,09,178	26,48,017
(b) Provisions	16	7,90,631	6,24,480
(c) Current Tax Liabilities (Net)			-
(d) Other current liabilities	17	12,82,309	5,31,207
Total Current Liabilites		**1,08,54,721**	**94,62,044**
Total Equity and Liabilities		**6,78,67,072**	**6,92,04,607**

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
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/-
Shalini Kashyap
CS

Sd/-
CA Nirmal Kumar Bothra
Membership No.052248
UDIN:21052248AAAAFI7179

Place: Bengaluru
Date: 30/06/2021

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 2021

(Amount in Rs.)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I	Revenue From Operations	18	5,48,54,788	5,63,78,092
II	Other Income	19	2,35,905	11,18,790
III	**Total Income (I+II)**		**5,50,90,693**	**5,74,96,882**
IV	**EXPENSES**			
	Cost of materials consumed	20	1,99,16,604	2,06,02,649
	Purchase of Stock-in-Trade		-	-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	21	(12,23,549)	22,47,016
	Employee benefits expense	22	1,57,47,867	1,57,95,343
	Finance costs	23	37,35,079	39,18,899
	Depreciation and amortization expense	24	52,87,423	71,42,476
	Other expenses	25	1,38,18,853	1,62,64,915
	Total expenses (IV)		**5,72,82,277**	**6,59,71,297**
V	**Profit/(loss) before exceptional items and tax (I- IV)**		**(21,91,584)**	**(84,74,415)**
VI	Exceptional Items	26	-	-
VII	**Profit/(loss) before tax (V-VI)**		**(21,91,584)**	**(84,74,415)**
VIII	**Tax expense:**	27		
	(1) Current tax		-	31,290
	(2) Deferred tax	13	-	-
IX	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**(21,91,584)**	**(85,05,705)**
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)**		**(21,91,584)**	**(85,05,705)**
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)	50,974	(2,27,315)
XV	**Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)**		**(21,40,610)**	**(87,33,020)**
XVI	**Earnings per equity share (for continuing operation):**			
	(1) Basic	28	**(0.35)**	**(1.45)**
	(2) Diluted		**(0.35)**	**(1.45)**
XVII	Earnings per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	**Earnings per equity share(for discontinued & continuing operations)**			
	(1) Basic	28	**(0.35)**	**(1.45)**
	(2) Diluted		**(0.35)**	**(1.45)**
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
HITTCO 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/-
Shalini Kashyap
CS

Sd/-
CA Nirmal Kumar Bothra
Membership No.052248
UDIN:21052248AAAAFI7179

Place: Bengaluru
Date: 30/06/2021

HITTCO TOOLS LIMITED

Cash Flow Statement for the year ended 31st March 2021

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
A. Cash Flow from Operating Activities		
Profit before Taxation and extraordinary items (before taxes)	-21,91,584	-84,74,415
Adjustments for Depreciation	52,87,423	71,42,476
(Profit)/Loss on sale of Tangible assets	-	-
Finance Charges	37,35,079	39,18,899
Interest Income	-37,821	-62,523
Investment Income	-	-
Other Non cash adjustments	50,974	-2,22,767
Operating Profit before working capital changes	**68,44,071**	**23,01,669**
Changes in Working Capital:		
(Increase)/Decrease in Trade Receivables	-30,08,365	14,33,560
(Increase)/Decrease in Inventories	-5,41,398	21,60,090
(Increase)/Decrease in Other non-current financial assets	-8,60,414	-2,56,644
(Increase)/Decrease in Other Non Financial assets	12,97,412	-3,39,377
Increase/(Decrease) in Trade Payables	-3,85,737	5,31,944
Increase/(Decrease) in Provisions	-4,04,783	-2,08,478
Increase/(Decrease) in Other Financial Liabilites	5,08,787	6,86,786
Increase/(Decrease) in Other Current Liabilites	7,51,102	3,99,087
Cash generated from Operations	**42,00,675**	**67,08,638**
Less: Taxes paid (Net of refunds)	-	31,290
Net cash generated from operations before extraordinary items	42,00,675	66,77,348
Net cash generated from operating activities	**42,00,675**	**66,77,348**
B. Cash Flow from Investing Activities		
Sale of Property, Plant and Equipment	-	-
Interest received	37,821	62,523
Purchase of Property,Plant & Equipment,Intangible assets	-78,680	-15,87,188
Net Cash used in Investing Activities	**(40,859)**	**(15,24,665)**
C. Cash flow from Financing Activities		
Increase/(Repayment) of borrowings	3,33,706	-19,80,250
Interest and other fianance costs paid	-37,35,079	-39,18,899
Net cash used in Financing activities	**(34,01,374)**	**(58,99,149)**
Net increase in cash and cash equivalents	**7,58,442**	**(7,46,466)**
Cash and Cash equivalents at the beginning of the year	29,79,157	37,25,623
Cash and Cash equivalents at the end of the year	37,37,600	29,79,157

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 2021	31st Mar 2020
Cash and Cash Equivalents	37,37,600	29,79,158
Bank overdrafts	-	-
Balance as per statement of cash flows	**37,37,600**	**29,79,158**

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/-
Shalini Kashyap
CS

Sd/-
CA Nirmal Kumar Bothra
Membership No.052248
UDIN:21052248AAAAFI7179

Place: Bengaluru
Date: 30/06/2021

HITTCO TOOLS LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March , 2021

Notes : 1 - Property,Plant & Equipment for the year ended 31st March 2021.

I.

Sr. No	Particulars	Cost or Deemed Cost				Depreciation Block				Carrying Amount
		Balance as on 31.03.2020	Additions during the year	Disposals/Adjustments during the year	Balance as on 31.03.2021	Balance as on 01.04.2020	Depreciation expense	Disposals	Balance as on 31.03.2021	As on 31.03.2021
I	**Tangible Assets**									
	Building	1,40,39,323	-	-	1,40,39,323	83,07,345	5,44,538	-	88,51,883	51,87,440
	Leasehold Properties	5,28,661	-	-	5,28,661	4,19,376	10,382	-	4,29,758	98,903
	Furniture &Fittings	21,07,947	-	-	21,07,947	19,05,093	31,524	-	19,36,618	1,71,329
	Office Equipment	26,00,625	16,680	-	26,17,305	24,40,527	29,601	-	24,70,128	1,47,177
	Vehicles	1,18,94,683	-	-	1,18,94,683	1,00,38,721	6,33,345	-	1,06,72,066	12,22,617
	Plant&Machinary	11,83,96,117	-	-	11,83,96,117	9,40,22,003	39,13,758	-	9,79,35,761	2,04,60,357
	Computers	26,31,170	62,000	-	26,93,170	24,86,208	14,706	-	25,00,914	1,92,256
	Total	**15,21,98,526**	**78,680**	**-**	**15,22,77,206**	**11,96,19,273**	**51,77,854**	**-**	**12,47,97,126**	**2,74,80,080**

Notes : 2 Intangible Assets for the year ended 31st March 2021.

Sr. No	Particulars	Cost or Deemed Cost								Carrying Amount
		Balance as on 31.03.2020	Additions during the year	Disposals/Adjustments during the year	Balance as on 01.04.2020	Balance as on 01.04.2020	Amprtization expense	Disposals	Balance as on 31.03.2021	As on 31.03.2021
I	**Intangible Assets**				-				-	
	Computer Software	9,77,400	-	-	9,77,400	5,46,807	1,09,569	-	6,56,376	3,21,024
	Total	**9,77,400**	**-**	**-**	**9,77,400**	**5,46,807**	**1,09,569**	**-**	**6,56,376**	**3,21,024**
	Total Fixed Assets	**15,31,75,926**	**78,680**	**-**	**15,32,54,606**	**12,01,66,080**	**52,87,423**	**-**	**12,54,53,502**	**2,78,01,103**

3 Other Financial Assets(Non Current)

Particulars	As at 31.03.2021	As at 31.03.2020
Unsecured, Considered good		
Security Deposits	22,75,818	14,75,312
Total	**22,75,818**	**14,75,312**
Fixed deposits with maturity more than 12 months	33,12,247	32,52,338
Total	**55,88,064**	**47,27,650**

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

Particulars	As at 31.03.2021	As at 31.03.2020
(a) Raw materials	5,38,548	10,82,719
(b) Work-in-progress	7,29,301	3,64,421
(c) Finished goods	68,44,432	59,85,763
(d) Consumables Stores and Spares	16,86,846	18,24,826
Total	**97,99,127**	**92,57,729**

5 Trade Receivables

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Secured, considered good	-	-
- Unsecured, considered good	88,49,021	65,01,983
- Doubtful	-	-
Less : Provision	-	-
Total	**88,49,021**	**65,01,983**
Other Trade receivables		
- Secured, considered good	-	-
- Unsecured, considered good	1,08,68,963	1,02,07,636
- Doubtful	-	-
Less : Provision	-	-
Total	**1,08,68,963**	**1,02,07,636**
Total	**1,97,17,984**	**1,67,09,619**

6 Cash and Cash Equivalents

Particulars	As at 31.03.2021	As at 31.03.2020
Balances with Banks		
In current Accounts	36,53,476	21,62,714
Cash and Cash equivalents:		
Cash on hand (as certified by the management)	84,125	8,16,444
Total	**37,37,600**	**29,79,158**

7 Other Current Assets

Particulars	As at 31.03.2021	As at 31.03.2020
Unsecured, considered good		
i)Advances other than capital advances:		
Advance to related parties	59,630	17,37,410
Advances to suppliers	2,85,906	2,85,906
Staff Advances	3,71,814	70,100
ii) Balances with Statutory & Govt authorities	2,71,430	2,44,226
iii) Others	2,34,412	1,82,962
Total	**12,23,192**	**25,20,605**

HITTCO TOOLS LIMITED.,

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021

8 Share Capital

Particulars	As at 31st March 2021		As at 31st March 2020	
	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	70,00,000	7,00,00,000	70,00,000	7,00,00,000
Issued Share Capital				
61,59,847 (March 31,2020 : 61,59,847) Equity Shares of Rs.10/- each	61,59,847	6,03,60,470	61,59,847	6,03,60,470
Subscribed and fully Paid up:				
59,12,247 (March 31, 2020 : 59,12,247) Equity Shares of Rs. 10/- fully paid up	59,12,247	5,91,22,470	59,12,247	5,91,22,470
Subscribed and partly Paid up:				
247,600 (March 31, 2020 : 247,600) Equity Shares of Rs.10 each (Rs.5/- Partly paid up)	2,47,600	12,38,000	2,47,600	12,38,000
Total	**61,59,847**	**6,03,60,470**	**61,59,847**	**6,03,60,470**
Forfeited Shares:				
569,300 (March 31, 2018 : 569,300) Equity Shares of Rs. 5/- not reissued	5,69,300	28,46,500	5,69,300	28,46,500

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 2021

Particulars	As at 31st March 2021		As at 31st March 2020	
	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)	59,12,247	5,91,22,470	59,12,247	5,91,22,470
Partly paid up (Rs. 5/- each)	2,47,600	12,38,000	2,47,600	12,38,000
Add: Shares issued during the year			-	-
Less : Shares bought back during the year			-	-
Balance as at the end of the year	**61,59,847**	**6,03,60,470**	**61,59,847**	**6,03,60,470**

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

Particulars	As at 31.03.2021		As at 31.03.2020	
	No. of shares	Percentage	No. of shares	Percentage
Surendra Bhandari	10,00,684	16.25%	10,00,684	16.25%
Hittco Properties LLP	6,52,044	10.59%	6,52,044	10.59%
B I Holdings (Bangalore) LLP	9,17,064	14.89%	9,17,064	14.89%
Sidharth Bhanadari	3,92,699	6.38%	3,92,699	6.38%
Total	**29,62,491**	**48.11**	**29,62,491**	**48.11**

9 Reserves and Surplus	**31st March 2021**	**31st March 2020**
Capital reserve	30,00,000	30,00,000
Securities Premium	1,32,00,000	1,32,00,000
Retained Earnings		
Balance at the beginning of the year	**(5,86,98,011)**	**(4,99,64,991)**
Add:Profit/(loss) for the year	(21,91,584)	(85,05,705)
Items of other comprehensive income recognized directly in retained earnings:		
Remeasurement of post-employment benefits obligation,net of tax	50,974	(2,27,315)
Balance at the end of the year	**(6,08,38,622)**	**(5,86,98,011)**
Total Reserves and Surplus	**(4,46,38,622)**	**(4,24,98,011)**

10 Non Current Borrowings

Particulars	As at 31.03.2021	As at 31.03.2020
Secured:		
Term Loans from Banks	3,51,77,896	3,46,89,375
Less : Current Maturities of Long term Debt	13,96,956	12,42,141
Total Secured Non Current Borrowings	**3,37,80,940**	**3,34,47,234**
Unsecured		
Loans from related parties:	-	-
Total Unsecured Non Current Borrowings	**-**	**-**
Total	**3,37,80,940**	**3,34,47,234**

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	Total Loan Tenure
a) Term Loans from Banks - ECL Financial Ltd	3,46,130	Hypothecation of Property (refer note below *)	10.70% p.a	5th February 2039	240 months
b) Vehicle loans - Car Finance Kotak Mahindra Prime Ltd Car Loan **	47,500	Hypothecation of Vehicle	MCLR rate + Spread	05th Aug 2023	36 months
Kotak Mahindra Prime Ltd - CF 17428590	14,992	Hypothecation of Vehicle	MCLR rate + Spread	05th Aug 2023	48 months

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:

i). 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.

ii). All the banking facilities are further personally guaranteed by two directors (Surendra Bhandari and Siddharth Bhandari) .

** The entire outsanding 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 31.03.2021	As at 31.03.2020
Unsecured,Considered good		
Security Deposits	26,05,543	29,57,917
Total	**26,05,543**	**29,57,917**

12 Non Current Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Employee Benefits	20,57,519	26,28,453
Total	**20,57,519**	**26,28,453**

13 Deferred Tax Liability / (Assets):

The balance comprises temporary differences attributable to :

Particulars	As at 31.03.2021	As at 31.03.2020
Deferred Tax Liabilities		
Property,Plant and Equipment,Intangible assets	17,930	1,64,000
Financial assets at Fair value through other comprehensive income	(13,250)	63,000
Deferred Tax assets		
Attributable to:		
Expenses allowable for tax purposes when paid	86,680	79,000
Carry forward loss	(91,360)	(3,06,000)
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	Total
As at 01st April 2019	7,40,000	(1,76,877)	3,66,000	(9,29,123)	-
Charged/(Credited)					
- to Profit or Loss	(5,76,000)		(2,87,000)	6,23,123	(2,39,877)
- to Other Comprehensive Income	-	2,39,877	-	-	2,39,877
As at 31St March 2020	**1,64,000**	**63,000**	**79,000**	**(3,06,000)**	**-**
Charged/(Credited)					
- to Profit or Loss	(1,46,070)	-	7,680	2,14,640	76,250
- to Other Comprehensive Income	-	(76,250)	-	-	(76,250)
As at 31St March 2021	**17,930**	**(13,250)**	**86,680**	**(91,360)**	**-**

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 certainity of their realisation.

14 Trade Payables

Particulars	As at 31.03.2021	As at 31.03.2020
- Dues of MSME *	-	-
- Others	52,72,603	56,58,341
Total	**52,72,603**	**56,58,341**

* 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.

15 Other Financial Liabilities (Current):

Particulars	As at 31.03.2021	As at 31.03.2020
(i) Current maturities of Non Current Borrowings *	13,96,956	12,42,141
(ii) Other Payables		
a) Payable to employees	11,04,337	10,02,639
b) Creditors for expenses	10,07,885	4,03,237
Total	**35,09,178**	**26,48,017**

* Details of Current maturities of long-term borrowings

Particulars	As at 31.03.2021	As at 31.03.2020
Loans from Banks (Refer note (10) for details)		12,42,141
Vehicle loans - Car Finance (Refer note (10) for details)	13,96,956	-
Total	**13,96,956**	**12,42,141**

16 Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Provision for Employee benefits	7,90,631	6,24,480
Total	**7,90,631**	**6,24,480**

17 Other Current liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Statutory Liabilities	12,82,309	5,31,207
Others	-	-
Total	**12,82,309**	**5,31,207**

18 Revenue from Operations

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
(a) Sale of Products		
- Finished goods	5,46,91,233	5,63,78,092
(b) Sale of Service	1,63,555	-
Total	**5,48,54,788**	**5,63,78,092**

19 Other Income

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
(a) Interest Income	37,821	62,523
(b) Other non-operating income	1,98,084	10,56,267
Total	**2,35,905**	**11,18,790**

20 Cost of Material consumed

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Opening stock of Raw Materials	10,82,719	8,39,001
Opening stock of consumables	18,24,826	19,81,618
Add: Purchase of Raw Materials & incidental expenses	1,67,26,015	1,79,13,979
Add: Purchases of Consumables	25,08,438	27,75,596
	2,21,41,998	**2,35,10,194**
Less: Closing stock of Raw Materials	5,38,548	10,82,719
Less: Closing stock of consumables	16,86,846	18,24,826
	22,25,394	**29,07,545**
Raw material consumed	**1,99,16,604**	**2,06,02,649**

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

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
(Increase)/Decrease in Stocks		
Inventories at the end of the year:		
Finished Goods	68,44,432	59,85,763
Work-in-Progress	7,29,301	3,64,421
Stock in Trade	-	-
TOTAL A	**75,73,733**	**63,50,184**
Less: Inventories at the beginning of the year		
Finished Goods	59,85,763	78,63,049
Work-in-Progress	3,64,421	7,34,151
Stock in Trade	-	-
TOTAL B	**63,50,184**	**85,97,200**
Total Changes in inventory of finished goods , work in Progress and Stock in Trade (B-A)	**(12,23,549)**	**22,47,016**

22 Employee Benefit Expenses

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Salaries ,Wages & Bonus	1,39,52,539	1,39,57,492
Contribution to Provident and other funds		
i.Contribution to Provident fund	4,98,621	5,46,582
ii.Contribution to Employee State Insurance	1,52,585	1,75,917
Gratuity	3,73,584	2,98,991
Leave encashment	47,043	2,62,245
Staff welfare expenses	7,23,494	5,54,116
Total	**1,57,47,867**	**1,57,95,343**

23 Finance Costs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Finance Charges	36,61,335	38,20,117
Other Borrowing costs	73,744	98,782
Total	**37,35,079**	**39,18,899**

24 Depreciation and Amortisation

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Depreciation of Property,Plant and Equipment	51,77,854	70,24,837
Amortisation of Intangible assets	1,09,569	1,17,639
Total	**52,87,423**	**71,42,476**

25 Other Expenses

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Currency Exchange (Gain)/Loss	4,64,290	-
Power and Fuel	33,02,978	31,82,964
Annual listing fees	3,00,000	3,00,000
Repairs and Maintenance – Plant and Machinery	3,26,011	6,63,564
Repairs and Maintenance – Building	2,52,419	4,04,999
Insurance	1,30,020	2,68,034
Donation	2,50,000	2,50,000
Rates and Taxes	3,64,575	1,46,725
Rent	2,52,876	3,82,450
Travelling & Conveyance Expenses	22,76,653	32,78,557
Statutory Audit fees	80,000	80,000
Postage and courier charges	7,67,110	6,70,306
Professional and consultancy charges	10,49,179	7,75,451
Printing & Stationary	19,638	64,537
Business Promotion expenses	15,62,055	33,69,169
Internet & Telephone Expenses	1,39,279	99,654
Transportation Charges	80,689	2,32,574
Security Charges	6,39,939	5,34,306
Other expenses	15,61,141	15,61,625
Total	**1,38,18,853**	**1,62,64,915**

26 Exceptional items

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Loss on sale of Fixed asset	-	-
Total	**-**	**-**

27 Taxes

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Current taxes		
- Income Tax AY 2019-20 (MAT)	-	31,290
- Income Tax AY 2020-21		
Total	**-**	**31,290**
Deferred taxes		
DTL (Reversal)	-	-
Deferred taxe assets	-	-
Total	**-**	**-**
Total	**-**	**31,290**

28 Earnings Per Equity Share

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Profit/(loss) after tax	**(21,40,610)**	**(87,33,020)**
Weighted average number of equity shares	60,36,047	60,36,047
Basic and diluted earnings/(loss) per share(INR)	**(0.35)**	**(1.45)**
Face value per share(INR)	10	10

HITTCO TOOLS LIMITED
NOTES FORMING PART OF ACCOUNTS

29.2 (i) Contingent Liabilities and Commitments

Particulars	As at 31.3.2021	As at 31.3.2020
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 Govindraju 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 2021	Year ended 31st March 2020
Raw Materials	-	52,34,378
Total	**-**	**52,34,378**

29.2 (iii) Expenditure Incurred in foreign currency

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Travelling expenses	3,23,800	7,25,153
Total	**3,23,800**	**7,25,153**

29.2 (iv) Details of Consumption and purchase

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
a) Details of Raw Materials Consumed		
H S S Steel	59,74,981	61,80,795
Carbide	1,39,41,623	1,44,21,854
Total	**1,99,16,604**	**2,06,02,649**
b) Details of value of imported and indigenous material consumed		
	Imported	**Imported**
Raw Materials and Stores and Spares	-	57,92,886
Percentage	0.00%	28.12%
	Indigenous	**Indigenous**
Raw Materials and Stores and Spares	1,99,16,604	1,48,09,763
Percentage	100.00%	71.88%
Total	**1,99,16,604**	**2,06,02,649**

29.2 (v) Dividend Remitted in Foreign Exchange

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Dividend paid during the year	Nil	Nil
Number of Non Resident Shareholders	1	1
Number of equity shares held by such Non Resident Shareholders	3,92,699	3,92,699
Year to which the Dividend relates to	Nil	Nil

29.2 (vi) EARNINGS IN FOREIGN CURRENCY

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Revenue from exports on FOB basis	25,51,516	25,25,687

29.2 (vii) Earnings per Share

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
(a) Basic earnings per share		
Profit after tax	(21,40,610)	(87,33,020)
Weighted average number of shares outstanding	60,36,047	60,36,047
Basic EPS	**(0.35)**	**(1.45)**
(b) Diluted earnings per share		
Profit after tax	(21,40,610)	(87,33,020)
Weighted average number of shares outstanding	60,36,047	60,36,047
Add: Weighted average number of potential equity shares	-	-
Weighted average number of shares outstanding for diluted EPS	60,36,047	60,36,047
Diluted EPS	**(0.35)**	**(1.45)**
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 31.3.2021	31.3.2020
Present value of Defined benefit obligation		
Obligations at Period beginning	22,83,474	22,49,334
Service cost	2,31,967	1,95,972
Interest cost	1,41,636	1,67,126
Actuarial (Gain) / Loss	(50,974)	2,27,315
Benefits paid	(5,70,174)	(5,56,273)
Obligations at Period at the end of the year	**20,35,929**	**22,83,474**
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	5,70,174	16,90,739
Benefits paid	(5,70,174)	(16,90,739)
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	(20,35,929)	(22,83,474)
		-
Significant estimates: actuarial assumptions and sensitivity		
Discount rate	6.05%	6.45%
Estimated salary escalation rate	5.00%	5.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2006-08
Withdrawal rate	7.00%	7.00%
Gratuity expenses recognised in 'other comprehensive income'(net of taxes)	(50,974)	2,27,315
Gratuity Expenses recognised in the Profit or Loss	3,73,584	2,98,991

Sensitivity analysis

For the financial year 2020-21		
Item / Change in assumptions	**Impact in case of increase in assumption**	**Impact in case of decrease in assumption**
Discount rate / 0.50 %	(50,646)	(61,563)
Salary inflation rate / 1%	53,531	65,300
Withdrawal rate / 5%	3,952	3,151

29.2 (ix) SEGMENT REPORTING

The Company is primarily engaged in one segment of manufacture and sale of tools , accordingly there is only one operating segment. Hence disclosoures 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: 2020-21	FY: 2019-20
Rajib Gosh Roy - Chief Executive Officer	10,69,799	12,01,500
Huma M Tamatgar - erstwhile Company Secretary *	1,14,577	2,21,272
Shalini Kashyap - Company Secretary	3,45,522	3,29,877
Surendra Bhandari - Managing Director	11,17,480	10,60,000
Yashvardhan Bhandari - Chief Financial Officer	2,74,734	-
Total	**29,22,112**	**28,12,649**

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 June 2020

29.2 (xi) Derivative instruments and unhedged foreign currency exposure

Particulars of unhedged foreign currency exposures as at the reporting date

Particulars	31.3.2021	31.03.2020
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 (xv)

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)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
For Statutory Audit	80,000	80,000
For Tax Audit	-	-
For Other Services	-	29,000
Total	**80,000**	**1,09,000**

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

Description of the nature of transaction	Year ended 31st March 2021	Year ended 31st March 2020
Remuneration paid		
Rajib Gosh Roy	10,69,799	12,01,500
Huma M Tamatgar - erstwhile Company Secretary *	1,14,577	2,21,272
Shalini Kashyap - Company Secretary	3,45,522	3,29,877
Yashvardhan Bhandari	2,74,734	-
Surendra Bhandari	11,17,480	10,60,000
Total	**29,22,112**	**28,12,649**
Non -current Borrowings from related parties received/(paid)		
Hittco Properties LLP	-	-
Madhu Bhandari	-	-
BI Holdings (Banglore) LLP	-	-
Hitech Prints (India) Private Limited	-	-
Total	**-**	**-**
Advances received from related parties		
HTC Properties LLP	7,69,382	-
B I Holdings (Bangalore) LLP	-	4,458
Surendra Bhandari	1,22,346	
Sidharth Bhandari	2,20,533	
Total	**11,12,261**	**4,458**
Advances paid/(Received) to the related parties		
IEM International Private Limited	(4,80,000)	-
BI Realtors LLP	(25,889)	-
HTC Properties LLP	(7,69,383)	-
HTC Tools and Trading Co	(59,629)	-
Sidharth Bhandari	(2,20,534)	-
Surendra Bhandari	(1,22,346)	-
Total	**(12,75,272)**	**-**
Balances Outstanding as on the reporting dates	**31st March 2021**	**31st March 2020**
Advances Receivable at Year end		
IEM International Private Limited	-	4,80,000
BI Realtors LLP	-	25,889
HTC Properties LLP	-	7,69,383
HTC Tools and Trading Co	59,630	1,19,259
Sidharth Bhandari	-	2,20,534
Surendra Bhandari	-	1,22,346
Total	**59,630**	**17,37,410**
Creditors for expenses		
BI Realtors LLP	-	4,458
Total	**-**	**4,458**

List of related parties and relationship:

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

* Till June 2021

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

29.2 (xviii) 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
HITTCO TOOLS LTD

Sd/-	Sd/-		
Surendra Bhandari	Sidharth Bhandari		For Bothra Nirmal Associates
Managing Director	Director		Chartered Accountants
DIN: 00727912	DIN: 00237174		Firms' Registration No.322103E
Sd/-	Sd/-	Sd/-	Sd/-
Yashvardhan Bhandari	Rajib Ghosh Roy	Shalini Kashyap	CA Nirmal Kumar Bothra
Director & CFO	CEO	CS	Membership No.052248
DIN: 06688573			UDIN:21052248AAAAFI7179

Place: Bengaluru
Date: 30/06/2021

30 Financial Instruments

Disclosure of Financial Instruments by Category

(Amount in Rs.,)

Financial instruments by categories	31.03.2021			31.03.2020		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset						
Trade Receivables	-	-	1,97,17,984	-	-	1,67,09,619
Cash and cash equivalents	-	-	37,37,600	-	-	29,79,158
Other Financial assets	-	-	55,88,064	-	-	47,27,650
Total Financial Assets	**-**	**-**	**2,90,43,649**	**-**	**-**	**2,44,16,427**
Financial liability						
Borrowings	-	-	3,37,80,940	-	-	3,34,47,234
Trade payables	-	-	52,72,603	-	-	56,58,341
Other Financial liabilities	-	-	26,05,543	-	-	56,05,934
Total Financial Liabilities	**-**	**-**	**4,16,59,086**	**-**	**-**	**4,47,11,509**

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 Heirarchy

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 approxiamte their fair values

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

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

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 Heirarchy 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 :

(Amount in Rs.,)

Particulars	31.03.2021	31.03.2020
Non Financial Asset		
Property, Plant & Equipment	2,74,80,080	3,23,12,046
Financial Asset		
Cash and Cash Equivalents	37,37,600	29,79,158
Inventories	97,99,127	92,57,729
Trade Receivables	1,97,17,984	1,67,09,619
TOTAL	**6,07,34,791**	**6,12,58,551**

Notes:

1)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 .

2)Hence, Building being an Unmoveable Fixed asset is not taken into account for Assets pledged as security.

33 Financial Risk Management

The company's activities expose it variety of financial risks : Market risk, Credit risk and Liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A) Market risk

The market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The company is not exposed to foreign currency risk as it has no borrowings in foreign currency and also the company doesn't have any receivable or payable amounts in foreign currency.

ii Cash flow and fair value Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Interest risk arises to the company mainly from Long term borrowings,bank overdrafts with variable rates. The company measures risk through sensitivity analysis.

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

Particulars	31.03.2021	31.03.2020
Long term Borrowings	3,37,80,940	3,34,47,234
Bank overdrafts	-	-
Total	**3,37,80,940**	**3,34,47,234**

Sensitivity analysis

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	FY 2020-21	FY 2019-20
Increase or decrease in interest rate by 1% for Long term borrowings	3,37,809	3,34,472
Increase or decrease in interest rate by 1% for Bank overdrafts	-	-
Total	**3,37,809**	**3,34,472**

Note: Profit will increase in case of decrease in interest rate and vice versa

iii Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The company is not exposed to price risk as there are no investments .

B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due.

Liquidity risk arises in situations where the company has difficulties in obtaining funding

The company manages its liquidity risk by continuously monitoring rolling forecasts of the company's liquidity requirements , actual cash flows avaialble and the due date of financial assets and liabilities

The company is exposed to liquidity risk due to bank borrowings, trade payables, other financial liabilities

The following are the contractual maturities of Financial liabilities :-

The amounts disclosed in the tables are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amount as the impact of discounting is not significant

		Contractual maturities of financial liabilities			
As at March 31, 2021	**Carrying Amount**	**upto 1 year**	**1 - 2 years**	**2 - 5 years**	**> 5 years**
Non Derivative Financial Liability					
Borrowings	3,37,80,940	3,33,95,600	-	3,85,340	-
Trade payables	52,72,603	52,72,603	-	-	-
Other Financial Liabilities	35,09,178	13,96,956	21,12,222	-	-
Total Non derivative Financial liabilities	**4,25,62,722**	**4,00,65,159**	**21,12,222**	**3,85,340**	**-**

		Contractual maturities of financial liabilities			
As at March 31, 2020	**Carrying Amount**	**upto 1 year**	**1 - 2 years**	**2 - 5 years**	**> 5 years**
Non Derivative Financial Liability					
Borrowings	3,46,89,375	12,42,141	6,47,060	26,48,782	3,01,51,393
Trade payables	56,58,341	56,58,341	-	-	-
Other Financial Liabilities	43,63,793	14,05,876	-	29,57,917	-
Total Non derivative Financial liabilities	**4,47,11,509**	**83,06,358**	**6,47,060**	**56,06,699**	**3,01,51,393**

C) Credit risk

Credit risk is the risk that a counter party will default on its contractual obligations resulting in financial loss to the company.Credit Risk encompasses of both ,the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.
Credit risk arises from cash and cash equivalents , deposits with banks and financial institutons, as well as credit exposure to Trade receivables.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements

The company's major class of financial assets are cash and cash equivalents ,term deposits and trade receivabels

For Banks and financial institutions, only high rated banks/Financial institutions are accepted.
Company's Credit Risk arises principally from Trade Receivables.

Trade Receivables:

Trade receivables are primarily short term receivables from customers which arise in the normal course of business.

Credit worthiness of Customers are being assessed before making sales to the customers

The outstanding Trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.
The history of trade receivables shows a negligible allowance for bad and doubtful debts.
Accordingly, no Provision is made for Bad and doubtful debts during the Financial years 2020-21.

d) Capital management

(a)Risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders , benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure , the company may issue new shares or sell assets to reduce debt

The company periodically reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements and capital efficiency of the company , prevailing and projected profitability , projected operating cash flows, and projected capital expenditures.
In order to maintain or adjust the capital structure , the company may use internal funding to reduce debt.

(b)Dividends

No Dividends have been issued/Proposed by the company during the last 3 financial years(F.Y.2020-21, F.Y 2019-20, F.Y.2018-19.)

STATEMENT OF CHANGES IN EQUITY

Name of the Company- **Hittco Tools Limited**
Statement of Changes in Equity for the period ended **31st March 2021**

	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
A. Equity Share Capital	**6,32,06,970**	**-**	**6,32,06,970**	**-**	**6,32,06,970**	**-**	**6,32,06,970**
Total Equity Share Capital	**6,32,06,970**	**-**	**6,32,06,970**	**-**	**6,32,06,970**	**-**	**6,32,06,970**

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	-	-	30,00,000	1,32,00,000	-	(5,08,63,337)	-	-	-	-	**(3,46,63,337)**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	**(6,42,023)**	-	-	-	-	(6,42,023)
Dividends	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	15,40,368	-	-	-	-	15,40,368
Balance at the 31st March 2019	**-**	**-**	**30,00,000**	**1,32,00,000**	**-**	**(4,99,64,991)**	**-**	**-**	**-**	**-**	**(3,37,64,991)**
Balance at the 31St March 2019	**-**	**-**	**30,00,000**	**1,32,00,000**	**-**	**(4,99,64,991)**	**-**	**-**	**-**	**-**	**(3,37,64,991)**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	(2,27,315)	-	-	-		(2,27,315)
Dividends	-	-	-	-	-	-	-	-	-	-	-
Profit /(loss)for the year	-	-	-	-	-	**(85,05,705)**	-	-	-	-	(85,05,705)
Balance at the 31st March 2020	**-**	**-**	**30,00,000**	**1,32,00,000**	**-**	**(5,86,98,011)**	**-**	**-**	**-**	**-**	**(4,24,98,011)**
Balance at the 31St March 2020	**-**	**-**	**30,00,000**	**1,32,00,000**	**-**	**(5,86,98,011)**	**-**	**-**	**-**	**-**	**(4,24,98,011)**
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	-	-	-	-	-	**(21,91,584)**	-	-	-	-	(21,91,584)
Balance at the 31st March 2021	**-**	**-**	**30,00,000**	**1,32,00,000**	**-**	**(6,08,38,622)**	**-**	**-**	**-**	**-**	**(4,46,38,622)**

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 statement of chages in equity 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/-
Shalini Kashyap
CS

Sd/-
CA Nirmal Kumar Bothra
Membership No.052248
UDIN:21052248AAAAFI7179

Place: Bengaluru
Date: 30/06/2021