



Hitech Corporation Limited
Regd. Office & HO:
201, Welspun House 2nd Floor,
Kamala City, Lower Parel - west
Mumbai - 400 013

3rd September, 2020

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Fort, Mumbai - 400 001

The National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1,
Block G, Bandra - Kurla Complex,
Bandra (East),
Mumbai - 400 051

Scrip Code: 526217

Symbol: HITEHCORP

Sir/Madam,

Sub: Annual Report of the Company, Notice convening 29th Annual General Meeting (“AGM”).

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), please find enclosed Notice convening the 29th AGM and the Annual Report of the Company for the financial year 2019-20.

In compliance with relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Notice convening the AGM and the Annual Report of the Company for the financial year 2019-20 has been sent to all the members of the Company whose email addresses are registered with the Company or Depository Participant(s).

The AGM of the Company will be held on Saturday, 26th September, 2020, at 11.30 a.m. through Video Conferencing/ Other Audio Visual Means in accordance with the aforesaid circulars.

The Notice of AGM along with the Annual Report for the financial year 2019-20 is also being made available on the website of the Company at: [Annual Report 2020](#)

This is for your information and record.

Thanking you,

Yours truly,

For **Hitech Corporation Limited**

Namita Tiwari
Company Secretary &
Compliance Officer



ANNUAL
REPORT
2020



Innovation and Excellence

OUR JOURNEY TOWARDS A BETTER WORLD AROUND YOU.

Dear Members,

Normal is what got us here. Exceptional is what takes us there. The realisation of a grand vision is not about doing the same things over and over again, but about doing the right things and doing them better and exceptionally well year upon year. We believe that it is important to exceed our own standards year on year.

The year FY20, was a reasonable year for the company, as it continued to focus on expanding its presence, widening its offerings apart from mobilising additional capital. Besides, it also focused on customer centricity backed by implementation of various technology initiatives.

Hitech's business growth and operating performance in FY20 witnessed a sustained growth in an industry marked by fluctuating demand patterns and growing concerns over recycling and environmental hazards. The Company's Net Total Income dipped slightly by 0.38% to 460 crores in FY20 from 462 crores in FY19. Net Profit for the year was 2.36 crores, while EBIDTA increased by 13% to 60 crores. We believe that our performance in FY20 was indeed satisfactory, but we still need to achieve more breadth and depth with speed.

Employees as customer advocates.

At Hitech, all functional activities are integrated and aligned to deliver superior customer value. We put the customer at the centre of all our planning. Areas related to supplier relations, product and service management and quality control (besides sales and marketing) are included in shouldering the responsibility of ensuring a healthy customer experience; a constructive norm that's been consciously driven and built for the last few years at Hitech. As is the common norm within customer-centred organizations, our employees are customer advocates. Our employees collaborate with one other (across different departments) so the entire organisation is in a better position to provide value to customers.

Looking beyond our factory gate.

Our smart factories and easily configurable production lines allow us to produce best-in-class rigid plastic packaging. While we closed our manufacturing facility at Sarigam, the company successfully completed the construction work for Vizag plant by mid 2019. The total capacity of the plant at full ramp up is 3000MT. Our new plant at Mysuru too has become fully operational since the end of Sept, 2018.

Keeness to capitalise on technology.

As a manufacturing company, we have also sought to create a strong culture of innovation where we strive to identify evolving customer requirements and proactively fill in these gaps. Automating the reporting of certain key data parameters in real time helped in quick decision making. We also evaluated plant automation products which will help to improve the efficiency of production and aid in higher customer satisfaction.

Geared for an unprecedented speed-to-market for new designs and products.

Due to the pandemic, the Company was inundated with enquiries for the home care segment from many customers. Despite the lockdown conditions, the Company was able to deliver several variants of home care products as per the demands of our customers.

Customer centricity is key to re-engineering our business.

We as a manufacturing business are able to delight customers with more innovative, customised, personalised and adaptive products. Our process is not just about manufacturing products in the best way we can and employing technology for product lifecycle management, but a lot more. By putting the customer at the centre, we start thinking about how our business ecosystems can collaborate and serve the customer in new and interesting ways.

Survival in the new-normal environ.

The Covid-19 pandemic has thrown new challenges. Our plants had to shut down, our people were infected, and we were initially overwhelmed by the repercussions. In order to overcome these adversities, we have taken several steps for floor health and hygiene and also to reduce costs and better manage our cash flow. We are, more keenly than before, focusing on running our plants with better productivity. These measures include not only technical solutions and low-cost automations but also the judicious use of labour and material. We continue to explore the design and development of new products with existing and new customers to serve the changing needs of the industries to which we cater.

It is our firm belief that our *esprit de corps* will deliver us through this hardship. We are capitalising on new opportunities and investing in growth, while exercising utmost prudence to counter the challenges in the operating environment. I am indeed grateful for the continued support of all our stakeholders – customers, shareholders and employees, who have enabled us to come this far. I am confident of your support in the years to come.

For the moment, we will continue the good work and strengthen our resolve to end this year on a better note.

Best regards,

Malav Dani
Managing Director

BOARD OF DIRECTORS

Ashwin S. Dani
Chairman

Jalaj A. Dani
Director

Harish N. Motiwalla
Independent Director

Ashwin R. Nagarwadia
Director

Jayendra R. Shah
Independent Director

Bomi P. Chinoy
Independent Director

Vaishali V. Sharma
(upto 29th November, 2019)
Independent Director

Aditya M. Sheth
(w.e.f. 25th June, 2019)
Independent Director

Kalpna V. Merchant
(w.e.f. 27th February, 2020)
Additional (Independent) Director

Malav A. Dani
Managing Director

Mehernosh A. Mehta
Whole Time Director

Company Secretary
Namita Tiwari

STATUTORY AUDITORS

Kalyaniwalla & Mistry LLP
Chartered Accountants

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NOTICE TO MEMBERS

NOTICE is hereby given that the TWENTY NINTH ANNUAL GENERAL MEETING of HITECH CORPORATION LIMITED ('the Company') will be held on Saturday, 26th day of September, 2020 at 11.30 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at Unit No. 201, 2nd Floor, Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400013.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2020, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Jalaj A. Dani (DIN: 00019080), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **To appoint Ms. Kalpana V. Merchant (DIN: 00827907) as an Independent Director of the Company for a period of (5) five years:**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder, read with Schedule IV of the Companies Act, 2013, Articles of Association of the Company and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the appointment of Ms. Kalpana V. Merchant (DIN: 00827907), who was appointed by the Board of Directors as an Additional Independent Director on the Board, with effect from 27th February, 2020 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, who holds office upto the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act, her name is registered in Independent Directors databank established by Indian Institute of Corporate Affairs, (IICA) Manesar and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for a period of (5) five consecutive years from 27th February, 2020 to 26th February, 2025.

RESOLVED FURTHER THAT to give effect to this resolution, the Board of Directors and/or the Company Secretary of the Company, be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

4. **To re-appoint Mr. Malav A. Dani (DIN: 01184336) as the Managing Director of the Company for a period of (5) five years:**

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act 2013 ("the Act") read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 ("the Rules"), Articles of Association of the Company and applicable provisions of SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) thereof for the time being in force and pursuant to the recommendation of the Nomination and Remuneration Committee and Audit Committee and subject to approval of concerned regulatory authority(ies), as may be required, approval of the shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Malav A. Dani (DIN:01184336) as the Managing Director of the Company for a period of (5) five years, commencing from 5th August, 2021 to 4th August, 2026, not liable to retire by rotation.

RESOLVED FURTHER THAT approval of the shareholders of the Company be and is hereby accorded to the remuneration, perquisites, allowances, benefits and amenities payable as per the terms and conditions of the Agreement proposed to be entered into by Mr. Malav Dani with the Company for the aforesaid re-appointment and as set out in the Explanatory Statement annexed to the Notice, with a liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement, or any amendments thereto as may be agreed to between the Board and Mr. Malav A Dani, subject to such other approvals of applicable authority(ies), if required.

RESOLVED FURTHER THAT notwithstanding anything contained herein, in the event of loss or inadequacy of profits in any financial year during the aforesaid period of Mr. Malav Dani's re-appointment, the Company will pay Mr. Malav Dani, remuneration, perquisites, allowances, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013, as may be decided by the Board of Directors, subject to necessary sanctions and approvals.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter and/or vary the terms and conditions of the said appointment and/ or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, allowances, benefits and amenities payable to Mr. Malav Dani, which shall be in accordance with the prescribed provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force).

RESOLVED FURTHER THAT to give effect to this resolution, the Board of Directors and/or the Company Secretary of the Company, be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient".

5. **To re-appoint Mr. Mehernosh A. Mehta (DIN: 00372340) as a Whole Time Director of the Company for a period of (5) five years:**

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act 2013 ("the Act") read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 ("the Rules"), Articles of Association of the Company and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) thereof for the time being in force and pursuant to the recommendation of the Nomination and Remuneration Committee and Audit Committee and subject

to the approval of concerned regulatory authority(ies), as may be required, approval of the shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Mehernosh Mehta (DIN: 00372340) as the Whole Time Director of the Company for a period of (5) five years, commencing from 17th March, 2021 to 16th March, 2026, liable to retire by rotation.

RESOLVED FURTHER THAT approval of the shareholders of the Company be and is hereby accorded to the remuneration, perquisites, allowances, benefits and amenities payable as per the terms and conditions of the Agreement proposed to be entered into by Mr. Mehernosh Mehta with the Company for the aforesaid re-appointment and as set out in the Explanatory Statement annexed to the Notice, with a liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement, or any amendments thereto as may be agreed to between the Board and Mr. Mehernosh Mehta, subject to such other approvals of applicable authority(ies), if required.

RESOLVED FURTHER THAT notwithstanding anything contained herein, in the event of loss or inadequacy of profits in any financial year during the aforesaid period of Mr. Mehernosh Mehta's re-appointment, the Company will pay Mr. Mehernosh Mehta, remuneration, perquisites, allowances, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013, as may be decided by the Board of Directors, subject to necessary sanctions and approvals.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter and/or vary the terms and conditions of the said appointment and/ or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, allowances, benefits and amenities payable to Mr. Mehernosh Mehta, which shall be in accordance with the prescribed provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force).

RESOLVED FURTHER THAT to give effect to this resolution, the Board of Directors and/or the Company Secretary of the Company, be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient".

6. **To approve transactions with Related Party:**

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

"RESOLVED THAT pursuant to the provisions of Section 177, 188 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with rules made thereunder ('the Rules'), including any statutory modification(s) or amendment(s) thereto or substitution(s) or re-enactment(s) made thereof for the time being in force and pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and pursuant to the approval of the Audit Committee and the Board of Directors of the Company vide their Resolutions dated 24th August, 2020 and subject to such other approvals, consents, permissions and sanctions of any authority(ies), as may be necessary, the approval of the shareholders be and is hereby accorded to enter into contracts /arrangements /agreements/ transactions for sale of packaging material to Asian Paints Limited, a 'Related Party' as defined under Section 2 (76) of the Companies Act, 2013 for sales upto ₹ 700 (Rupees Seven Hundred) Crores per financial year starting from 1st April, 2021 for 3 (three) financial years, as per the terms and conditions mutually agreed from time to time and as set out in the Explanatory Statement annexed to the Notice convening

this meeting, which are in the ordinary course of business of the Company and all the terms and conditions including pricing are at arm's length basis, in which Mr. Ashwin Dani, Mr. Jalaj Dani and Mr. Malav Dani, Directors of the Company, are interested.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, Board of Directors and/ or the Company Secretary of the Company be and are hereby authorized, jointly and/or severally, to agree, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as they may deem fit and execute all agreements, addendum agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as the Board in its absolute discretion may deem fit."

Registered Office:

201, 2nd Floor, Welspun House,
Kamala City, Senapati Bapat Marg,
Lower Parel (West), Mumbai 400 013.
Tel.: 022 4001 6500
Fax : 022 2495 5659
CIN: L28992MH1991PLC168235
E-mail: investor.help@hitechgroup.com
website: www.hitechgroup.com

**By Order of the Board
For Hitech Corporation Limited**

**Namita Tiwari
Company Secretary
Membership No. A24964
Mumbai, 24th August, 2020**

NOTES:

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (hereinafter referred to as the "Act"), in respect of businesses to be transacted at the Annual General Meeting (hereinafter referred to as "AGM"), as set out under Item No(s). 3 to 6 above and the relevant details of the Directors as mentioned under Item No(s). 2 to 5 above as required by Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.
2. The Board of Directors have considered and decided to include the item nos. 3 to 6 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
3. In view of the continuing lockdown restrictions on the movement of people at several places in the country, due to outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2020.
4. As the AGM shall be conducted through VC / OAVM, physical attendance of members is not required and the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
5. Corporate members intending to send their authorised representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. authorising its representatives to attend the AGM, by e-mail to investor.help@hitechgroup.com

Process for dispatch of Annual Report and registration of email id for obtaining copy of Annual Report

6. In compliance with the aforementioned MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose

email addresses are registered with the Company/ Depository Participant. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.hitechgroup.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of National Securities Depository Limited (NSDL) <https://www.evoting.nsdl.com>.

7. Shareholders holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by sending a duly signed request letter to the Registrar and Transfer Agents of the Company, Link Intime India Private Limited (RTA) by providing Folio No. and Name of shareholder. Shareholders holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants.
8. Members seeking any information with regard to any matter set out in the notice convening the ensuing AGM, are requested to write to the Company through an email on investor.help@hitechgroup.com

Procedure for joining the 29th AGM through VC / OAVM

9. NSDL will be providing facility for voting through remote e-Voting, for participation in the 29th AGM through VC/OAVM facility and e-Voting during the 29th AGM.
10. Members may note that the VC/OAVM facility, allows participation of at least 1,000 Members on a first come-first-served basis. (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/ AGM without restriction on account of first come first served basis.
11. Members will be able to attend the AGM through VC / OAVM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-Voting login credentials and selecting the link available against the EVEN for Company's AGM. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned below in the Notice.
12. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first-come first-served basis.
13. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990 or contact Ms. Pallavi Mhatre, Manager – NSDL at pallavid@nsdl.co.in / 022-24994545 or Mr. Sanjeev Yadav, Assistant Manager- NSDL at sanjeevy@nsdl.co.in / 022-9324006225.
14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Procedure to raise questions / seek clarifications with respect to Annual Report at the ensuing 29th AGM:

15. Members are encouraged to express their views / send their queries in advance mentioning their name demat account number / folio number, email id, mobile number at investor.help@hitechgroup.com. Questions / queries received by the Company till 5.00 p.m. on Wednesday, 23rd September, 2020 shall only be considered and responded during the AGM.
16. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by visiting the link <https://www.evoting.nsdl.com/> between 9.00 a.m. on Friday, 18th September, 2020 and 5.00 p.m. on Wednesday, 23rd September, 2020.

17. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

18. Procedure for remote e-Voting and e-Voting during the AGM

- a. All the shareholders of the Company including retail individual investors, institutional investors, etc. are encouraged to attend and vote in the AGM to be held through VC/OAVM.
- b. In compliance with the provisions of Section 108 of the Act read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), members are provided with the following alternatives by which they may cast their votes:
 - (i) by electronic means through the remote e-Voting platform provided by the National Securities Depository Limited (NSDL). The remote e-Voting period will commence on Wednesday, 23rd September, 2020 at 9.00 a.m. and will end on Friday, 25th September, 2020 at 5.00 p.m. The remote e-Voting module will be disabled by NSDL for voting thereafter. Instructions and information relating to e-Voting are as follows:

Instructions

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
3. Alternatively, if you are registered for NSDL e-Services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned in the Notice for registering your email address.
 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Physical User Reset Password?
(If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at
 - i) evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, please click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

 1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e- Voting. Then, click on Active Voting Cycles.
 2. After clicking on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
 3. Select "EVEN" of the Company which is 113886.
 4. Now you are ready for e-Voting as the Voting page opens.
 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
 6. Upon confirmation, the message "Vote cast successfully" will be displayed.
 7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- (ii) Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-Voting, shall be eligible to vote through e-Voting system during the AGM.

General Guidelines for shareholders:

1. Institutional shareholders / Corporate Members (i.e. other than individuals, HUF, NRI, etc.) are requested to send a scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer at ami.thakkarr@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.
3. In case of any queries for e-Voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.
- c. Members who have cast their votes by remote e-Voting prior to the AGM may also attend/ participate in the Meeting through VC/ OAVM but they shall not be entitled to cast their vote again.
- d. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital in the Company as on the cut-off date i.e. Saturday, 19th September, 2020.
- e. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 29th AGM by email and holds shares as on the cut-off date i.e. 19th September, 2020 may obtain the User ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com.
- f. Ms. Ami Thakkar, Proprietor, M/s. Ami Thakkar & Associates, Practicing Company Secretaries (Membership No. FCS 6542, COP: 6439), has been appointed as the Scrutinizer for conducting voting process in a fair and transparent manner.
- g. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting

with the assistance of scrutinizer, by use of electronic voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.

- h. The results shall be declared within forty – eight (48) hours from conclusion of the AGM. The results along with the report of the Scrutinizer shall be placed on the website of the Company www.hitechgroup.com and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.
19. Documents open for inspection:
- a. All the documents referred to in the accompanying notice and the statement pursuant to Section 102 (1) of the Companies Act, 2013 shall be available for inspection through electronic mode. Members are requested to write to the Company on investor.help@hitechgroup.com for inspection of said documents; and
- b. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members during the AGM, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.
20. Transfer of Unclaimed Dividend Amounts to the Investor Education and Protection Fund (IEPF):

- A. Pursuant to the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as “IEPF Rules”), (including any statutory modification(s) and or re-enactment(s) thereof for the time being in force), dividends that are unpaid or unclaimed for a period of (7) Seven years from the date of their transfer are required to be transferred by the Company to the IEPF, administered by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividend has not been claimed by the shareholders for (7) Seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

- B. During the financial year 2019-20, the Company has transferred to IEPF, the following unclaimed dividends and corresponding shares thereto:

Particulars	Amount of Dividend (in ₹)	No. of shares
Final Dividend for the Financial Year 2011-12	2,84,056	12,600

- C. The dividend amount and shares transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends are also available on the Company’s website at https://hitechgroup.com/investor/Display/Unclaimed_UnpaidDividend and the said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link (www.iepf.gov.in).

Others

21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases, viz. (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.
22. As per Regulation 40 of Listing Regulations, securities of listed companies can only be transferred in dematerialized form, with effect from 1st April, 2019, except in case of request of 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 form are urged for converting their holding to demat form. Members may contact the Company or RTA for any assistance in this regard.
23. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to RTA. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility. The Form SH-13 is available on the website of the Company at <https://hitechgroup.com/investor/Display/miscellaneous>.

Explanatory Statement

[Pursuant to Section 102(1) of the Companies Act, 2013]

The following explanatory statement sets out all material facts relating to resolution nos. 3 to 6 of the accompanying Notice of the Annual General Meeting.

Item No. 3

Upon recommendation of the Nomination & Remuneration Committee, the Board of Directors vide Circular Resolution appointed Ms. Kalpana V. Merchant (DIN: 00827907) as an Additional (Independent) Director under Section 161 of the Companies Act, 2013 for a term of (5) five years effective from 27th February, 2020. The requisite declarations under Section 149(7) of the Companies Act, 2013 have been furnished by Ms. Kalpana Merchant confirming compliance with the provisions of Section 149(6) of the aforesaid Act.

Ms. Merchant (DIN: 00827907) is a senior partner at Jerome Merchant + Partners. She has over thirty-five years’ experience as a solicitor. Prior to Jerome Merchant + Partners, she was a partner at Kanga & Co. and AZB & Partners, Mumbai. Her expertise is in the area of real estate, dispute resolution and banking and finance laws and was ranked as one of the top 100 lawyers in India by Vantage Asia. She has vast experience in various fields of law including real estate, M&A, banking and finance and private wealth management. Ms. Merchant graduated with a degree in law from the Government Law College, Mumbai and is a qualified Solicitor and Notary.

Keeping in view her expertise and knowledge in the field of law, it is beneficial and in the interest of the Company to appoint Ms. Merchant (DIN: 00827907) as an Independent Director of the Company.

In the opinion of the Board, Ms. Merchant fulfils the conditions specified under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Rules framed thereunder for appointment as an Independent Director and that the said Director is independent of the management. She shall not be liable to retire by rotation.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, the proposed appointment of Ms. Merchant as an Independent Director of the Company to hold office for a period of five consecutive years with effect from 27th February, 2020 upto 26th February, 2025, is now being placed before the members for their approval.

The terms and conditions of appointment of Ms. Merchant, shall be open for inspection by the members electronically through facility provided by NSDL, during the AGM. The terms and conditions of appointment of Independent Director is also available on the Company's website www.hitechgroup.com.

Save and except Ms. Kalpana V. Merchant (DIN: 00827907) none of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice. Ms. Kalpana V. Merchant is not related to any Director / KMP of the Company.

Brief resume of Ms. Kalpana V. Merchant (DIN: 00827907) and such other information as required under Regulation 36 of SEBI (LODR) Regulations and applicable Secretarial Standards has been furnished as an Annexure to this Notice.

The Board recommends Ordinary Resolution set out at Item No. 3 of the Notice for the approval of members.

Item No. 4

Mr. Malav Dani was appointed as the Managing Director of the Company for a period of five years commencing from 5th August, 2016 upto 4th August, 2021 at the 25th Annual General Meeting held on 23rd September, 2016.

Mr. Malav Dani (DIN: 01184336) has done B.S. in Business Management with concentration in Information systems, from Purdue University and MBA from Columbia University, USA. He worked with GE for six years, during which he completed the Information Management Leadership Program (IMLP) as well as Quality Six Sigma Black Belt Program of GE. He has worked on customer centricity initiatives at Asian Paints Limited. Currently, he is the Managing Director of Hitech Corporation Limited.

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on 24th August, 2020, has re-appointed Mr. Malav Dani, as the Managing Director of the Company for a period of (5) five years commencing from 5th August, 2021 upto 4th August, 2026 subject to approval of the members at the ensuing AGM and such other approvals from regulatory authorities, as may be required, on the terms and conditions and remuneration as set out herein below:

- Mr. Malav Dani shall not be entitled to sitting fees for attending Meetings of Board of Directors or committees thereof.
- The remuneration payable to Mr. Dani shall be as follows:

(a)	Salary	:	₹ 36,00,000 p.a.
(b)	Other Allowance	:	₹ 1,40,000 p.a.
(c)	Perquisite	:	Value as per Income Tax Act, 1961
(d)	Others	:	₹ 2,96,400 p.a.
	Total	:	₹ 40,36,400 p.a.

- Performance Bonus - As approved by the Board from time to time within the ceiling prescribed under the Companies Act, 2013.

- Mr. Malav Dani will not be liable to retire by rotation

Mr. Dani holds 54,000 equity shares in the Company.

Mr. Malav Dani (DIN: 01184336) is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013, and pursuant to Section 152 and Rule 8 of Companies (Appointment & Qualification) Rules, 2014, has given his consent to act as the Managing Director of the Company in Form DIR-2.

Brief resume of Mr. Malav Dani (DIN: 01184336) and such other details as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard- 2 on General Meetings, issued by the Institute of Company Secretaries of India (ICSI) has been furnished as an Annexure to this Notice.

Keeping in view his rich experience and knowledge of the industry, it is beneficial and in the interest of the Company to re-appoint Mr. Malav Dani as the Managing Director of the Company for a further period of (5) five years.

A copy of the Agreement setting out the terms and conditions of appointment and remuneration of Mr. Malav Dani, shall be open for inspection by the Members electronically through facility provided by NSDL, during the AGM.

This Explanatory Statement should be treated as a written memorandum under Section 190 of the Companies Act, 2013, of the Agreement to be entered into between the Company and Mr. Malav Dani.

The Board of Directors recommends the passing of the Ordinary Resolution contained in Item No. 4 of the accompanying Notice.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Ashwin Dani, Mr. Jalaj Dani and Mr. Malav Dani and their respective relatives, are concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 4 of the accompanying Notice.

Item no. 5

Mr. Mehernosh Mehta was appointed as the Whole Time Director of the Company for a period of (5) five years commencing from 17th March, 2016 to 16th March, 2021 at the 25th Annual General Meeting held on 23rd September, 2016 by the members of the Company.

Mr. Mehernosh Mehta (DIN: 00372340) has done his B.E in Electrical Engineering from Mumbai University and Master's in electrical engineering from Michigan Technological University. Before joining Hitech, he had worked for Sun-Up Botanics Private Limited, for 20 years. Currently, he is working with Hitech Corporation Limited.

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on 24th August, 2020, has re-appointed Mr. Mehernosh Mehta as the Whole Time Director of the Company for a period of (5) five years commencing from 17th March, 2021 to 16th March, 2026 subject to approval of the members at the ensuing AGM and such other approvals from regulatory authority, as may be required, on the terms and conditions and remuneration as set out herein below:

(a)	Salary	:	₹ 17,13,420 p.a.
(b)	Other Allowance	:	₹ 3,82,288 p.a.
(c)	Perquisite	:	Value as per Income Tax Act, 1961
(d)	Others	:	₹ 84,610 p.a.
	Total	:	₹ 21,80,318 p.a.

- Mr. Mehernosh Mehta shall not be entitled to sitting fees for attending Meetings of Board of Directors or committees thereof.
- Mr. Mehernosh Mehta does not hold any shares in the Company.
- Mr. Mehta will be liable to retire by rotation.

Mr. Mehernosh Mehta (DIN:00372340) is not disqualified from being appointed as a Director in terms of Section 164 of Companies Act, 2013. Pursuant to Section 152 and Rule 8 of Companies (Appointment & Qualification) Rules, 2014, he has given his consent to act as a Whole Time Director of the Company in Form DIR-2.

In the interest of the Company, it is beneficial to re-appoint Mr. Mehernosh Mehta as the Whole Time Director of the Company for a further period of (5) five years. Brief resume of Mr. Mehernosh Mehta (DIN: 00372340) and such other information as required under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings, issued by the Institute of Company Secretaries of India (ICSI) has been furnished as an Annexure to this Notice.

A copy of the Agreement setting out the terms and conditions of appointment and remuneration of Mr. Mehernosh Mehta, shall be open for inspection by the Members electronically through facility provided by NSDL, during the AGM.

This Explanatory Statement should be treated as a written memorandum under Section 190 of the Companies Act, 2013, of the Agreement to be entered into between the Company and Mr. Mehernosh Mehta.

The Board recommends the Ordinary Resolution as set out at item No: 5 of the accompanying Notice for approval by the members.

Except Mr. Mehernosh Mehta, being an appointee, none of the other Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in Item No. 5.

Item No. 6

The Company has entered into/proposes to enter into contracts / arrangements /agreements/ transactions for sale of packaging material to Asian Paints Limited as per the terms and conditions mutually agreed from time to time, which are in the ordinary course of business of the company and terms and conditions including pricing are at arm's length basis and the same are reviewed by the Audit Committee on quarterly basis.

The transactions entered into/proposed to be entered for sale of packaging material to Asian Paints Limited constitutes 'material' as per Related Party Transactions Policy of the Company and Regulation 23(4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 23(4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, all material Related Party Transactions require approval of the shareholders, in which the concerned related parties are required to abstain from voting.

The particulars of the transactions pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

Name of the related party	Name of the Director or Key Managerial personnel who is related	Nature of relationship	Particulars of the contract or arrangement	Nature, material terms, monetary value (Amt in ₹)	Any other information relevant or important for the members to make a decision on the proposed transaction
Asian Paints Limited	Mr. Ashwin Dani, Director	Director in Asian Paints Limited	Sale of packaging materials	Sale of goods at the prevailing market prices which varies from time to time and not exceeding ₹ 700 (Rupees Seven Hundred) crores per financial year starting from 1 st April, 2021 for a period of 3 consecutive financial years upto 31 st March, 2024.	The transaction is in Ordinary course of business of the Company and on arm's length basis.
	Mr. Jalaj Dani, Director	Relative of Mr. Ashwin Dani & Mr. Malav Dani, Directors of Asian Paints Limited			
	Mr. Malav Dani, Managing Director	Director in Asian Paints Limited			

A copy of respective documents entered/ to be entered containing broad terms and conditions are open for inspection by the Members electronically through facility provided by NSDL, during the AGM. The same is also available at the website of the Company www.hitechgroup.com.

The Board of Directors, therefore, recommends to the members the passing of the Ordinary Resolution for the contract/ arrangement/ transaction with Asian Paints Limited entered/ to be entered as mentioned at Item No. 6 of the accompanying Notice.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Ashwin Dani, Mr. Jalaj Dani and Mr. Malav Dani and their respective relatives to the extent of their shareholding, are concerned or interested, financially or otherwise, in the resolution as set out at Item No. 6 of the accompanying Notice.

Registered Office:

201, 2nd Floor, Welspun House,
Kamala City, Senapati Bapat Marg,
Lower Parel (West), Mumbai 400 013.
Tel.: 022 4001 6500
Fax : 022 2495 5659
CIN: L28992MH1991PLC168235
E-mail: investor.help@hitechgroup.com
website: www.hitechgroup.com

**By Order of the Board
For Hitech Corporation Limited**

**Namita Tiwari
Company Secretary
Membership No. A24964
Mumbai, 24th August, 2020**

ANNEXURE TO AGM NOTICE

The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:

Name of the Director	Mr. Jalaj A. Dani (DIN: 00019080)	Ms. Kalpana V. Merchant (DIN: 00827907)
Age (years)	51	65
Qualification	Mr. Dani has pursued Chemical Engineering at University of Wisconsin-Madison, USA. He also did Advanced Management Program at INSEAD, Fontainebleau, Paris.	B A (Hon) major with Psychology. Enrolled at Maharashtra and Goa Bar Council in 1979. LLB, Solicitor
Brief Resume of the Director	<p>Co-Promoter- Asian Paints Limited, the largest Paint Company in India and the market leader for the past 53 years.</p> <p>Board Member and Investor of Addverb Technologies Limited, a start-up technology company in the space of Warehouse automation and Robotics.</p> <p>Board Positions-Corporation: Independent Director-HDFC Limited and Havells India Limited.</p> <p>Board Positions - Educational Institutions: Chairman, Board of Governors for Indian Institute of Management (Tiruchirapalli, Tamil Nadu) and Board of Governors of Pandit Deen Dayal Petroleum University in Gandhinagar.</p> <p>Board Positions - Charitable Foundations: Piramal Foundation, Piramal Education Leadership, Pratham Education Foundation, Village Social Transformation Foundation and Reliance Foundation Institution of Education and Research.</p> <p>Board Positions – Government Institutions: Board member of National Skill Development Agency (NSDA); Member of Pradhan Mantri Kaushalya Vikas Yojana (PMKVY) Steering Committee and Member of Advisory Committee of 'Fit India' Chaired by the Hon'ble Minister of State (Independent Charge), Youth Affairs and Sports. Role in Sports Sector: President of Sports, Physical Education, Fitness and Leisure Skills Council (SPEFLSC), Board Member of Sportscom Industry Confederation Promoters – Charitable Foundations: Promoter-ELMS Sports Foundation to improve physical literacy and high-performance sports and Dani Foundation to contribute to various social causes including medical assistance, education, sports initiatives etc</p>	She is a senior partner at Jerome Merchant + Partners. She has over thirty-five years' experience as a solicitor. Prior to Jerome Merchant + Partners, she was a partner at Kanga & Co and AZB & Partners, Mumbai.
Expertise in specific functional area	He is an expert in information technology, data analytics, digital platforms, cyber security, consumer behaviour, sales & marketing, contemporary corporate governance, risk management and strategic thinking. He has vast experience in housing and real estate sector.	She has a rich experience of over 35 years in Law in the area of real estate, dispute resolution and banking and finance laws, private wealth management and M&A.
Date of first appointment in the current designation	12 th September, 2004	27 th February, 2020
Shareholding in the Company	41,100	NIL
Terms & Condition of Appointment/ Re-Appointment	Non- Executive Director liable to retire by rotation	Non- Executive Independent Director not liable to retire by rotation
Other Companies in which he/she is a Director excluding Directorship in Private and Section 8 Companies.	<ol style="list-style-type: none"> Havells India Limited Housing Development Finance Corporation Limited Gujarat Organics Limited Hitech Specialities Solutions Limited IMG Reliance Limited 	<ol style="list-style-type: none"> Fiora Services Limited THPL Support Services Limited Fiora Hypermarket Limited Fiora Online Limited Trent Brands Limited
Chairperson / Membership of the Statutory Committee(s) of Board of Directors of other companies in which he/she is a Director excluding Private and Section 8 Companies.	<p>Member :</p> <ol style="list-style-type: none"> Housing Development Finance Corporation Limited – Stakeholders Relationship Committee & Corporate Social Responsibility Committee IMG Reliance Limited – Nomination & Remuneration Committee <p>Chairman :</p> <ol style="list-style-type: none"> IMG Reliance Limited – Audit Committee & Corporate Social Responsibility Committee Housing Development Finance Corporation Limited – Audit & Governance Committee 	<p>Member :</p> <ol style="list-style-type: none"> Fiora Online Limited – Audit Committee and Nomination & Remuneration Committee
Inter-se relationship between Directors and other Key Managerial Personnel	Son of Mr. Ashwin S. Dani, Chairman and brother of Mr. Malav A. Dani, Managing Director	She is not related with any Director and Key Managerial Personnel of the Company.
Number of Meetings of the Board attended	4 of 6	Not applicable*
Details of remuneration last drawn (₹) (F.Y. 2019-20)	1,00,000/-	Not applicable*
Details of remuneration proposed	Sitting Fees and Commission in accordance with the provisions of law.	Sitting Fees and Commission in accordance with the provisions of law.

* Appointed with effect from 27th February, 2020.

Name of the Director	Mr. Malav A. Dani (DIN: 01184336)	Mr. Mehernosh A. Mehta (DIN: 00372340)
Age (years)	45	53
Qualification	B.S. in Business Management with concentration in information from Purdue University and MBA from Columbia University USA.	B.E. in Electrical Engineering from Mumbai University and Masters in Electrical Engineering from Michigan Technological University.
Brief Resume of the Director	Mr. Malav Dani holds B.S. (Bachelor of Science) degree from Purdue University and an MBA (Master of Business Administration) from Columbia University. His education was rounded off with a six-year stint at General Electric (GE), during which he completed the Information Management Leadership (MLP) program as well as the Quality Six Sigma Black Belt Program. He worked with GE's Corporate Treasury department and the project he helmed won the Alexander Hamilton Corporate Treasury Award. Mr. Malav Dani joined Hitech Corporation Limited as a Director in 2008. He was appointed as a Joint Managing Director on the Board of the Company, in 2011 and was redesignated as the Managing Director of the Company in November 2012. He is also Chairman of the CSR Committee of the Board. He was the Chairman of Young Leaders Forum Committee of Indian Merchants Chamber from 2009- 2013, during his tenure, Mr. Malav Dani was felicitated by Mr. Narendra Modi in 2010. He was also appointed as the Chairman of Ease of Doing Business Committee of Indian Merchants Chamber from 2015 – 2018 where he had an opportunity to present the Roadmap for India to improve its Ease of Doing Business ranking to the Joint Parliamentary Standing Committee on Commerce of Rajya Sabha. Mr. Dani made a presentation on World Peace to American Council of Young Political Leaders, an initiative of the Trump administration. He is a recipient of the 'Yuva Icon Award' presented by Dr. A.P.J Abdul Kalam. He received the "Business Excellence and Innovative Best Practices Award" from Dr. Pranab Mukherjee. In addition to this he is also the recipient of the 'Asia Pacific Entrepreneurship Award 2015, India' and the 'Corporate Excellency Award 2018' from Enterprise Asia.	Before joining Hitech Corporation Limited, worked with Sun-up Botanics Private Limited for 20 years.
Expertise in specific functional area	Expertise in managing diverse businesses with strategic thinking and an entrepreneurial approach for business excellence, specializing in people management, corporate governance, general and financial management.	Mr. Mehta having technical qualification is well versed with the operations as well as general administration of the Company.
Date of first appointment in the current designation	1 st February, 2008	17 th March, 2016
Shareholding in the Company	54,000	NIL
Terms & Condition of Appointment/ Re-Appointment	As mentioned in the Notice and Explanatory Statement	As mentioned in the Notice and Explanatory Statement
Other Companies in which he/she is a Director excluding Directorship in Private and Section 8 Companies.	1. Asian Paints Limited 2. Hitech Specialities Solutions Limited	1. Hitech Insurance Broking Services Limited.
Chairperson / Membership of the Statutory Committee(s) of Board of Directors of other companies in which he/she is a Director excluding Private and Section 8 Companies.	Chairman : 1. Asian Paints Limited – CSR Committee	Nil
Inter-se relationship between Directors and other Key Managerial Personnel	Son of Mr. Ashwin S. Dani, Chairman and brother of Mr. Jalaj A. Dani, Non-executive Director	He is not related with any Director and Key Managerial Personnel of the Company.
Number of Meetings of the Board attended	5 of 6	6 of 6
Details of remuneration last drawn (₹) (F.Y. 2019-20)	49,11,400	22,16,318
Details of remuneration proposed	As mentioned in the notice and explanatory statement.	As mentioned in the notice and explanatory statement.

BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Ninth Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2020.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2020 is summarized below:

(₹ in lakhs)

	2019-20	2018-19
Sales Revenue	46,008.71	46,190.11
Other Income	54.83	50.44
Total Revenue	46,063.54	46,240.55
Earnings Before Insurance Claim, Interest, Depreciation & Tax (EBIDT)	6,033.81	5,205.87
Less: Interest and Financing Charges	2,356.41	1,991.66
Less: Depreciation	2,996.79	2,142.86
Add: Insurance Claim received	(322.15)	1,486.35
Profit Before Tax	358.46	2,557.70
Less: Tax Expenses	122.53	917.40
Net Profit After Tax	235.93	1,640.30
Attributable to:		
Shareholders of the Company	235.93	1,640.30
Non-controlling interest	-	-
Other Comprehensive Income	40.40	(10.51)
Total Comprehensive Income for the year	276.33	1,629.79
Attributable to:		
Shareholders of the Company	276.33	1,629.79
Non-controlling interest	-	-
Opening Balance in Retained Earnings	11,391.73	10,342.83
Amount available for Appropriation	11,668.06	11,972.62
Dividend on Equity Shares	154.58	154.58
Tax on Equity Dividend	31.78	31.77
Transfer to Capital Redemption Reserve	-	394.54
Transfer to General Reserve	-	-
Transfer to Other Reserve	-	-
Closing Balance in Retained Earnings	11,481.70	11,391.73

OVERVIEW OF FINANCIAL PERFORMANCE

During the financial year 2019-20:

- Operating revenue decreased to ₹ 46,008.71 lakhs, as against ₹ 46,190.11 lakhs in the previous year, despite increase in sales volume due to reduction in polymer prices.
- EBIDT increased to ₹ 6,033.81 lakhs as against ₹ 5,205.87 lakhs in the previous year.
- Exceptional item (charge)/ Credit includes one time employee separation cost for closure of manufacturing facility at Sarigam, loss due to floods at Baddi plant pending clearance of the insurance claim. (Previous year figure represents balance insurance claim realized for loss due to fire at Rohtak in the year 15-16.)
- Profit after tax decreased to ₹ 235.93 lakhs from ₹ 1,640.30 lakhs in the previous year as the balance insurance claim of the Rohtak plant was received in the previous year.

IMPACT OF COVID-19 PANDEMIC

The outbreak of Coronavirus (COVID-19) pandemic caused significant disturbance and slowdown of economic activity not only in India, but also globally. Measures taken by the Government to contain the spread of the virus, including travel bans, quarantines, social distancing norms and closure of non-essential services have caused severe disruptions to businesses worldwide, resulting in a general economic slowdown.

The nationwide lockdown ordered by the Government has resulted in significant reduction in economic activities including the business operations of the Company. Some of the Company's units which had to suspend operations due to Government directives related to COVID 19 have since resumed operations, taking all due care for the health and safety of its employee and adopting work from home policy, wherever possible for employees across the locations, as per the guidelines and norms prescribed by the respective State Governments/local authorities.

Your Company resumed its operations at its plants at various locations, in a phased manner with limited availability of employees and is in the process of scaling up its operations and focusing on controlling of costs and managing its resources optimally, to normalise its operations and its revenues. Based on the current indicators of future economic conditions, the Company has carried out a comprehensive assessment of the possible impact on its business operations. The Company expects to recover the carrying amounts of its assets such as receivables and inventories and meet all its liabilities, service its obligations, and sustain its operations. The Company is trying to reduce the fixed overheads to the best possible extent to sail through the difficult times ahead. The actual impact of the global pandemic, COVID19, may be different from that presently estimated and would be recognized in the financial statements when material changes to economic conditions arise.

STATUS OF OPERATIONS AT VIZAG

During the year, the Company successfully completed construction work at Vizag for setting up a facility for manufacturing rigid plastic containers and has commenced commercial production in the month of August, 2019. The total capacity of the plant is 3000 MT and the same is being implemented in a phased manner.

CONSOLIDATION OF MANUFACTURING FACILITIES

Sarigam

As part of the Company's consolidation initiatives and for rationalisation of the production facilities and optimisation of cost, the manufacturing facility situated at Sarigam (Gujarat) was closed with effect from 15th January, 2020. Machineries and equipment of Sarigam plant, were shifted to the Naroili Plant and a onetime employee separation compensation was paid to the affected employees as per statute. The closure will help in reducing fixed costs.

FLOODS AT BADDI

The manufacturing operations of the Company's unit situated at Baddi, Himachal Pradesh which was disrupted due to floods caused by heavy rains in adjacent areas in the month of August, 2019 has since resumed operations to normalcy in the month of October, 2019. The plant is sufficiently insured and the claim process was initiated during the year.

The claim for damage was submitted to the insurance company, however pending assessment of loss by the surveyor, the insurance claim receivable has not been accounted as income in accordance, with a proviso to IND AS 37, which requires 'virtual certainty' for recognition of the insurance claim receivable. The loss owing to floods on account of damaged stock and the repair cost incurred net of salvage value realised has been considered as an exceptional item during the quarter and year ended 31st March, 2020.

REDEMPTION OF PREFERENCE SHARES

Your Company has not redeemed any Preference Shares during the year and the Preference Share capital stands at ₹ 2,235.72 lakhs as on 31st March, 2020.

DIVIDEND

In view of the ongoing economic condition, the Board of Directors are of the view that it would be prudent to conserve the financial resources of the Company. Consequently, no dividend has been recommended by the Board for the financial year 2019-20. However, dividend on preference shares being cumulative in nature, has been provided for in the Audited Financial Statement for the year but the same will be paid in later years depending on surplus fund availability.

TRANSFER TO RESERVES

During the year under review, no amount has been transferred to General Reserve.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year to which the Financial Statements relate and date of this report. There were no material changes in the nature of business of the Company during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS

In compliance with the Regulation 34 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a separate section on the Management Discussion and Analysis giving details of overall industry structure, developments, performance and state of affairs of Company's business, forms an integral part of this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) APPOINTMENTS / RE-APPOINTMENTS OF DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder and pursuant to Article 108 of Articles of Association of the Company, Mr. Jalaj A. Dani (DIN: 00019080), Non-Executive Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment to the Board.

Ms. Vaishali Sharma, resigned from the office of Independent Directors with effect from close of business hours on 29th November, 2019, due to her professional commitments. Ms. Vaishali Sharma joined the Board in June 2016 and since then had been an integral part of the Board. She had contributed immensely to the functioning of the Board and the management had also benefitted from her advice and directions. The Board places on record, gratitude for her advice and guidance during her tenure.

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on 25th June, 2019, had appointed Mr. Aditya M. Sheth as an Additional (Non-Executive Independent) Director for a period of five years commencing from 25th June, 2019 and the same was approved by the shareholders as required, at the 28th Annual General Meeting held on 30th September, 2019.

Upon recommendation of the Nomination and Remuneration Committee, the Directors vide Circular Resolution appointed Ms. Kalpana V. Merchant as an Additional (Non-Executive Independent) Director for a period of five years commencing from 27th February, 2020, subject to the approval of the Members at the ensuing Annual General Meeting.

Profile and other information of the aforesaid Directors, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 forms part of the notice convening the ensuing Annual General Meeting.

The above proposal for appointment or re-appointment forms part of the Notice of the 29th Annual General Meeting and the relevant Resolutions are recommended for your approval therein.

(b) KEY MANAGERIAL PERSONNEL

Mr. Bharat Gosalia, Chief Financial Officer retired after completion of his tenure with effect from 2nd July, 2019 and Mrs. Avan R. Chaina was designated as Chief Financial Officer (CFO) with effect from 3rd July, 2019. Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on 5th February, 2020 approved the extension of term of Mrs. Avan R. Chaina as the CFO of the Company for a period of 3 years w.e.f. 12th February, 2020 upto 11th February, 2023.

Presently, Mr. Malav A. Dani (DIN: 01184336), Managing Director, Mr. Mehernosh A. Mehta (DIN: 00372340), Wholetime Director, Mrs. Avan R. Chaina, Chief Financial Officer and Mrs. Namita Tiwari, Company Secretary are the Key Managerial Personnel of your Company in accordance with the provisions of Section 2(51), Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, from time to time.

(c) DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors on the Board confirming that:

- They meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedules and Rules issued thereunder, as well as Regulation 16 of the Listing Regulations.
- In terms of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, they have registered themselves with the Independent Director's database maintained by the Indian Institute of Corporate Affairs (IICA), Manesar.
- In terms of Regulation 25(8) of the Listing Regulations, they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

(d) PERFORMANCE EVALUATION OF BOARD

The Nomination & Remuneration Committee of the Company has formulated process and parameters for the evaluation of the Directors individually, Committees of the Board and the Board as a whole. The parameters for performance evaluation inter alia includes performance of the Board on deciding long term strategies, composition of the Board, discharging governance duties and handling critical issues and other price sensitive matters.

Pursuant to the provisions of the Companies Act, 2013 read with Rules issued thereunder and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, based on the criteria/parameters formulated by the Nomination & Remuneration Committee, has evaluated the effectiveness of the Board as a whole, the various Committees, Directors individually (excluding Director being evaluated) and the Chairman. The evaluation was carried out based on the ratings of the Directors in the questionnaires circulated to them.

The statement including the manner in which the evaluation exercise was conducted is included in the Corporate Governance Report, which forms part of this Annual Report.

COMMITTEES OF BOARD

The Board of Directors has constituted the following Committees and the details pertaining to such Committees are included in the Corporate Governance Report, which forms part of this Annual Report.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Allotment Committee
- Risk Management Committee
- Executive Committee

NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES

There were 6 meetings of the Board held during the year. The details of the Meetings of the Board and the Committees thereof, convened during the financial year 2019-20 are given in the Corporate Governance Report which forms part of this Annual Report. During the year, all recommendations made by the Committees were approved by Board.

EXTRACT OF ANNUAL RETURN

Details forming part of the extract of the Annual Return in Form MGT 9 in accordance with Section 92(3) of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, are set out herewith as 'Annexure A' and is also available on the website of the Company at <https://hitechgroup.com/investor/Display/financialResult>.

CORPORATE GOVERNANCE

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance, forms an integral part of the Annual Report.

LISTING OF SHARES

The Company's equity shares are actively traded on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSEIL). Further, the applicable listing fees for the financial year 2019-20 have been paid to the respective Stock Exchange(s).

AUDITORS AND THEIR REPORT

a. Statutory Auditors

The Members of the Company at its 26th Annual General Meeting held on Wednesday, 2nd August, 2017 appointed M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Reg. No: 104607W/W100166) as Statutory Auditors of the Company for a term of (5) five years. i.e. till the conclusion of 31st Annual General Meeting to be held in the year 2022.

M/s. Kalyaniwalla & Mistry LLP have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company. The Statutory Auditors have issued an unmodified opinion on the financial statements of the Company for the financial year ended 31st March, 2020.

b. Cost Auditors

As the Companies (Cost Records and Audit) Rules are not applicable to your Company therefore cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is not required, therefore such accounts and records are not made and maintained by the Company. Accordingly, the Company has not appointed any Cost Auditor for the financial year 2019-20.

c. Internal Auditors

M/s. Shashank Patki and Associates, Chartered Accountants, Pune, M/s. J. V. Ramanujam & Co., Chartered Accountants, Chennai and M/s. Jasuja Kapoor & Associates, Chartered

Accountants, Noida have been re-appointed as the Internal Auditors of the Company for the financial year 2020-21.

The Audit Committee of the Board and the Statutory Auditors are periodically apprised of the Internal Audit findings and corrective actions are taken.

d. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the Company has appointed M/s. Nilesh Shah & Associates, Company Secretary in Practise, to undertake the "Secretarial Audit" and "Annual Secretarial Compliance Audit" of the Company for the financial year ended 31st March, 2021. The Company has received consent from M/s Nilesh Shah & Associates to act as the Secretarial Auditors of the Company for the financial year ending 31st March, 2021.

The Secretarial Audit Report for the financial year ended 31st March, 2020, in the prescribed Form MR 3 of the Companies Act, 2013, is annexed to this report as **Annexure (B-1)**.

The Secretarial Compliance Audit Report for the financial year ended 31st March, 2020, in relation to compliance of all applicable SEBI regulations/circulars/guidelines issued thereunder, pursuant to requirement of regulation 24A of Listing Regulations, is set out in **Annexure (B-2)** to this report. The Secretarial Compliance Report has been voluntarily annexed to the Board's report as a part of good disclosure practice.

The Secretarial Audit Report and Annual Secretarial Compliance Audit Report does not contain any qualification, reservation or adverse remark.

DETAILS OF FRAUDS REPORTED BY AUDITORS

There were no frauds reported by the Statutory Auditors under provisions of Section 143(12) of the Companies Act, 2013 and Rules made thereunder.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Act. The salient features of the Nomination and Remuneration Policy are set out in the Corporate Governance Report which forms part of this Annual Report. The Policy is also available on Company's website under the web link: <https://hitechgroup.com/investor/Display/codeofConduct>

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has complied with the applicable provisions of Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013. It has formulated and adopted a Policy on Prevention of Sexual Harassment of Women at Workplace under the aforesaid Act. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The Company has complied with the provisions relating to Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act of 2013. The Company has not received any complaint of sexual harassment at workplace during the year.

Sexual Harassment Policy of the Company is displayed on the Company's website under the weblink: <https://hitechgroup.com/investor/Display/codeofConduct>

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a 'Whistle Blower Policy' with an objective to conduct its affairs in a fair and transparent manner and by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. The Company has established mechanism for reporting concerns about unethical behaviour, actual or suspected fraud, violation of Code of Conduct and Ethics.

The Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website through the following link: <https://hitechgroup.com/investor/Display/codeofConduct>

CORPORATE SOCIAL RESPONSIBILITY (CSR) :

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, as amended, the Board of Directors has constituted a Corporate Social Responsibility Committee. The details of membership of the Committee and the meetings held are detailed in the Corporate Governance Report forming part of the Annual Report.

The contents of the CSR Policy of the Company as approved by the Board on the recommendation of the Corporate Social Responsibility Committee is available on the website of the Company and can be accessed through the web link: <https://hitechgroup.com/investor/Display/codeofConduct>

During the financial year 2019-20, the Company has spent ₹ 35.84 lakhs towards CSR. The Annual Report on CSR activities undertaken by the Company during the financial year 2019-20, is annexed as 'Annexure C' and forms part of this Report.

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

Information required under Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, is appended hereto as 'Annexure D' and forms part of this Report.

TRANSFER OF DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In accordance with the applicable provisions of Companies Act, 2013 (hereinafter referred to as "the Act") read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as the "IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority. The details relating to amount of dividend transferred to the IEPF during the FY 2019-20 and corresponding shares on which dividends were unclaimed for seven (7) consecutive years, are provided in the 'General Shareholders Information' section of Corporate Governance report forming part of this Annual Report.

Members who have not encashed their dividend warrants or whose dividend is unclaimed/unpaid for the year 2012-13 or thereafter are requested to write to the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited. Details of unpaid/ unclaimed dividend are provided on Company's website under the web link - https://hitechgroup.com/investor/Display/Unclaimed_UnpaidDividend

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act and the Rules made thereunder, in respect of employees of the Company has been disclosed in 'Annexure E'.

DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

The outstanding deposits accepted earlier including interest were repaid during the year and there were no deposit outstanding as on 31st March, 2020.

RELATED PARTY TRANSACTIONS

All Related Party Transactions which were entered during the financial year 2019-20 were on an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions entered into by the Company with related party(ies) as defined under Section 2(76) of the Companies Act, 2013 which may have a potential conflict with the interest of the Company at large.

Your Company's sales transactions with Asian Paints Limited qualify as material Related Party Transactions ("RPT") under Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Accordingly, Company has obtained shareholders' approval for the said material related party transactions at the 27th Annual General Meeting held on 16th July, 2018 for three (3) financial years commencing from 1st April, 2018. As the term of the approval would expire on 31st March, 2021, a fresh approval is being sought from the shareholder for the said transaction through special resolution proposed at the ensuing Annual General Meeting (AGM) which forms part of the Notice convening the AGM.

During the year, the Board of Directors of the Company has revised the Policy on dealing with RPTs and Policy on materiality of Related Party Transactions in accordance with the amendments to the applicable provisions of the Listing Regulations. The said policy can be accessed through the following link: <https://hitechgroup.com/investor/Display/codeofConduct>

The details of the related party transactions of the Company as required under Indian Accounting Standard 24 are set out in Note 44 to the financial statements forming part of this Annual Report.

The Form AOC - 2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as 'Annexure F' to this Report.

INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial control system commensurate to the size and nature of its business. The Company periodically tracks all amendments to Accounting Standards and makes necessary changes to the underlying systems, processes and financial controls to ensure adherence to the same.

The Company periodically reviews the internal finance control system. During the year under review, such controls were tested and no reportable material weaknesses in the design or operation of the same were observed

RISK MANAGEMENT

Pursuant to Section 134 of the Companies Act, 2013, the Company has a risk management policy in place for identification of key risks to its business objectives, impact assessment, risk analysis, risk evaluation, risk reporting disclosures, risk mitigation, monitoring and integration with strategy and business planning. The Company has also constituted a Risk Management Committee on voluntary basis.

Details of the Risk Management policy and the committee as stated above have been disclosed in the Corporate Governance Report which forms a part of the Annual Report.

OTHER DISCLOSURES

Your Company during the financial year ended 31st March, 2020:

- a) has complied with Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Meetings of the Board of Directors and General Meetings;
- b) has not issued Shares having differential rights as to dividend, voting or otherwise;
- c) does not have any ESOP Scheme for its employees / Directors;
- d) has not issued Sweat Equity Shares;
- e) does not have any scheme or provision of money for the purchase of its own shares by employees / Directors or by trustees for the benefit of employees/ Directors
- f) There was no revision of financial statements and Boards report of the Company, during the year under review.
- g) during the year under review, the Company has not provided any loan or given any guarantee or made any investment;
- h) There were no significant / material orders passed by any of the Regulators or Courts or Tribunals impacting the going concern status of your Company or its operations in future; and
- i) The Company does not have any subsidiary company, Joint Venture or Associate Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, the Directors state that:

- a. in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards have been followed and there are no material departures from the same;

- b. accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2020 and of the profit and loss of the Company for the financial year ended 31st March, 2020;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis;
- e. proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Directors wish to express their appreciation and gratitude to all the employees at all levels for their hard work, dedication and co-operation during the year.

Your Directors wish to express their sincere gratitude for the excellent support and co-operation extended by the Company's shareholders, customers, bankers, suppliers, regulatory and government authorities and all other stakeholders.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 24th August, 2020

Ashwin S. Dani
Chairman
(DIN: 00009126)

ANNEXURE A TO BOARD'S REPORT
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
for the financial year ended 31st March, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L28992MH1991PLC168235
Registration Date	16 th October, 1991
Name of the Company	Hitech Corporation Limited
Category of the Company	Public Company
Sub-Category of the Company	Company Having Share Capital
Address of the Registered office and contact details	Unit No. 201, 2 nd Floor, Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013. Tel. No: 022 4001 6500 Fax No : 022 2495 5659 Email: investor.help@hitechgroup.com Website: www.hitechgroup.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C 101, 1 st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083. Tel. No: 022 4918 6000 Fax No: 022 4918 6060 Email: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main Products / Services	ITC/NIC Code of the Product / Service	% to total turnover of the Company
1	Manufacturing of Packaging Products of Plastics	3132 (ITC)	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Geetanjali Trading & Investments Private Limited Address: 3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018.	U65990MH1979PTC021049	Holding	69.11%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2019)				No. of Shares held at the end of the year (As on 31.03.2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (1) Indian									
a) Individual/HUF	477185	--	477185	2.78	477185	--	477185	2.78	--
b) Central Govt. / State Governments	--	--	--	--	--	--	--	--	--
c) Financial Institutions / Banks	--	--	--	--	--	--	--	--	--
d) Any other									
Bodies Corporate	12307295	--	12307295	71.65	12307295	--	12307295	71.65	--
Sub-total (A)(1)	12784480	--	12784480	74.43	12784480	--	12784480	74.43	--

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2019)				No. of Shares held at the end of the year (As on 31.03.2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) Individuals (Non-Resident Individuals / Foreign Individuals)	--	--	--	--	--	--	--	--	--
b) Government	--	--	--	--	--	--	--	--	--
c) Institutions	--	--	--	--	--	--	--	--	--
d) Foreign Portfolio Investor	--	--	--	--	--	--	--	--	--
e) Any Other (Specify)	--	--	--	--	--	--	--	--	--
Sub-total (A)(2)	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	12784480	--	12784480	74.43	12784480	--	12784480	74.43	--
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Venture Capital Funds	--	--	--	--	--	--	--	--	--
c) Alternate Investment Funds	--	--	--	--	--	--	--	--	--
d) Foreign Venture Capital Investors	--	--	--	--	--	--	--	--	--
e) Foreign Portfolio Investor	--	--	--	--	--	--	--	--	--
f) Financial Institutions/ Banks	--	--	--	--	--	--	--	--	--
g) Insurance Companies	--	--	--	--	--	--	--	--	--
h) Provident Funds / Pension Funds	--	--	--	--	--	--	--	--	--
i) Any Other (Specify)									
UTI	--	1100	1100	0.01	--	--	--	--	(0.01)
Sub-total (B)(1)	--	1100	1100	0.01	--	--	--	--	(0.01)
2. Central Government/ State Government(s)/ President of India									
Central Government/ State Government(s)	--	3000	3000	0.02	--	3000	3000	0.02	--
Sub Total (B)(2)	--	3000	3000	0.02	--	3000	3000	0.02	--
3. Non-Institutions									
(a) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1561290	232671	1793961	10.45	1484464	205566	1690030	9.84	(0.61)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1493957	-	1493957	8.70	1613280	--	1613280	9.39	0.69
b) NBFC registered with RBI	445	--	445	--	--	--	--	--	--
c) Employee Trusts	--	--	--	--	--	--	--	--	--
d) Overseas Depositories (holding DRs) (balancing figure)	--	--	--	--	--	--	--	--	--

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2019)				No. of Shares held at the end of the year (As on 31.03.2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Any Other (Specify)									
Foreign Nationals	--	--	--	--	--	--	--	--	--
Hindu Undivided Family	297734	--	297734	1.73	292386	--	292386	1.70	(0.03)
Non Resident Indians (Non Repat)	30411	--	30411	0.18	31391	--	31391	0.18	--
Directors / Relatives of Directors	7500	--	7500	0.04	7000	--	7000	0.04	--
Non Resident Indians (Repat)	135829	119900	255729	1.49	161108	119900	281008	1.64	0.15
Clearing Member	22217	--	22217	0.13	2028	--	2028	0.01	(0.12)
Bodies Corporate	393103	400	393503	2.29	366434	400	366834	2.14	(0.15)
IEPF Authority	91663	--	91663	0.53	104263	--	104263	0.61	0.08
Sub Total (B)(3)	4034149	352971	4387120	25.54	4062354	325866	4388220	25.55	0.01
Total Public Shareholding (B)=B(1)+B(2)+B(3)	4034149	357071	4391220	25.57	4062354	328866	4391220	25.57	--
Total (A)+(B)	16818629	357071	17175700	100.00	16846834	328866	17175700	100.00	--
(C) Shares held by Custodian / DR Holder	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	16818629	357071	17175700	100.00	16846834	328866	17175700	100.00	--

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name*	Shareholding at the beginning of the year (As on 01.04.2019)			Shareholding at the end of the year (As on 31.03.2020)			% change as a % of total shares of the Company
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Geetanjali Trading & Investments Pvt. Ltd.	11869295	69.11	--	11869295	69.11	--	--
2	Gujarat Organics Ltd.	177000	1.03	--	177000	1.03	--	--
3	Hiren Holdings Pvt. Ltd.	261000	1.52	--	261000	1.52	--	--
4	Ashwin S. Dani	230095	1.34	--	230095	1.34	--	--
5	Ina A. Dani	61200	0.36	--	61200	0.36	--	--
6	Hasit A. Dani	30000	0.17	--	30000	0.17	--	--
7	Malav A. Dani	54000	0.31	--	54000	0.31	--	--
8	Jalaj A. Dani	41100	0.24	--	41100	0.24	--	--
9	Vita J. Dani	32700	0.19	--	32700	0.19	--	--
10	Ashwin R. Gandhi	15500	0.09	--	15500	0.09	--	--
11	Hiren A. Gandhi	7590	0.04	--	7590	0.04	--	--
12	Satyen A. Gandhi	5000	0.03	--	5000	0.03	--	--
	Total	12784480	74.43	--	12784480	74.43	--	--

Notes:

- * The shares held by the Promoter(s)/Promoter(s) Group have been clubbed on the basis of their first name. Shublakshmi Hasit Dani, Ashwin Suryakant Dani (HUF), Hasit Ashwin Dani (HUF), Mudit Jalaj Dani, Smiti Jalaj Dani, Ishwara Hasit Dani, Sattva Holding and Trading Pvt. Ltd., Rayirth Holding and Trading Company Pvt Ltd., Canes Venatici Pvt. Ltd., Hitech Specialities Solutions Ltd., Homevilla Yoga Pvt Ltd., Mefree LLP, Naradiya Trust, Advaita Charitable Trust, Sab Ka Mangal Ho Foundation, Avinash Holding And Trading Co. Pvt. Ltd., Rituh Holding And Trading Co. Pvt. Ltd. and Hitech Insurance Broking Services Ltd. forming part of the Promoter(s)/Promoter(s) Group do not hold any shares in the Company as on 31st March, 2020.
- The Promoter(s)/Promoter(s) Group of the Company have declared that they along with Persons Acting in Concert, have not made any encumbrance, directly or indirectly, other than those already disclosed during the financial year 2019-20.

(iii) Change in Promoters' Shareholding

Sr. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-19 to 31-03-20)	
		No. of Shares at the beginning (01-04-19)/end of the year (31-03-20)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Geetanjali Trading & Investments Pvt. Ltd.	11869295	69.11	01.04.2019	--	No change during the year	11869295	69.11
		11869295	69.11	31.03.2020			11869295	69.11
2.	Ashwin S. Dani	230095	1.34	01.04.2019	--	No change during the year	230095	1.34
		230095	1.34	31.03.2020			230095	1.34
3.	Ina A. Dani	61200	0.36	01.04.2019	--	No change during the year	61200	0.36
		61200	0.36	31.03.2020			61200	0.36
4.	Jalaj A. Dani	41100	0.24	01.04.2019	--	No change during the year	41100	0.24
		41100	0.24	31.03.2020			41100	0.24
5.	Vita J. Dani	32700	0.19	01.04.2019	--	No change during the year	32700	0.19
		32700	0.19	31.03.2020			32700	0.19
6.	Malav A. Dani	54000	0.31	01.04.2019	--	No change during the year	54000	0.31
		54000	0.31	31.03.2020			54000	0.31
7.	Gujarat Organics Ltd.	177000	1.03	01.04.2019	--	No change during the year	177000	1.03
		177000	1.03	31.03.2020			177000	1.03
8.	Hiren Holdings Pvt. Ltd.	261000	1.52	01.04.2019	--	No change during the year	261000	1.52
		261000	1.52	31.03.2020			261000	1.52
9.	Hasit A. Dani	30000	0.17	01.04.2019	--	No change during the year	30000	0.17
		30000	0.17	31.03.2020			30000	0.17
10.	Ashwin R. Gandhi	15500	0.09	01.04.2019	--	No change during the year	15500	0.09
		15500	0.09	31.03.2020			15500	0.09
11.	Hiren A. Gandhi	7590	0.04	01.04.2019	--	No change during the year	7590	0.04
		7590	0.04	31.03.2020			7590	0.04
12.	Satyen A. Gandhi	5000	0.03	01.04.2019	--	No change during the year	5000	0.03
		5000	0.03	31.03.2020			5000	0.03

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Shareholder's name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Urmila D Shah				
	At the beginning of the year	250000	1.45	250000	1.45
	Bought during the year	0	0.00	250000	1.45
	Sold during the year	0	0.00	250000	1.45
	At the end of the year	250000	1.45	250000	1.45
2.	Hardik Dhanesh Shah				
	At the beginning of the year	150000	0.87	150000	0.87
	Bought during the year	0	0.00	150000	0.87
	Sold during the year	0	0.00	150000	0.87
	At the end of the year	150000	0.87	150000	0.87

Sr. No.	Shareholder's name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
3.	Sahil Nimesh Shah				
	At the beginning of the year	150000	0.87	150000	0.87
	Bought during the year	0	0.00	150000	0.87
	Sold during the year	0	0.00	150000	0.87
	At the end of the year	150000	0.87	150000	0.87
4	Shah Nimesh Sumatilal				
	At the beginning of the year	150000	0.87	150000	0.87
	Bought during the year	0	0.00	150000	0.87
	Sold during the year	0	0.00	150000	0.87
	At the end of the year	150000	0.87	150000	0.87
5	Dhanesh Sumatilal Shah				
	At the beginning of the year	125000	0.73	125000	0.73
	Bought during the year	0	0.00	125000	0.73
	Sold during the year	0	0.00	125000	0.73
	At the end of the year	125000	0.73	125000	0.73
6.	Jatin Ramesh Shah				
	At the beginning of the year	84840	0.49	84840	0.49
	Bought during the year	0	0.00	84840	0.49
	Sold during the year	0	0.00	84840	0.49
	At the end of the year	84840	0.49	84840	0.49
7.	Neha Jaswani				
	At the beginning of the year	62640	0.36	62640	0.36
	Bought during the year	13140	0.08	75780	0.44
	Sold during the year	215	0.00	75565	0.44
	At the end of the year	75565	0.44	75565	0.44
8.	Dhirajlal Varjivandas Shah				
	At the beginning of the year	43534	0.25	43534	0.25
	Bought during the year	19513	0.11	63047	0.37
	Sold during the year	0	0.00	63047	0.37
	At the end of the year	63047	0.37	63047	0.37
9.	Saroj B. Dave				
	At the beginning of the year	60000	0.35	60000	0.35
	Bought during the year	0	0.00	60000	0.35
	Sold during the year	0	0.00	60000	0.35
	At the end of the year	60000	0.35	60000	0.35
10.	Nimesh Virchand Munver				
	At the beginning of the year	60000	0.35	60000	0.35
	Bought during the year	0	0.00	60000	0.35
	Sold during the year	6000	0.04	54000	0.31
	At the end of the year	54000	0.31	54000	0.31

Note: Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositories to your Company.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding		Date	Increase / (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01-04-19 to 31-03-20)	
		No. of Shares at the beginning (01-04-19) / end of the year (31-03-20)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Ashwin S. Dani	230095	1.34	01.04.2019	--	No change during the year	230095	1.34
		230095	1.34	31.03.2020			230095	1.34
2.	Harish N. Motiwalla	--	--	01.04.2019	--	No change during the year	--	--
		--	--	31.03.2020			--	--
3.	Jalaj A. Dani	41100	0.24	01.04.2019	--	No change during the year	41100	0.24
		41100	0.24	31.03.2020			41100	0.24
4.	Malav A. Dani	54000	0.31	01.04.2019	--	No change during the year	54000	0.31
		54000	0.31	31.03.2020			54000	0.31
5.	Ashwin R. Nagarwadia	5000	0.03	01.04.2019	--	No change during the year	5000	0.03
		5000	0.03	31.03.2020			5000	0.03
6.	Jayendra R. Shah	1800	0.01	01.04.2019	--	No change during the year	1800	0.01
		1800	0.01	31.03.2020			1800	0.01
7.	Mehernosh A. Mehta	--	--	01.04.2019	--	No change during the year	--	--
		--	--	31.03.2020			--	--
8.	Bomi P. Chinoy	--	--	01.04.2019	--	No change during the year	--	--
		--	--	31.03.2020			--	--
9.	Vaishali V. Sharma*	200	0.00	01.04.2019	--	No change during the year	200	0.00
		200	0.00	31.03.2020			200	0.00
10.	Aditya M. Sheth**	--	--	01.04.2019	--	No change during the year	--	--
		--	--	31.03.2020			--	--
11.	Kalpana V. Merchant***	--	--	01.04.2019	--	No change during the year	--	--
		--	--	31.03.2020			--	--
12.	Bharat I. Gosalia****	--	--	01.04.2019	--	No change during the year	--	--
		--	--	31.03.2020			--	--
13.	Avan R. Chaina*****	--	--	01.04.2019	--	No change during the year	--	--
		--	--	31.03.2020			--	--
14.	Namita Tiwari	--	--	01.04.2018	--	No change during the year	--	--
		--	--	31.03.2019			--	--

Notes

* Ms. Vaishali V. Sharma, ceased to be an Independent Director with effect from 29th November, 2019.

** Mr. Aditya M. Sheth appointed as an Independent Director, with effect from 25th June, 2019.

*** Ms. Kalpana V. Merchant appointed as an Independent Director, with effect from 27th February, 2020.

**** Mr. Bharat I. Gosalia, Chief Financial Officer retired after completion of his tenure with effect from 2nd July, 2019.

***** Mrs. Avan R. Chaina was designated as Chief Financial Officer (CFO) with effect from 3rd July, 2019.

VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment for the financial year 2019-20:

(₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans excluding deposits	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	14,860.98	3,373.09	--	18,234.07
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	2.16	28.33	--	30.49
iv) Preference dividend accrued but not due	--	242.57	--	242.57
Total (i+ii+iii+iv)	14,863.14	3,643.99	--	18,507.13
Change in Indebtedness during the financial year				
• Addition	23,417.45	5,042.47	--	28,459.92
• Reduction	23,437.74	5,533.04	--	28,970.78
Net Change	(20.29)	(490.57)	--	(510.86)
Indebtedness at the end of the financial year				
i) Principal Amount	14,840.06	2,952.21	--	17,792.27
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	2.79	--	--	2.79
iv) Preference dividend accrued but not due	--	201.21	--	201.21
Total (i+ii+iii+iv)	14,842.85	3,153.42	--	17,996.27

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Key Managerial Personnel for the Financial Year 2019-20

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Mr. Malav A. Dani	Mr. Mehernosh A. Mehta	Mrs. Namita Tiwari	Mr. Bharat Gosalia	Mrs. Avan Chaina	Total
		Managing Director	Wholetime Director	Company Secretary	CFO**	CFO***	
1.	Gross salary						
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	36,23,400	19,88,820	15,39,144	19,17,433	18,16,690	1,08,85,487
	b. Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-	-	-	-
	c. Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-
4.	Commission						
	a) As % of profit	-	-	-	-	-	-
	b) Others, please specify	-	-	-	-	-	-
5.	Others, please specify						
	a) Performance Bonus	10,00,000	1,51,288	-	-	-	11,51,288
	b) PF Contribution	2,88,000	76,210	69,150	39,220	79,470	5,52,050
	Total	49,11,400	22,16,318	16,08,294	19,56,653	18,96,160	1,25,88,825
	Grand Total (MD+WTD)	₹ 71,27,718		Not Applicable			
	Ceiling as per Section 197 of the Act 10% of the net profit calculated under section 198 of the Act.	₹ 43,67,164					
	Ceiling as per Schedule V of the Act based on effective capital due to inadequate profit*	₹ 1,20,00,000					

* Due to inadequate profit for payment of managerial remuneration, calculated under section 198 of the Companies act, 2013 Remuneration to the Managing Director and Whole Time Director was paid within the ceiling limit under the provisions of Schedule V of the Companies Act, 2013..

** Retired after completion of tenure w.e.f. 2nd July, 2019.

*** Appointed as CFO w.e.f. 3rd July, 2019. The remuneration paid to Mrs. Avan Chaina, CFO, is only for the part of the year with effect from 3rd July, 2019, in her current designation as the CFO of the Company.

B. Remuneration to Non-Executive Directors for the Financial year 2019-20:

(Amount in ₹)

Name of Director	Board/ Committee Meetings Fees	Commission	Others	Total
1. Independent Directors				
Harish N. Motiwalla	3,05,000	1,65,000	--	4,70,000
Jayendra R. Shah	3,15,000	75,000	--	3,90,000
Bomi P. Chinoy	2,85,000	75,000	--	3,60,000
Vaishali V. Sharma *	75,000	22,000	--	97,000
Aditya M. Sheth**	1,00,000	25,000		1,25,000
Kalpana V. Merchant***	--	--		
Total (1)	10,80,000	3,62,000	--	14,42,000
Ashwin S. Dani	1,80,000	--	4,26,497#	6,06,497
Jalaj A. Dani	1,00,000	--	--	1,00,000
Ashwin R. Nagarwadia	3,15,000	75,000	--	3,90,000
Total (2)	5,95,000	75,000	4,26,497	10,96,497
Total (1+2)	16,75,000	4,37,000	4,26,497	25,38,497
Ceiling as per the Act	-	4,37,000		

Notes:

- # Represents reimbursement of expenses and perquisites as approved by the shareholders.
* Ms. Vaishali V. Sharma, ceased to be an Independent Director w.e.f. 29th November, 2019.
** Mr. Aditya M. Sheth, Independent Director, was appointed w.e.f. 25th June, 2019.
*** Ms. Kalpana V. Merchant, Independent Director was appointed w.e.f. 27th February, 2020

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**NIL**

For and on Behalf of the Board of Directors

Place: Mumbai
Date: 24th August, 2020

Ashwin S. Dani
Chairman
(DIN: 00009126)

ANNEXURE B-1 TO BOARD'S REPORT**FORM NO. MR-3****SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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,

Hitech Corporation Limited

(formerly Hitech Plast Limited)

Unit No. 201, 2nd Floor, Welspun House,

Kamala City, Senapati Bapat Marg,

Lower Parel, Mumbai 400013

Dear Sir / Madam,

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

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities and other records maintained by the Company and also the 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 financial year ended 31st March, 2020, 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 further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (to the extent applicable);
 - (d) 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;
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
 - (f) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) Considering activities of the Company, there is no specific regulator / law subject to whose approval company can carry on / continue business operation and hence no comment is invited in respect of the same. We have also in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws like Labour Laws, Environmental Law, etc. (in addition to the above mentioned Laws (i to v) and applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of:

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (b) The Listing Agreements entered into by the Company with Stock Exchange(s).

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations / Guidelines:

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (c) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above and we have no material observation of instances of non Compliance in respect of the same.

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. It may be noted that consequent upon resignation of Mr. Rajnikant Desai as Independent Director w.e.f. 31.03.2019, the Company is required to appoint an Independent Director within a period of three months or the immediate next Board Meeting whichever is later. The Company has appointed Mr. Aditya Sheth as an Independent Director w.e.f. 25.06.2019. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

We also report that adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in case of urgency with the consent of Directors at short notice and a reasonable system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its Officer, we herewith report that majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period under review, there were no specific event / action that can have a major bearing on the Company's affairs.

Note: This Report is to be read along with attached Letter provided as "Annexure - A".

For Nilesh Shah & Associates
Company Secretaries

Nilesh Shah
(Partner)

Date: 16th June, 2020
Place:- Mumbai

FCS : 4554 C.P.: 2631
UDIN: F004554B000347622

To
The Members,
Hitech Corporation Limited
(formerly Hitech Plast Limited)
Unit No. 201, 2nd Floor, Welspun House,
Kamala City, Senapati Bapat Marg,
Lower Parel, Mumbai 400013

Dear Sir / Madam,

Sub : Our Report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and we rely on Auditors Independent Assessment on the same.
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
- Due to COVID-19 outbreak and Lockdown situation, in respect of part of the Audit, especially for verification of compliance for the Last two Quarter of the financial year i.e. October 2019 to March, 2020, we have relied on the information, details, data, documents and explanation as provided by the Company and its officers and agents in electronic form without physically verifying their office.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Nilesh Shah & Associates
Company Secretaries

Nilesh Shah
(Partner)

Date: 16th June, 2020
Place:- Mumbai

FCS : 4554 C.P.: 2631
UDIN: F004554B000347622

ANNEXURE B-2 TO BOARD'S REPORT

ANNUAL SECRETARIAL COMPLIANCE REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Board of Directors,

Hitech Corporation Limited

(formerly Hitech Plast Limited)

Unit No. 201, 2nd Floor, Welspun House,

Kamala City, Senapati Bapat Marg,

Lower Parel, Mumbai 400013

Dear Sir / Madam,

We, Nilesh Shah & Associates, Company Secretaries in Practice have examined:

- (a) all the documents and records made available to us and explanation provided by **Hitech Corporation Limited** (hereinafter called "**the Company**");
- (b) the filings/ submissions made by the listed entity to the stock exchanges;
- (c) website of the listed entity; and
- (d) other document/ filing, as may be relevant, which has been relied upon to make this certification;

for the financial year ended **31st March, 2020** in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (to the extent applicable);
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- (f) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

and based on the above examination, we hereby report that, during the financial year ended **31st March, 2020**:

- (a) The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder;
- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records;
- (c) No actions were taken against the Company/ its promoters/ directors/ material subsidiaries, if any either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder;
- (d) The Company was not required to take corrective action as there were no adverse observations made in previous reports.

For Nilesh Shah & Associates
Company Secretaries

Nilesh Shah
(Partner)

Date: 16th June, 2020
Place:- Mumbai

FCS : 4554 C.P.: 2631
UDIN: F004554B000347644

ANNEXURE C TO BOARD'S REPORT

CORPORATE SOCIAL RESPONSIBILITY

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

It has been Hitech's resolute mission to promote life skills and value education. The Company's focus areas are Education and Skill Development, Health and Wellness, Environmental Sustainability and restoration of heritage sites. While doing meaningful contribution to the society through its active participation, the Company undertakes its CSR activities either through employees volunteering or through its CSR wing - Sab Ka Mangal Ho Foundation (a registered public charitable trust) or in partnership with other NGOs having similar objectives. The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013.

Sab Ka Mangal Ho Foundation was founded in 2016 with an ambitious mission to make the world a happier place by serving communities at all levels of wellbeing—physical, emotional, and spiritual. It achieves this through a vast array of programs for underprivileged citizens that range from free eye care clinics to environmental clean-up efforts, pairing with local NGOs, corporations, and philanthropic individuals to roll out large-scale campaigns.

One of its pet projects have been giving yoga education to the children in the orphanages; giving access to the vulnerable children the life-changing benefits of yoga. The long-term goal of the project is to empower as many children in India as possible and to provide vocational skills for teens to eventually become yoga teachers.

Physical fitness and mental tranquility being the two most essential factors for human evolution, our endeavor has been to promote yoga education; to empower these children and help them to move and grow mindfully as they become future citizens of the nation.

It has so far connected with 20 orphanages in Mumbai and Pune and have touched over 600 lives. The intent is to expand this project to many more orphanages in India in future. SOSVA who has been our execution partners have been leading this project on behalf of Sab Ka Mangal Ho Foundation.

The Company has a well-defined CSR policy and the same is available on the website of the Company under the web-link - <https://hitechgroup.com/investor/Display/codeofConduct>

2. **Composition of the CSR Committee:**

Name	Designation	Chairman/ Member
Mr. Malav A. Dani	Managing Director	Chairman
Mr. Ashwin R. Nagarwadia	Non-Executive Director	Member
Mr. Jayendra R. Shah	Independent Director	Member
Mr. Bomi P. Chinoy	Independent Director	Member

3. **Average net profit of the Company for last three financial years:** ₹ 1792.14 lakhs.
4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** ₹ 35.84 Lakhs.
5. **Details of CSR spent for the financial year:**
- Total amount spent in the Financial Year 2019-20: ₹ 35.84 lakhs.
 - Amount unspent, if any: Nil
 - Manner in which the amount spent during the financial year is detailed below:

(₹ in lakhs)

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs-wise	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads:	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
1.	Promoting education including special education and employment enhancing vocation skills especially among children, women elderly and the differently abled and live hood enhancement projects	Yoga Teaching	Mumbai & Pune	26.00	25.98	25.98	Through Sab Ka Mangal Ho Foundation
2.	Promoting education including special education and employment enhancing vocation skills especially among children, women elderly and the differently abled and live hood enhancement projects	Yoga Teaching	Mumbai & Pune	1.00	0.75	26.73	Direct
3.	Eradicating Hunger & providing nutritional support to under privileged children.	Supporting Midday meal programme	Mumbai	0.15	0.11	26.84	Direct
4.	Transferred to Sab Ka Mangal Ho Foundation for Hitech's ongoing CSR project	-	-	-	9.00	35.84	Direct
	TOTAL				35.84	35.84	

6. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company, is reproduced below:**

We hereby affirm that the CSR Policy, as recommended by CSR Committee and approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR projects and activities in compliance with CSR objectives.

Place: Mumbai
Date: 24th August, 2020

Malav Dani
Managing Director & Chairman - CSR Committee
(DIN: 01184336)

ANNEXURE D TO BOARD'S REPORT

Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as follows:

A) Conservation of Energy:

a) The steps taken for conservation of energy:

During the year, your Company has made constant efforts for conservation of energy. At all manufacturing facilities, emphasis is placed on improving the efficiency at all levels with the central idea of energy conservation. We have examined the machinery requirement with respect to articles to be produced and optimized selections for least energy consumption options with precision in outputs. Our proximity to customer locations reduced the energy footprint in transportation. We are installing windmill and solar cells across all plants. During this critical time, the Company has focused more on;

- energy conservation;
- improving technology;
- improving efficiency of production

b) Specific Energy Conservation measures taken during the year are:

- Control on energy inputs for plasticization.
- Control on energy inputs to machines.
- Exploring replacement of hydro motors with servo motors.
- Monitoring and analysis of energy consumption on daily basis;
- Replacement of old conventional moulding machines with new ones, which are always either servo controlled or fully electric;
- Constant monitoring of machines to optimize productivity;
- Installation of solar panels to service our electricity needs;

c) Steps taken by the Company for utilizing alternate sources of energy:

Your Company has invested in wind mill energy and plans to invest in solar power in suitable areas of operations.

Windmill

Installation of Windmills in some of its plants as an alternative source of energy will facilitate the reduction in conventional energy usage and environmental benefits.

Solar energy

Your Company also plans to invest in Solar cells to supplement requirements of power at new manufacturing facilities as well as other existing plants.

The abovementioned measures have resulted/ likely to result into reduction in energy usage, reduction in energy cost and environmental benefits in the vicinity.

d) The Capital Investment on Energy Conservation equipment: NIL

B) TECHNOLOGY ABSORPTION

Your Company has a dedicated Technology Centre at Pune (Sanaswadi) that carries out design, product and process innovations and improvements. It has also received accreditation from the Department of Science and Technology, Government of India. Efficient usage of polymers in the product and reduction in production cycle time leading to savings in operating costs are some of the initiatives by the Centre. Upgradation in technology and reduction in production cycle time will help sustaining and strengthening the competitive position of the Company and facilitate customer satisfaction.

a) The efforts made by the Company towards technology absorption

- Efficient conversion;
- Automation;
- Labour reduction.

b) Specific areas in which R & D was carried out by the Company includes:

- Technical up-gradation in mould design;
- Cooling efficiency;
- Cycle time reduction in moulding;
- Product and process development.

c) The Benefits derived like product improvement, cost reduction, product development or import substitution:

- Enhanced competitiveness due to cost reduction and product development;
- Lower production cycle time improved productivity;
- Less moulding rejections; and
- Customer satisfaction.

d) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

Not applicable, as there were no imports and all developments were done indigenously in the last three years.

C) Expenditure on R & D during the year is as follows:

Particulars	₹ in Lakhs
(a) Capital	--
(b) Revenue	453.64
Total	453.64

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earned in terms of actual inflows during the year 2019-20 was ₹ 221.87 lakhs (equivalent value of various currencies).

Foreign exchange outgo in terms of actual outflows during the year 2019-20 was ₹ 521.46 lakhs (equivalent value of various currencies).

ANNEXURE E TO BOARD'S REPORT

DISCLOSURES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 AND RULE 5 (1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

1. Remuneration details of Directors and KMP of the Company for the financial year 2019-20 is as follows:

Sr. No.	Name	Designation	Total Remuneration (₹)	Ratio of remuneration to the Median Remuneration	Percentage Increase/ Decrease in the Remuneration
1.	Mr. Ashwin S. Dani	Chairman	6,06,497	2.37	(13.37)
2.	Mr. Jalaj A. Dani	Director	1,00,000	0.39	(23.08)
3.	Mr. Malav A. Dani	Managing Director	49,11,400	19.17	(4.84)
4.	Mr. Harish N. Motiwalla	Director	4,70,000	1.83	(24.19)
5.	Mr. Ashwin R. Nagarwadia	Director	3,90,000	1.52	(2.50)
6.	Mr. Jayendra R. Shah	Director	3,90,000	1.52	(15.21)
7.	Mr. Mehernosh A. Mehta	Whole Time Director	22,16,318	8.65	12.91
8.	Mr. Bomi P. Chinoy	Director	3,60,000	1.41	(16.28)
9.	Ms. Vaishali V. Sharma*	Director	97,000	0.38	NA
10.	Mr. Aditya M. Sheth**	Director	1,25,000	0.49	NA
11.	Ms. Kalpana V. Merchant***	Additional Director	-	NA	NA
12.	Mr. Bharat Gosalia@	Chief Financial Officer	19,56,653	NA	NA
13.	Mrs. Avan R. Chaina@	Chief Financial Officer	18,96,160	NA	NA
14.	Mrs. Namita Tiwari	Company Secretary	16,08,294	6.28	5.35

Notes:

- * Percentage Increase/Decrease is not reported for the Remuneration paid to Ms. Vaishali V. Sharma as she ceased to be a Director with effect from 29th November, 2019.
- ** Percentage Increase/Decrease is not reported for the Remuneration paid to Mr. Aditya M. Sheth as he was appointed as an Independent Director, with effect from 25th June, 2019.
- *** Ms. Kalpana V. Merchant was appointed as an Independent Director with effect from 27th February, 2020.
- The aforesaid details are calculated on the basis of remuneration for the financial year 2019-20.
- The remuneration to Directors includes sitting fees paid to them for the financial year 2019-20.
- The median remuneration of all employees per annum was ₹ 2,56,180/- and ₹ 2,07,673 for the financial year 2019-20 and 2018-19 respectively. The increase in median remuneration of employees for the financial year 2019-20, as compared to financial year 2018-19, is 23.36%.
- The average salary of all employees (other than Key Managerial Personnel) per annum was ₹ ₹ 3,76,524 and ₹ 3,72,644 for the financial year 2019-20 and 2018-19 respectively. The increase in average salary of employees for the financial year 2019-20 as compared to financial year 2018-19, is 1.04%.
- The increase in remuneration of employees other than the Key Managerial Personnel is considerably in line with the increase in remuneration of Key Managerial Personnel.
- The remuneration to Directors is within the overall limits approved by the shareholders of the Company.
- Mr. Bharat Gosalia retired after completion of tenure w.e.f. 2nd July, 2019.
- The remuneration paid to Mrs. Avan Chaina, CFO is only for the part of the year with effect from 3rd July, 2019, in her current designation as the CFO of the Company.
- @The remuneration paid to Mr. Bharat I. Gosalia and Mrs. Avan R. Chaina is for part of the year. Accordingly, the percentage increase/ decrease in their remuneration and ratio of remuneration to median remuneration is not reported.

2. The number of permanent employees on the rolls of Company:

Executive & Staff	408
Workers	248
Total	656

3. It is hereby affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Nomination and Remuneration Policy of the Company.

4. Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, vide notification dated 30th June, 2016:

List of top ten employees of the Company in terms of remuneration drawn and employed throughout the financial year 2019-20.

Sr. No.	Name(s)	Designation(s)	Remuneration (Amount in ₹)	Qualification	Experience (years)	Joining Date	Age (years)	Last Employment
1.	Malav A. Dani	Managing Director	49,11,400	B.S. in Business Management with concentration in Information Systems from Purdue University and MBA from Columbia University, USA	17	01-02-2008	45	Asian Paints Ltd.
2.	Bipin Shah	Chief Innovation Officer	48,43,844	Master of Chemical Engineering from Wayne State University	52	01-01-2017	76	Asian Electronics Ltd.
3.	Rajan R. Takhtkar	General Manager	31,22,172	Diploma – Industrial Engineering	37	06-07-2017	58	Precitek Component, Pune
4.	Avan R. Chaina*	Chief Financial Officer	28,60,308	CA, CS, LLB	34	02-06-2014	58	Blue Star Ltd.
5.	Mehernosh A. Mehta	Wholetime Director	22,16,318	Master of Science, Degree in Electrical Engineering from Michigan Technological University U.S.A., B.E. in Electronics, Mumbai	27	02-01-2013	52	Sun-up Botanics Pvt. Ltd.
6.	G Balasubramanian	General Manager -Manufacturing	26,94,335	B. Tech (Plastic Technology)	34	01-01-2019	63	JRD International, Dubai
7.	Kunal Shambharkar	Sr. Manager - Business Development	20,98,132	B.Tech, Post Graduation (Tool, Die & Mould Design)	12	18-12-2015	37	BM Refrigeration – Europe
8.	Rabindra Kumar Sahoo	Senior Manager – Quality Systems	18,91,312	Plastic Mould Tech. 3 years Diploma – CIPET	24	23-12-2008	56	Esquire Polymer Pvt. Ltd.
9.	Baskaran Panchavarnam Nadar**	Chief Operating Officer	18,88,428	ACCET, BE (Hons) Electronics	47	01-06-2016	69	ITOCHU International Inc.
10.	Md. Mazid Zafar	Manager – Mould & Product Development	18,75,110	Diploma – PMT (CIPET)	9	21-08-2017	35	SSF Plastics India Pvt Ltd

* Designated as CFO w.e.f. 3rd July, 2019. Salary paid to the current CFO is for the entire year including ₹ 18,96,160 paid after her appointment as CFO.

** Ceased w.e.f. 10th April, 2020

No employee except Mr. Malav A. Dani is a relative of any Director or Manager of the Company.

All appointments are contractual and terminable by notice on either side.

Remuneration includes salary, bonus, commission, various allowances, contribution to provident fund and superannuation fund and taxable value of perquisites excluding provision for gratuity and leave encashment.

5. There is no employee in the Company, who has drawn remuneration exceeding more than One Crore and two lakhs per annum for the financial year 2019-20; and There is no employee in the Company, who has drawn the remuneration exceeding Eight lakhs and Fifty thousand per month during the financial year 2019-20.

ANNEXURE F TO BOARD'S REPORT
Form AOC – 2

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	NA
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the requisite resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013.	

1. Details of material contracts or arrangements or transactions at arm's length:

(a)	Name(s) of the related party and nature of relationship	Asian Paints Ltd., (some Common Directors)
(b)	Nature of contracts/arrangements/transactions	Sale of packaging material
(c)	Duration of the contracts/arrangements/transactions	3 years starting from 1 st April, 2018 upto 31 st March, 2021.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Sale of goods at prevailing prices.
(e)	Date(s) of approval by the Board, if any	14 th May, 2018
(f)	Amount paid as advances, if any	Nil

For and on Behalf of the Board of Directors

Place: Mumbai
Date: 24th August, 2020

Ashwin S. Dani
Chairman
(DIN: 00009126)

MANAGEMENT DISCUSSION AND ANALYSIS

PACKAGING SOLUTIONS FOR MULTIPLE SECTORS:

Hitech Corporation is a leading manufacturer of rigid plastic packaging solutions for a variety of customer segments across multiple geographies. These include customers from industries such as paints and coatings, personal care and food to healthcare, agriculture and lubricants. While it operates in a highly competitive space, its emphasis on quality and innovation remains unwavering.

OVERVIEW OF INDIAN ECONOMY:

India had a rather dismal financial year with a general slowdown in consumption, exports and investments. Combined with lower tax revenues, it raised the fiscal deficit to 4.6% of GDP. The economic growth was the lowest it has been in 11 years at 4.2% due to muted performance by the manufacturing and construction sectors. The year was also marred by frequent and significant revisions in the official growth statistics followed by ineffective policy changes. Even the promising corporate tax reform could not improve the growth in private investment. The growth in eight core industries including cement, steel and coal had fallen substantially even before the covid pandemic related shutdowns occurred. The shutdowns, that began sporadically in early March soon brought economic activity to a grinding halt.

Abrupt shutdowns that continued well into the first quarter FY21 make the short-term outlook grimmer still. Infections in the country appear not to have peaked yet, so despite phased unlock procedures in industrial areas, chaotic labour migration and waning private consumption may continue to coerce corporations to trim expenditures.

Despite debate on the sufficiency and efficacy of various stimulus packages, government spending will likely be the cornerstone of recovery in the mid to long term. Economic revival may be gradual and uneven across industries. Some degree of social distancing in the mid-term may restrict sectors like tourism and hospitality but accelerate activities such as personal mobility and home improvement. Monetary policy, that was already underway before the shutdown, like the simultaneous purchase of long-term bonds and sale of short-term government bonds as well as the lowered reserve requirements for lending to SMEs is expected to lower long term rates and infuse liquidity into the markets. The sharp drop in crude prices may lower the country's import bill, improve the current account balance and result in generous domestic savings. A bountiful monsoon forecast may help mitigate some of the headwinds from the pandemic related slowdown.

While the possibility of a second wave of infections and global pessimism looms large, Hitech's commitment to its core values will be an asset to navigate uncertain times.

BUSINESS SEGMENTS:

Hitech is developing business models to serve expanded sectors and customers all across India.

PAINT INDUSTRY:

The market for Indian paints and coatings had been expected to grow at 8.5% until 2024 owing largely to increased construction activity and emphasis on infrastructure development. The country's young population, rapid urbanization and a growing middle class provide rising opportunity. Furthermore, the use of nanotechnology in paints is expected to uncover elevated packaging needs. While the demand may have drastically slowed in the current situation, the mid-to-long term outlook remains largely positive. Hitech's high operational calibre has equipped it to respond to elastic demand.

FMCG:

The INR 4 Lac Crore industry grew 9% over FY 2019 with the packaged food segment accounting for almost 50% of the revenues. Despite slashed forecasts, FMCG in India is still expected to grow at 6% in 2020. Almost half this growth is expected to be fuelled by organized trade, ~2% from modern trade and 1% from e-commerce. Rural consumption has in the past few years exceeded expectations and will likely incentivize triple digit growth in the next five years.

A surge in shopping experiences through social media may be the unexpected uplift the industry requires. A shift towards family focused shopping and the rising demand for international brands may provide impetus for domestic brands to innovate not only in terms of products but also packaging. Hitech, as a trusted packaging partner to several FMCG firms will be at the forefront of this growth.

PERSONAL AND HEALTH CARE INDUSTRY:

A surge in the consumption of personal care products in India has led to significant opportunities in trends in this industry. As the Indian consumer grows more sophisticated and discovers international brands, an industry that was valued at USD 1.6B in 2017 is now expected to grow at roughly 9% to reach USD 2.7B by 2023. The hand sanitizer segment, that was already gaining momentum over the past few years, has now burst upon the mainstream causing a surge in demand in a post covid world. It is expected to grow by almost USD 400 MM during 2020-24 given the increasing awareness about pandemic diseases. The variety of end use dispensation as well as the product volume and type will likely pose interesting packaging challenges. Hitech is therefore looking to leverage its strength in research and development to keep pace with the packaging demands.

HOME CARE:

The Indian cleaning chemicals market that was valued at roughly USD 2.5 B is expected to grow to over USD 9.5 B by 2026, owing to greater incidences of infectious diseases and rising safety standards. Cognizance and attitudes towards hygiene are undergoing phenomenal changes not only in rural but also urban areas. While grocery stores continue to dominate the distribution of these products in most of the country, some urban consumption is driven by the convenience of the modern trade and e-commerce outlets. A recent surge in demand, is likely to continue in the mid-term with the proliferation of new players in this space. Hitech's strategy is to expand its business partnerships to offer new products.

AGRO CHEMICAL:

India is the fourth largest producer of agro chemicals in the world. The production is valued at approximately USD 5 B, almost half of which is exported. Domestically, the use of agro chemicals is also set to expand as farmers navigate around concerns increasing about soil degradation, scarcity of land and shortage of water supply. Recent agrarian reforms like the amendment to the Essential Commodities Act of 1955 will likely incentivise investment in the farm sector. Upcoming reforms around export rebates and registration processes, combined in changes in GST may help make exports even more competitive. Hitech's proximity to the agricultural chemical manufacturing belt will enable it to better understand the needs of these customers and expand its packaging market share.

INDUSTRIAL LUBRICANTS:

The Indian lubricant market that was sized at over 4.5 B in 2018 is expected to grow over 4.5% every year until 2025. In addition to demand from industrialisation, there may be heightened demand from the power generation industry, particularly wind turbines. Specialty lubricants with marine applications as well as biobased oils with low emissions will likely create a niche for specialised packaging. Hitech has only recently made some headway in this sector and is hoping to leverage its vast experience in polymer moulding to overcome any resistance to entry.

CAPITAL EXPENDITURE & EXPANSION PLANS:

The unforeseen timing and undetermined repercussions of the pandemic have necessitated a temporary halt on Hitech's larger expansion plans. However, low cost efficiency improvement projects at various plants are underway as planned. These include the systematic replacement of older machines with newer technology as well as the augmentation of existing plant and machinery to support newer products and customers.

OPPORTUNITIES, RISKS AND THREATS:

Hitech's simple three-fold strategy to expand current products in new customer segments, develop new products for existing customer segments and create new products for new customer segments has served it well. Having 12 manufacturing facilities across the country has allowed it to take direct advantage of opportunities in varied customer segments and geographies.

General economic deceleration, that impacts Hitech's customer segments, and fluctuating polymer prices pose the most direct risks to Hitech. In order to mitigate risks from economic slowdown, Hitech continuously works to minimize its costs. It has consolidated its facilities within two major regions to increase synergies and combine efficiencies. It also works with its customers to contractually pass on the effects of polymer prices in order to minimize adverse effects on operating profits.

Structural changes in monetary policy and industrial regulation have an indirect impact on Hitech as customers pursue short- and long-term changes to their strategies to cope with the same. Increased crude oil prices have direct effects on profitability. Hitech works closely with its customers to stay ahead of the effects of such changes. It also restricts imports and covers foreign exchange rates to minimize any adverse financial implications it may have.

HUMAN RESOURCES & INDUSTRIAL RELATIONS:

Hitech continues to attract and retain necessary talent at all its facilities. Its commitment to the holistic development of its employees extends not only to engaging and developing them on a professional level but also encouraging personal development. These are through meditation, interactive workshops, multi faith prayers every morning and great emphasis on preventive healthcare through yoga.

ENVIRONMENT, HEALTH AND SAFETY ("EHS"):

Hitech's EHS policy requires compliance to statutory EHS requirements as the minimum performance standard. It is committed to adopt stricter standards, wherever possible. Health and safety of employees is always given priority. Hitech arranges employee training programs that enable workers to perform as per prescribed procedures designed to meet all EHS requirements.

INFORMATION TECHNOLOGY:

The Company is increasing its focus on digitisation and automation. During the year, Hitech has worked on creating a dashboard for simplifying the operational controls and management at all its plants. This facilitates transparency of data and results in higher operating efficiencies.

RESEARCH & DEVELOPMENT:

Hitech's Research and Development Centre, accredited by the Department of Scientific and Industrial Research (DSIR) of the Government of India is at Sanaswadi. The new facility is large enough to support the firms' ambitions to invest in better machining technology as well as proximate enough to facilitate faster trial and testing time. Mould design and development remains at the forefront of Hitech's technological enterprise, but other innovations, ranging from low cost automation to process improvement complement its holistic approach towards providing customer delight.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Hitech has an adequate internal control mechanism based on an integrated cloud-based ERP system and has aligned its current system of internal financial control with the requirement of the Companies Act, 2013. This system is commensurate with the nature of Hitech's business in addition to the size and complexity of its operations. The

management assessed the effectiveness of the Company's internal control over financial reporting and the Statutory Auditors of the Company have issued an attestation report on the internal control over financial reporting as required under section 143 of the Companies Act, 2013. The Audit Committee appoints internal auditors to audit and submit a summary of the internal audit report periodically. The Committee then discusses and reviews the findings with the internal auditors, statutory auditors as well as with senior management, including functional heads. Significant findings, along with management response and status of action plans, are also periodically shared with and reviewed by the Audit Committee. Evaluation of risk management system and process reviews are being further improved to increase profitability, efficiency and operational excellence.

FINANCIAL PERFORMANCE:

Our financial results and performance for the year are elaborated in the Directors' Report.

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, key changes in financial indicators alongwith Key Financial Ratios are given below:

During the financial year 2019-20:

- Operating revenue marginally decreased to ₹46,008.71 lakhs as against ₹ 46,190.11 lakhs in the previous year resulting in negative growth of 0.39%.
- EBIDT increased to ₹ 6,033.81 lakhs as against ₹5,205.87 lakhs in the previous year resulting to increase of 15.90%.
- Profit after tax decreased to ₹ 235.93 lakhs from ₹1,640.30 lakhs in the previous year resulting to a negative growth of 85.61%

Ratios	FY 2019-20	FY 2018-19
Debtors Turnover Ratio*	9.27	7.04
Inventory Turnover Ratio (on Cost of Goods Sold)	7.35	7.38
Interest Coverage Ratio	2.56	2.61
Current Ratio	0.77	0.90
Debt Equity ratio**	0.83	0.86
Operating Margin Ratio	5.90%	9.85%
Net Profit Margin	0.60%	3.53%
Return on Net Worth (RONW)	1.67%	9.91%

* Debtors Turnover Ratio increased due to improvement in debtors' collection

** Equity includes Reserves and Preference Shares

FORWARD LOOKING STATEMENTS:

This report contains forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about Hitech's strategy for growth, product development, market position, expenditures and financial results are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. Hitech cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. It assumes no responsibility to publicly amend, modify or revise any forward-looking statements based on any subsequent developments, information or events.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is an approach in which corporations are managed in an ethical, accountable, transparent and fair manner, with the blend of both legal and management best practices, to imbibe the same in the decision making process of the organisation and to communicate the same accurately and timely, in such a way that both stakeholders expectations and legal standards are not only met but exceeded. It is a significant tool for wealth creation, shareholders protection and maximization of long-term values of the corporate house.

The philosophy of the Company has always been to ensure transparency in all its operations, make disclosures, and enhance shareholder value without compromising in any way on compliance with the extant laws and regulations. Your Company continuously endeavors to review, strengthen and upgrade its systems and processes so as to provide timely and accurate disclosure of information regarding its financial situation, performance, ownership and governance and firmly believes that business is built on ethical values and principles of transparency.

The disclosures of compliance with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") are duly complied by the Company.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

GOVERNANCE STRUCTURE

The Company's Governance structure comprises of Board of Directors and the various Committees of the Board at the apex level and the Management structure at the operational level. This structure brings about a judicious blend in governance as the Board sets out the overall corporate objectives and provides direction and independence to the management to achieve these corporate objectives within a given framework. This brings a conducive environment for value creation through sustainable profitable growth.

BOARD OF DIRECTORS

Composition:

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 ("the Act"). The Company has a Non-Executive Chairman (Promoter) and an optimum representation of Independent Directors on the Board.

None of the Directors on the Board hold directorships in more than ten public companies. None of the Independent Directors serve as an Independent Director on more than seven listed entities. Further none of them is a member of more than ten committees or chairperson of more than five committees across all the public companies in which he/she is a Director. Necessary disclosures regarding Committee positions held in other public companies as on 31st March, 2020, have been made by the Directors.

The composition of the Board of Directors of the Company as on 31st March, 2020 is as follows:

Category	No. of Directors
Non-Executive/Independent Directors	5
Non-Executive/Promoter Directors	2
Non-Executive/Non-Independent/ Non-Promoter Director	1
Executive/Promoter Director (MD)	1
Executive Director (WTD)	1
Total	10

Details of the Directors on the Board, their attendance at Board Meetings and AGM held during the year including number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on 31st March, 2020 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, positions held as chairperson and member of the Audit Committee and Stakeholders' Relationship Committee/ Shareholders' Grievance Committee has been considered. Committee Membership includes Chairmanship of the Director.

Name of the Director	Nature of Directorship	Relationship with each other	Date of joining the Board	Attendance		As on 31 st March, 2020			
						Directorships in other public companies	Membership and Chairmanship of the Committees of the Board of other public companies		No. of shares held in the Company along with % to the paid-up share capital of the Company#
				At the Board Meetings	At the last AGM		Committee Member	Committee Chairman	
Mr. Ashwin S. Dani (DIN:00009126)	Non-Executive Chairman/Promoter	Father of Mr. Jalaj Dani and Mr. Malav Dani	13.01.1992	6	Yes	3	1	-	2,30,095 (1.34%)
Mr. Harish N. Motiwalla (DIN: 00029835)	Non-Executive/Independent	*	10.12.2004	6	Yes	8	6	3	Nil
Mr. Jalaj A. Dani (DIN: 00019080)	Non-Executive/Promoter	Son of Mr. Ashwin Dani, Brother of Mr. Malav Dani	12.09.1994	4	Yes	6	3	2	41,100 (0.24%)

Name of the Director	Nature of Directorship	Relationship with each other	Date of joining the Board	Attendance		As on 31 st March, 2020			
				At the Board Meetings	At the last AGM	Director ships in other public companies	Membership and Chairmanship of the Committees of the Board of other public companies		No. of shares held in the Company along with % to the paid-up share capital of the Company#
							Committee Member	Committee Chairman	
Mr. Malav A. Dani (DIN:01184336)	Managing Director/ Promoter	Son of Mr. Ashwin Dani, Brother of Mr. Jalaj Dani	01.02.2008	5	Yes	2	-	-	54,000 (0.31%)
Mr. Ashwin R. Nagarwadia (DIN:00466681)	Non-Executive/ Non Independent	*	31.01.2009	6	Yes	3	1	1	5,000 (0.03%)
Mr. Jayendra R. Shah (DIN:00132613)	Non-Executive/ Independent	*	14.11.2013	6	Yes	-	-	-	1,800 (0.01%)
Mr. Mehernosh A. Mehta (DIN:00372340)	Whole Time Director	*	17.03.2016	6	Yes	1	-	-	Nil
Mr. Bomi P. Chinoy (DIN:07519315)	Non-Executive/ Independent	*	23.05.2016	6	Yes	-	-	-	Nil
Ms. Vaishali V. Sharma** (DIN:07531200)	Non-Executive/ Independent	*	10.06.2016	3	No	-	-	-	200 (0%)
Mr. Aditya M. Sheth (DIN: 02289144)	Non-Executive/ Independent	*	25.06.2019	4	Yes	-	-	-	Nil
Ms. Kalpana V. Merchant (DIN:00827907)	Non-Executive/ Independent	*	27.02.2020	--	N.A.	6	1	-	Nil

* No inter-se relationship with any of the Directors of the Company.

** Ms. Vaishali V. Sharma, resigned as a Director with effect from the close of business hours of 29th November, 2019.

As per the declarations made to the Company by the Directors as to the shares held in their own name or held jointly as the first holder or held on beneficial basis as the first holder as at 31st March, 2020.

N.A Not Applicable.

The Board, on request of the Director(s) had granted Leave of Absence to the Director(s) being unable to attend the respective Board Meeting(s) and Committee Meeting(s).

Pursuant to the Listing Regulations, as amended, given below are the details of the other listed entities where the Directors hold directorship, along with the category of Directorship held:

Name of the Director	Name of the Listed Company	Category of Directorship
Mr. Ashwin S. Dani (DIN:00009126)	Asian Paints Limited	Non-Executive Non-Independent Chairman
Mr. Harish N. Motiwala (DIN: 00029835)	Excel Industries Limited Balkrishna Paper Mills Limited Ashapura Minechem Limited Multibase India Limited Siyaram Silk Mills Limited* Orient Abrasives Limited	Independent Director Independent Director Independent Director Non-Executive Independent Chairman Independent Director Independent Director
Mr. Jalaj A. Dani (DIN: 00019080)	Havells India Limited HDFC Limited	Independent Director Independent Director
Mr. Malav A. Dani (DIN:01184336)	Asian Paints Limited	Non-Executive Non- Independent Director
Mr. Ashwin R. Nagarwadia (DIN:00466681)	Chembond Chemicals Limited	Non-Executive Non-Independent Director

* Ceased to be a Director w.e.f. 31st July, 2019.

Board Diversity:

The Company believes that a diverse Board would enhance the quality of the decisions made by utilizing the different skills, qualifications, professional experience, gender and professional knowledge of the members of the Board, necessary for achieving sustainable and balanced development.

The Company has formulated a policy on Board Diversity and the Nomination and Remuneration Committee takes reference for the appointment of persons to the office of Director on the Board and deciding its composition. The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors including atleast one woman Director. The Company also abides by the requirements of statutory/regulatory provisions regarding appointment of Independent Directors on the Board of the Company.

Board Meetings:

During the financial year ended 31st March, 2020, Six (6) meetings of the Board of Directors were held and the maximum time gap between two (2) meetings did not exceed one hundred and twenty (120) days. The dates on which the Board Meetings were held are as follows:

Date(s) on which the meeting(s) were held:	
13 th May, 2019	24 th August, 2019
25 th June, 2019	11 th November, 2019
8 th August, 2019	5 th February, 2020

Board Procedures:

The Board meets atleast once in a quarter to review the quarterly financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the Company's business. The tentative annual calendar of Board Meetings for the ensuing year is decided well in advance by the Board and is published as part of the Annual Report. The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated well in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The Board Members may bring up any matter for consideration of the Board, in consultation with the Chairman. The members of Senior Management of the Company make presentations to the Board of Directors giving details of the business strategy, performance, progress and other important developments within the organization on a periodical basis. The Minutes of the proceedings of the Board of Directors are noted and the draft minutes are circulated to the Members of the Board for their perusal. The important decisions taken at the Board/Committee Meetings are communicated to the concerned departments/divisions promptly.

The Board has complete access to any information within the Company including the information as specified in Part A of Schedule II read with Regulation 17(7) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Particulars of Directors seeking appointment and re-appointment:

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director(s) seeking appointment and re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice convening the said AGM.

Familiarisation Programme:

Your Company has put in place a structured induction and familiarisation programme for all its Directors including the Independent Directors. The Company through such programme familiarizes not only the Independent Directors but any new appointee on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. They are also informed about the important legislative changes and policies adopted by the Company including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to Regulate, Monitor and Report Trading by Insiders, etc. The Managing Director, Chief Financial Officer, Business Heads and other Senior Officials of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc.

The familiarisation programme for Independent Directors and the details of programme attended by them, in terms of provisions of Regulation 25 & 46 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, is also available on the website of the Company and can be accessed through the following web-link: <https://hitechgroup.com/investor/Display/familiarisationPolicies>

List of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board :

The Company is a leading manufacturer of rigid plastic packaging providing unique end-to-end packaging solutions.

The Company's Board comprises of qualified members who bring in required skills, competence and expertise which allows them to make effective contribution to the Board and its Committees. The Board members are committed to ensure that the Company is in compliance with the standards of corporate governance. A brief summary of the list of core skills/ expertise/ competencies identified by the Board of Directors for effectively conducting the business of the Company is set out below:

- Industry knowledge
- Professional approach
- Financial Expertise
- Leadership acumen

Chart/ Matrix setting out the skills/ expertise/ competence of the Board of Directors:

A brief summary of the core competencies, specific areas of focus or expertise of individual Board Members have been highlighted in the table below;

Sr.No.	Name of the Director	Industry Knowledge/Experience		Professional skills		Financial Expertise	Leadership Acumen
		Overall knowledge of the Industry in which the Company operates	Technical Knowledge of plastic & packaging industry	Business management & General Administration / Governance	Professional skills and knowledge including legal and regulatory aspects	Understanding the financial statements, financial control, risk management.	Integrity, high ethical standards and Leadership
1	Mr. Ashwin S. Dani	√	√	√	√	√	√
2	Mr. Harish N. Motiwalla	√		√	√	√	√
3	Mr. Jalaj A. Dani	√	√	√	√	√	√
4	Mr. Malav A. Dani	√	√	√	√	√	√
5	Mr. Ashwin R. Nagarwadia	√	√	√		√	√
6	Mr. Jayendra R. Shah	√	√	√			√
7	Mr. Mehernosh A. Mehta	√		√	√		√
8	Mr. Bomi P. Chinoy	√		√	√	√	√
9	Mr. Aditya M. Sheth	√		√			√
10	Ms. Kalpana V. Merchant	√		√	√		√

*The absence of a mark against a Member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Independent Director:

Independent Directors play an important role in the Governance Processes of the Board. They bring their expertise and experience on the deliberations of the Board. This enriches the decision-making process at the Board with different points of view and experiences and prevents conflict of interests in the decision making process.

The appointment of the Independent Directors is carried out in a structured manner. The Nomination & Remuneration Committee identifies potential candidates based on certain laid down criteria.

Mr. Aditya M. Sheth and Ms. Kalpana V. Merchant were appointed as Independent Directors of the Company with effect from 25th June, 2019 and 27th February, 2020, respectively.

Ms. Vaishali Sharma, who was an Independent Director in the Company resigned with effect from the close of business hours on 29th November, 2019, due to her professional commitments. She confirmed that there were no other material reasons other than those provided in her letter of resignation. All the necessary compliances consequent to her resignation, have been duly completed by the Company.

The Independent Directors have submitted their respective declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and have confirmed that they do not hold directorships exceeding the prescribed limit specified in the Listing Regulations. The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 read with the Rules issued thereunder.

The definition of 'Independence' of Directors is derived from Regulation 16 of the Listing Regulations and Section 149(6) of the Companies Act, 2013. Based on confirmation / disclosures received from Directors and on evaluation of relationships disclosed, Directors Mr. Harish N. Motiwalla, Mr. Jayendra R. Shah, Mr. Bomi P. Chinoy, Mr. Aditya M. Sheth and Ms. Kalpana V. Merchant are Independent of the management, in terms of the Provisions of Regulation 16 of the Listing Regulations and Section 149(6) of the Companies Act, 2013.

Meeting of Independent Directors:

During the year under review, in accordance with the provisions of Schedule IV (Code of Independent Director) of the Companies Act, 2013 and Regulation 25 (3) and (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Independent Directors met on 16th March, 2020 without the attendance of Non-Independent Directors and members of the management, to discuss the following:

- Review and Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- Review and Evaluation of the performance of the Chairman of the Company, taking into account the view of the Executive and Non-Executive Directors.
- Review and Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors of the Company were present at the said Meeting They expressed satisfaction at the evaluation process, the Board's freedom to express views on the business transacted at the meetings and the openness with which the Management discussed various subject matters on the agenda of meetings.

Evaluation of Board Effectiveness:

In terms of provisions of the Companies Act, 2013, read with Rules issued there under and Regulation 19(4) and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, based on the parameters/criteria formulated by the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director including Chairman and respective Committees were carried out for the financial year ended 31st March, 2020. The evaluation of the Directors was based on various aspects and *inter-alia*, included the level of participation at the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution.

COMMITTEES OF THE BOARD

Presently there are seven (7) Committees constituted by the Board of Directors namely: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee (CSR), Allotment Committee, Risk Management Committee and Executive Committee. The terms of reference of these Committee(s) detailing their scope of work are determined by the Board from time to time. The minutes of the meetings of the said Committees are placed before the Board of Directors for their information and record. The details as to the composition, terms of reference, number of meetings and related attendance etc., of these Committees are provided hereunder:

1. AUDIT COMMITTEE:

The Board has constituted a well-qualified Audit Committee. Majority Members of this Committee are Independent Directors including its Chairman. The Audit Committee has played an important role in ensuring the financial integrity of the Company.

The composition and terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rules made there under and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. Mr. Harish N. Motiwalla and Mr. Bomi P. Chinoy have accounting and related fiscal management expertise / exposure and other two Members Mr. Ashwin R. Nagarwadia and Mr. Jayendra R. Shah, as Members of the said Committee, are financially literate.

The Company Secretary of the Company acts as the Secretary to the Committee.

The Audit Committee invites the Managing Director, Chief Financial Officer, Statutory Auditors and Internal Auditors to attend the Audit Committee Meeting(s). The minutes of each Audit Committee meeting are placed and discussed at the next meeting of the Board.

Details as to the date(s) on which the meetings of the Audit Committee were held during the financial year ended 31st March, 2020 are as follows:

Date(s) on which the meeting(s) were held:	
13 th May, 2019	11 th November, 2019
25 th June, 2019	5 th February, 2020
8 th August, 2019	

Mr. Harish N. Motiwalla, the Chairman of the said Committee, was present at the last Annual General Meeting held on 30th September, 2019 to answer the shareholders queries.

The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the said Committee during the financial year ended 31st March, 2020, are detailed below:

Name	Category	Chairman/ Member	Meeting Details	
			Held	Attended
Mr. Harish N. Motiwalla	Non-Executive/ Independent	Chairman	5	5
Mr. Ashwin R. Nagarwadia	Non-Executive/ Non-Independent	Member	5	5
Mr. Jayendra R. Shah	Non-Executive/ Independent	Member	5	5
Mr. Bomi P. Chinoy	Non-Executive/ Independent	Member	5	5

The role of the Audit Committee, *inter-alia* includes the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the quarterly, half-yearly, nine monthly and annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of the Company's internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems of the Company;
13. Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern relating to the Company;
14. Looking into the reasons for substantial defaults (if any), in payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up there on;
17. Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
18. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
19. To review the functioning of the Whistle Blower mechanism;
20. Reviewing the Management Discussion and Analysis for the financial condition and results of operation;
21. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
22. Reviewing compliance with provisions of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and verifying that systems for internal control are adequate and operating effectively; and
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall also mandatorily review the following information:

- 1) Management discussion and analysis of financial condition and results of operations;
- 2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) Internal audit reports relating to internal control weaknesses;
- 5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 6) Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

2. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee determines the composition of the Board according to the needs and requirements of the Company and applicable Act and/or regulations from time to time and determines the overall compensation for Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The composition of the Nomination and Remuneration Committee and its terms of reference are in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

The terms of reference of the Nomination and Remuneration Committee includes:

1. Formulation of criteria for determining qualifications, positive attributes and independence of a director and to recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel, members of senior management and other employees;
2. Devising a policy on Board diversity;
3. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
4. Specify methodology for effective evaluation of performance of Board/Committees/Directors either by Board, NRC or an independent external agency and to review implementation of evaluation system;
5. Carry out the evaluation of every director's performance and formulate criteria for evaluation of Independent Directors, Board/Committees of Board and review the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;

6. Reviewing and recommending to the Board, the remuneration, payable to Directors of the Company;
7. Recommend to the Board all remuneration, in whatever form, payable to senior management; and
8. Any other matter as the Board may decide from time to time

The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year ended 31st March, 2020 is detailed below:

Date(s) on which the meeting(s) were held :	
13 th May, 2019	5 th February, 2020
25 th June, 2019	

Name	Category	Chairman/ Member	Meeting Details	
			Held	Attended
Mr. Harish N. Motiwala	Non-Executive/ Independent	Chairman	3	3
Mr. Ashwin S. Dani	Non-Executive/ Promoter	Member	3	3
Mr. Ashwin R. Nagarwadia	Non-Executive/ Non-Independent	Member	3	3
Mr. Jayendra R. Shah	Non-Executive /Independent	Member	3	3

The Company Secretary of the Company acts as the Secretary to the Committee.

The Chairman of Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on 30th September, 2019.

Performance Evaluation:

The criteria for evaluation of the performance of Directors has been devised on parameters like competency of Directors, their experience, their level of participation, understanding of the roles and responsibilities of Directors, etc.

The performance of the Independent Directors was also evaluated taking into account the qualifications and experience of Independent Directors, their knowledge, fulfilment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence and independent views and judgement.

Nomination and Remuneration Policy:

The Company's remuneration policy aims to attract and retain talent and is in accordance with the industry practices. The policy ensures equity, fairness and consistency in rewarding the employees on the basis of performance earmarked objectives.

Remuneration of employees largely consists of basic remuneration, perquisites, allowances and performance pay. The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by them, their individual performances, etc. The annual variable pay of senior managers is linked to the Company's performance in general and the individual performance for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

The Policy is available on the website of the Company and can be accessed through the following web-link: <https://hitechgroup.com/investor/Display/codeofConduct>

Details of the remuneration paid/payable to the Directors of the Company are as follows:

Managing Director / Whole Time Director:

On the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the Shareholders of the Company at the 25th Annual General Meeting held on 23rd September, 2016 approved the re-appointment of Mr. Malav A. Dani as the Managing Director of the Company and appointment of Mr. Mehernosh A. Mehta as Whole Time Director for a period of (5) five years commencing from 5th August, 2016 and 17th March, 2016 respectively.

The terms and conditions of their appointment including remuneration payable to them is in accordance with the provisions of Sections 197, 198 and Schedule V and other provisions of the Companies Act, 2013. The details of the remuneration paid to the Managing Director and Whole Time Director are given in the table following this page containing details of remuneration paid to Directors.

Advisor:

Mr. Ashwin S. Dani, Chairman was appointed as an advisor to the Company at the Annual General Meeting held on 26th September, 2009 and is entitled to the following benefits:

- (i) A chauffeur driven car for office as well as for personal purposes;
- (ii) Telephone facilities at home and office;
- (iii) Reimbursement of travelling expenses on Company's work in India and foreign countries;
- (iv) Reimbursement of such other expenses incurred on behalf of the Company.

The amount of expenses reimbursed and value of perquisites for the financial year 2019-20 was ₹ 4.26 lakhs.

Non-Executive Directors:

The Non-Executive/Independent Directors of the Company play a crucial role for ensuring the quality of corporate governance in the Company. They constitute a necessary component of a balanced Board structure where the in-depth knowledge of the executive directors is blended with the wider experience, unbiased opinions and knowledge of the Independent Directors. The contribution of the Non-Executive Directors is rewarded by paying commission on the basis of their performance and their commitment towards attending the meetings of the Board and Committees.

The commission paid to the Non-Executive Directors of the Company is within the limits set under Section 197 of the Companies Act, 2013 and the limits approved by the Shareholders via Postal ballot on 22nd December, 2018. The commission payable to Non-Executive Directors is distributed broadly on the basis of their attendance and contributions at the Board/Committee Meetings and Chairmanships of the Board.

Apart from commission, the Non-Executive Directors are also paid sitting fees for attending the Meetings of the Board/ Committees. The Company has not granted any Stock Options to any of its Directors.

Details of Remuneration paid to the Directors of the Company for the financial year ended 31st March, 2020 are as follows:

(figures in ₹)

Name of the Director	Salary@	Others	Sitting Fees	Performance Linked Bonus	Commission	Total
Ashwin S. Dani	-	#4,26,497	1,80,000	-	-	6,06,497
Harish N. Motiwalla	-	-	3,05,000	-	1,65,000	4,70,000
Jalaj A. Dani	-	-	1,00,000	-	-	1,00,000
Malav A. Dani [§]	39,11,400	-	-	10,00,000	-	49,11,400
Ashwin R. Nagarwadia	-	-	3,15,000	-	75,000	3,90,000
Jayendra R. Shah	-	-	3,15,000	-	75,000	3,90,000
Mehernosh A. Mehta [§]	20,65,030	-	-	1,51,288	-	22,16,318
Bomi P. Chinoy	-	-	2,85,000	-	75,000	3,60,000
Vaishali V. Sharma	-	-	75,000	-	22,000	97,000
Aditya M. Sheth	-	-	1,00,000	-	25,000	1,25,000
Kalpana V. Merchant	-	-	-	-	-	-

@ Salary Includes perquisites.

Paid as advisor

* As per contract with the Company.

§ Agreements have been entered with the Managing Director and Whole Time Director. As per the agreement three months notice period is required and there is no severance fees payable.

The details of the remuneration paid to the Key Managerial Personnel appointed by the Company in accordance with the provisions of Sections 197, 198 and Schedule V of the Companies Act, 2013 read with relevant rules made thereunder, is set out in the Board's Report forming part of this Annual Report.

Directors with materially significant, pecuniary or business relationship with the Company:

There is no pecuniary or business relationship between the Non-Executive Directors and the Company, except for the sitting fees and commission payable to them annually in accordance with the applicable laws and with the approval of the shareholders.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee consisted of four (4) Members, viz, Mr. Ashwin S. Dani, as Chairman, Mr. Malav A. Dani, Mr. Ashwin R. Nagarwadia and Ms. Vaishali V. Sharma as the Members.

Due to the resignation of Ms. Vaishali V. Sharma during the year, Mr. Bomi P. Chinoy, an Independent Director was appointed as an additional member of the Committee with effect from 5th February, 2020. As on 31st March, 2020, the Committee consists of Mr. Ashwin S. Dani, as Chairman, Mr. Malav A. Dani, Mr. Ashwin R. Nagarwadia and Mr. Bomi P. Chinoy as Members.

The constitution of the Stakeholders Relationship Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year ended 31st March, 2020 is detailed below:

Date(s) on which the Meeting(s) were held :	
18 th April, 2019	08 th August, 2019
27 th May, 2019	30 th September, 2019
01 st July, 2019	11 th November, 2019
19 th July, 2019	06 th December, 2019
01 st August, 2019	05 th February, 2020

Name	Category	Chairman/Member	Meeting Details	
			Held	Attended
Mr. Ashwin S. Dani	Non-Executive/Promoter	Chairman	10	10
Mr. Malav A. Dani	Executive/Promoter	Member	10	10
Mr. Ashwin R. Nagarwadia	Non-Executive/Non-Independent	Member	10	10
Ms. Vaishali V. Sharma*	Non-Executive/Independent	Member	10	5
Mr. Bomi P. Chinoy**	Non-Executive/Independent	Member	10	--

* Ms. Vaishali V. Sharma resigned as Director with effect from 29th November, 2019.

** Mr. Bomi P. Chinoy was appointed as a Committee Member with effect from 5th February, 2020.

Mrs. Namita Tiwari, Company Secretary, acts as Secretary and Compliance Officer of the Company in terms of the requirements under the Listing Regulations issued by SEBI.

The terms of reference of the Stakeholders Relationship Committee includes:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.;
- Approval for share transfer, transmission, transposition, sub-division, split-up, consolidation, issue of duplicate share certificates and to do all such related matters as may be necessary in accordance with the Company's Articles of Association;
- Power to delegate approval of share transfer, transmission, transposition, sub-division, split-up and consolidation to an officer or a committee or to the registrar and share transfer agents to expedite the process;

4. Power to affix the Common Seal of the Company on Share Certificates;
5. To approve the register of members as on the record date(s) and/or book closure dates for receiving dividends and other corporate benefits;
6. To review correspondence with the shareholders and take appropriate decisions in that regard;
7. To recommend measures for overall improvement in the quality of services to investors;
8. Review of measures taken for effective exercise of voting rights by shareholders;
9. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
10. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
11. Any other matter as may be delegated by the Board from time to time.

Details pertaining to the number of complaints received and resolved and the status thereof during the financial year ended 31st March, 2020 are as follows:

Nature of Complaints	Received during the year	Resolved during the year	Pending at the end of the year
Non-receipt of share certificate	2	2	-
Total	2	2	-

4. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The composition of the Corporate Social Responsibility (CSR) Committee is in line with provisions of Section 135 of the Companies Act, 2013 and rules made thereunder. The Committee met once during the financial year ended 31st March, 2020, i.e. on 13th May, 2019. The constitution of the CSR Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year ended 31st March, 2020 is detailed below:

Name	Category	Chairman/Member	Meeting Details	
			Held	Attended
Mr. Malav A. Dani	Managing Director / Promoter	Chairman	1	1
Mr. Ashwin R. Nagarwadia	Non-Executive/ Non-Independent	Member	1	1
Mr. Jayendra R. Shah	Non-Executive/ Independent	Member	1	1
Mr. Bomi P. Chinoy	Non-Executive/ Independent	Member	1	1

Mrs. Namita Tiwari, Company Secretary, acts as Secretary to the Committee.

The CSR Committee is empowered pursuant to its terms of reference, *inter-alia*:

1. To formulate and recommend to the Board, a CSR policy indicating activities to be undertaken by the Company in compliance with the provisions of the Companies Act, 2013 and rules made thereunder;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. To monitor the implementation of the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The details of the CSR initiatives of the Company form part as Annexure to Board's Report. The CSR Policy has been placed on the website of the Company and can be accessed through the following link: <https://hitechgroup.com/investor/Display/codeofConduct>

5. ALLOTMENT COMMITTEE

The Allotment Committee consists of the following Members viz. Mr. Ashwin S. Dani, Mr. Harish N. Motiwalla and Mr. Ashwin R. Nagarwadia.

The Committee is empowered pursuant to its terms of reference, *inter-alia*, to:

1. To issue and allot Securities of the Company as and when considered for allotment, subject to the applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company;
2. To affix the Common Seal of the Company on such documents which are required for the Allotment of shares in the presence of any one member who shall sign the same in token thereof and Chief Financial Officer or Company Secretary of the Company who shall countersign the same in token thereof;
3. To invite any other officers of the Company to attend the meetings of the Allotment Committee as invitee, as and when required;
4. To finalise, approve and authorise the execution of all agreements, deeds, documents such as the listing agreement, including any changes, supplements, corrigenda, amendments, modifications, addendums thereto, in connection with the issue, allotment and listing of the new shares and warrants;
5. To seek the listing of the Shares / Securities of the Company on the stock exchange(s) where the equity shares of the Company are listed, to submit the necessary applications to such stock exchange(s) and take all actions that may be necessary in connection with obtaining such listing;
6. To approve and authorise filing applications for approvals or registration required from statutory and/or regulatory authorities and to appropriately adopt, enforce or execute any conditions that may be imposed by such statutory and/or regulatory authorities in connection with the issue, allotment and/or listing of the New Shares and Warrants;
7. To take decisions on and resolving all such questions, difficulties on all matters in relation to the allotment, issuing explanations and clarifications to relevant statutory and/or regulatory authorities, the stock exchanges, etc. in connection with any matter relating to the allotment;

8. To exercise all such powers as it may deem necessary in relation to issue, allotment and listing of the New Shares and Warrants.

During the year, no meeting of the Allotment Committee was held.

6. RISK MANAGEMENT COMMITTEE (Non mandatory)

Although the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the constitution of Risk Management Committee is not applicable to the Company, the Board of Directors of the Company has constituted Risk Management Committee voluntarily to safeguard the interest of the Company. The Committee consists of Mr. Ashwin R. Nagarwadia, Non-Executive Director; Mr. Mehernosh Mehta, Executive Director; Mr. Baskaran Nadar- Chief Operating Officer, Mr. Bipin Shah, Chief Innovation Officer and Mrs. Avan R. Chaina, Chief Financial Officer as the Members.

Mrs. Namita Tiwari, Company Secretary, acts as Secretary to the Committee.

Mr. Baskaran Nadar ceased to be the Chief Operating Officer of the Company w.e.f. 10th April, 2020.

The terms of reference of the said committee is as per the Risk Management Policy of the Company as framed and approved by the Board which are as listed below.

The terms of reference of the Committee include the following:

1. Putting in place Risk Management Frameworks and Processes;
2. Entering into foreign exchange transactions such as interest rate swaps, currency swaps, forward contracts and other derivative transactions with the banks in respect of Company's present and future exposure to foreign exchange and/or interest rate fluctuations;
3. To maintain adequate Internal Financial Control Systems over financial reporting and to formulate criteria on the internal controls over financial reporting;
4. Identifying risks and promoting a pro-active approach to treating such risks;
5. Allocating adequate resources to mitigate and manage risks and minimise their adverse impact on outcomes;
6. Optimising risk situations to manage adverse exposure on deliverables and bring them in line with acceptable Risk Appetite of the company;
7. Striving towards strengthening the Risk Management System through continuous learning and improvement;
8. Providing clear and strong basis for informed decision making at all levels of the organisation on an ongoing basis, having duly evaluated like risks and their mitigation plan being controllable and within risk appetite;
9. Delineating Business Continuity Processes and Disaster Management Plans, for unforeseen exigencies and keeping the organisation constituents, prepared to appropriately and adequately deal with such circumstances, under eventuality of such happenings;
10. Complying with all relevant laws and regulations across its areas of operation; and
11. Communicating this policy to the required stakeholders through suitable means and periodically reviewing its relevance in a continuously changing business environment.

7. EXECUTIVE COMMITTEE

The Board of Directors of the Company has constituted an 'Executive Committee' consisting of Mr. Malav Dani, Managing Director, Mr. Ashwin Nagarwadia, Director and Mr. Mehernosh Mehta, Whole time Director, to deal with the matters relating to day to day operations of the Company. As it is not a statutory committee, meetings are held as and when required and Minutes of the Meeting is placed before the ensuing Board Meeting.

During the year, no meeting of the Committee was held.

The terms of reference of the Committee include the following:

1. Power to open and/or close cash credit accounts, current accounts and collection accounts with scheduled banks or any other Bank or Financial Institutions and authorising officials of the Company for operating the various bank accounts, from time to time. Power also to make addition and/or deletion of names of authorised signatories for operating the various bank accounts and signing documents for various borrowing activities on behalf of the Company from time to time;
2. Power to approve capital expenditure proposals exceeding ₹ 1,00,00,000/- (Rupees One Crore only) but not exceeding ₹ 2,00,00,000/- (Rupees Two Crore only);
3. Power to approve disposal of assets exceeding Written Down Value (WDV) of ₹ 5,00,000/- (Rupees Five Lakhs only) but not exceeding ₹ 10,00,000/- (Rupees Ten Lakhs only);
4. Power to borrow moneys, pursuant to Section 179(3)(d) of the Companies Act, 2013, to the extent of the limit as may be approved by the Board of Directors from time to time and to create the security for any such amount;
5. Power to make loans, pursuant to Sec 179(3)(f) of the Companies Act, 2013, to any employee of the Company utilising the funds of the Company, within an overall limit of ₹ 30,00,000/- (Rupees Thirty Lakhs only) outstanding at any one time and that the loan given to any employee shall in no case exceed ₹ 5,00,000/- (Rupees Five Lakhs only). (The interest on such loans shall not be lower than the limits specified under Section 186(7) of the Companies Act, 2013.);
6. Power to enter into derivative transactions with Banks/financial institutions to hedge the funding of External Commercial Borrowings (ECB) by Principal only swap (POS) and Coupon only swap (COS) and
7. Any other matters as may be delegated by the Board from time to time.

COMMITTEE OF DIRECTORS

The Committee of Directors was dissolved by the Board on 13th May, 2019.

During the year, no meeting of the Committee of Directors was held.

Related Party Transactions:

Your Company has entered into various transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which are in ordinary course of business and on arms' length basis. All the Related Party Transactions (RPTs) are undertaken in compliance with the provisions of Section 188 and Section 177 of Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee and the Board of Directors of the Company

have formulated the Policy on dealing with RPTs, Policy on materiality of Related Party Transactions and Policy determining material subsidiary which is uploaded on the website of the Company and can be accessed through the following web-link: <https://hitechgroup.com/investor/Display/codeofConduct>.

The Company has a robust process for RPTs and the transactions with Related Parties are referred to the Audit Committee for its approval at its scheduled quarterly meetings or as may be called upon from time to time along with all relevant and stipulated information of such transaction(s). During the financial year ended 31st March, 2020, the Company has entered into RPTs in the ordinary course of business and on arms' length basis; and in accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Policy of the Company on dealing with RPTs.

The details of the RPTs are set out in the Notes to Financial Statements forming part of this Annual Report. The details of material RPTs have been provided in Form AOC-2 annexed to the Directors' Report.

None of the Directors have any material pecuniary relationships or transactions vis-à-vis the Company.

GENERAL BODY MEETINGS

The Venue and the time of the last three Annual General Meetings of the Company are as follows:

Year	Location	Meeting Date	Time	No. of Special Resolutions set out at the AGM	Subject Matter of Resolution
2018-19	Indian Merchants' Chamber, 2 nd Floor, Kilachand Conference Room, IMC Building, Churchgate, Mumbai – 400 020	30 th September, 2019	10.30 a.m.	1	1. Approval for continuation of Directorship of Mr. Harish N. Motiwalla (DIN:00029835) as a Non-Executive (Independent) Director
2017-18	Indian Merchants' Chamber, 4 th Floor, Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020	16 th July, 2018	11.30 a.m.	3	1. Re-appointment of Mr. Rajnikant B. Desai as an Independent Non-Executive Director. 2. Re-appointment of Mr. Jayendra R. Shah as an Independent Non-Executive Director. 3. Re-appointment of Mr. Harish N. Motiwalla as an Independent Non-Executive Director.
2016-17	Indian Merchants' Chamber, 4 th Floor, Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020	2 nd August, 2017	11.30 a.m.	2	1. Adoption of new set of Articles of Association of the Company. 2. Approval for keeping of registers and index of members, returns, etc. at the new office of Registrar and Share Transfer Agent.

All the Special Resolutions set out in the notices for the AGM were passed by the shareholders with requisite majority.

POSTAL BALLOT

Resolutions put through Postal Ballot during the period and details thereon:

During the financial year under review, no special resolutions were passed through postal ballot.

Postal Ballots whenever conducted would be carried out as per the procedure mentioned in Rule 22 of Companies (Management and Administration) Rules, 2014, including any amendment thereof. There is no immediate proposal for passing any resolution through Postal Ballot.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY:

Your Company believes in conducting its business and working with all its stakeholders, including employees, customers, suppliers and shareholders in an ethical and lawful manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

Your Company prohibits any kind of discrimination, harassment, victimization or any other unfair practice being adopted against an employee. In accordance with Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your Company has adopted a Whistle Blower Policy with an objective to provide its employees and directors a mechanism whereby concerns can be raised in line with the Company's commitment to highest standards of ethical, moral and legal business conduct and its commitment to open communication. The establishment of such mechanism is also disclosed in accordance with the Regulation 46(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the website of the Company and can be accessed through the following web-link: <https://hitechgroup.com/investor/Display/codeofConduct>.

In accordance with the Policy all Protected Disclosures may be addressed to the Vigilance and Ethics Officer i.e. the Chief Financial Officer of the Company. Protected Disclosures against the Vigilance Officer can be addressed to the Chairman of the Company and Protected Disclosure against the Chairman/CEO/Managing Director of the Company can be addressed to the Chairman of the Audit Committee.

During the year under review, the Policy was suitably amended to include reporting of instances relating to leak of Unpublished Price Sensitive Information (UPSI).

No personnel were denied access to the Audit Committee of the Company.

DISCLOSURES

1. Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large.

2. Details of non-compliance(s) by the Company:

The Company has complied with all the requirements of the Stock Exchange(s) and the Securities Exchange Board of India (SEBI) on matters related to Capital Markets or any other matter, as may be applicable to the Company from time to time. There were no penalties imposed or strictures passed against the Company by the Stock Exchange(s) or SEBI or any statutory authority in this regard during last 3 years.

3. Disclosure of Accounting Treatment:

The Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) is applicable to the Company with effect from 1st April 2017. The Company follows Indian Accounting Standards as applicable to the Company under the relevant provisions of the Companies Act, 2013 and Rules made thereunder. In preparation of financial statements, the Company has not adopted a treatment different from what is prescribed in Ind AS.

4. Details of compliance with mandatory and non-mandatory requirements as per Part C Regulation 10 (d) of Schedule V read with Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Mandatory Requirements

Your Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Non-Mandatory Requirements

- The Non-Executive Chairman of the Company has been provided a Chairman's Office at the Registered Office of the Company.
- During the year under review, there is no audit qualification on the Company's financial statements. The Company ensures regime of unmodified audit opinion.
- The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director.
- The Internal Auditors have direct access to the Audit Committee, and they participate in the meetings of the Audit Committee of the Board and present their Internal Audit observations/reports to the Audit Committee.
- The Company has constituted a Risk Management Committee, the details of which has been provided elsewhere in the Report.

5. Subsidiary Companies:

The Company does not have any subsidiary.

6. Policy for prevention of Sexual Harassment of Women:

The Company values dignity of individuals and strives to provide a safe and respectable work environment for all its employees. The Company is committed to providing an environment which is free of discrimination, intimidation and abuse. Pursuant to requirements of 'Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013' and rules made thereunder, the Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace.

The details of complaints are stated hereunder:

- Number of complaints filed during the financial : NIL year
- Number of complaints disposed of during the : NIL financial year
- Number of complaints pending as on end of the : NIL financial year

7. Miscellaneous:

- During the year there were no funds raised through preferential allotment or qualified institutions placement.
- There were no such instances during the financial year 2019-2020 where Board had not accepted any recommendation of any committee of the Board, which is mandatorily required, in the relevant financial year.
- Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is ₹ 22.80 lakhs.
- Certificate as required under Part C of Schedule V of Listing Regulations, received from Mr. Nilesh Shah (CP No.2631), Partner of M/s Nilesh Shah & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on 16th June, 2020 and is set out as Annexure 'A' to this report.
- In accordance with the provisions of Regulation 26(6) of the Listing Regulations, the Key Managerial Personnel, Director(s) and Promoter(s) of the Company have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regards to compensation or profit sharing in connection with dealings in the securities of the Company.

MEANS OF COMMUNICATION

1. Publication of Quarterly Financial Results:

Quarterly, Half-yearly, Nine-monthly and Annual Audited Financial Results of the Company are published in leading English and vernacular Marathi language newspaper viz., The Financial Express & Business Standards (all India editions) and Mumbai Lakshadeep (Mumbai edition).

2. Website:

The Company maintains a separate dedicated section viz. "Investors" for the information of shareholders and other stakeholders of the Company on the Company's website www.hitechgroup.com. Quarterly / Half-yearly / Nine-monthly / Annual Financial Results, Annual Reports, status of unclaimed dividend, various applicable policies of the Company and other required details are available on the Company's website.

3. Stock Exchanges:

Your Company makes timely disclosures of necessary information to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in terms of the Listing Agreement(s) and other rules and regulations issued by SEBI.

4. NEAPS (NSE Electronic Application Processing System):

NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings, *inter-alia*, Shareholding Pattern, Corporate Governance Report, Corporate Announcements, amongst others are filed electronically through NEAPS.

5. BSE Corporate Compliance & Listing Centre:

BSE Listing is a web-based application designed by BSE for corporates. All periodical compliance filings, *inter-alia*, Shareholding Pattern, Corporate Governance Report, Corporate announcements, amongst others are filed electronically on the Listing Centre.

6. SEBI Complaints Redress System (SCORES):

Investor complaints are processed in a centralised web-based complaints redress system.

7. Reminders to Investors:

Reminders to shareholders for claiming returned undelivered share certificates, unclaimed dividend and consequent transfer of shares, email registration / updations, are regularly communicated electronically as well in physical mode.

8. Institutional Investors:

There were no presentations made to institutional investors or to the analysts during the year under review.

9. Green Initiative:

Your Company encourages its shareholders to participate in the cause of Green Initiative by opting to receive communications from the Company in electronic form, by registering their e-mail addresses:

- in case the shares are held in electronic form (demat) with the Depository Participant.
- in case the shares are held in physical form with the Company or its Registrar & Transfer Agent, Link Intime India Pvt. Ltd.

Hitech Corporation Limited
Regd. Add.: 201 Welspun House,
Kamala City, Senapati Bapat Marg,
Lower Parel (W),
Mumbai - 400 013
Tel. : 022 - 4001 6500
Fax : 022 - 2495 5659
Email: investor.help@hitechgroup.com

Link Intime India Private Limited
Unit: Hitech Corporation Limited
C-101, 247 Park,
LBS Road, Vikhroli (West),
Mumbai - 400 083
Tel.: 022 - 4918 6000
Fax: 022 - 4918 6060
Email: mt.helpdesk@linkintime.co.in

Shareholders, who still continue to hold shares in physical form, are requested to dematerialise their shares at the earliest and avail of the numerous benefits of dealing in securities in electronic / dematerialised form. For any clarification, assistance, or information, please contact the Company's Registrar and Transfer Agent, M/s. Link Intime India Private Limited at the above address. The Shareholders have the option to hold Company's shares in demat form through the National Securities Depository Limited ("NSDL") or Central Depository Services (India) Limited ("CDSL").

GENERAL SHAREHOLDER INFORMATION

29th Annual General Meeting of the Company:

Day and Date	Saturday, 26 th September, 2020
Venue	The Company is conducting meeting through Video Conference / Other Audio Visual Means pursuant to the MCA Circular dated 5 th May, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
Time	11:30 a.m.

Financial Calendar:

Financial year : 1st April to 31st March

For the year ended 31st March, 2020, quarterly financial results were announced on:

8 th August, 2019	First Quarter
11 th November, 2019	Second Quarter and Half Yearly
5 th February, 2020	Third Quarter and Nine Months
16 th June, 2020	Fourth Quarter and Annual

For the financial year ending on 31st March, 2021, quarterly financial results will be announced as per the tentative schedule mentioned below:

On 24 th August, 2020*	First Quarter
On or before 15 th November, 2020	Second Quarter and Half Yearly
On or before 14 th February, 2021	Third Quarter and Nine Months
On or before 30 th May, 2021	Fourth Quarter and Annual

* Extension of time availed pursuant to SEBI Circular dated 29th July, 2020

Book Closure Date:

The dates of book closure are from Monday, 21st September, 2020 to Saturday, 26th September, 2020, both days inclusive.

Dividend Payment Date:

In view of the ongoing economic condition, the Board of Directors are of the view that it would be prudent to conserve the financial resources of the Company. Consequently, no dividend has been recommended by the Board for the financial year ended 31st March, 2020.

The details of dividends declared and paid by the Company for the last five years are as below:

Year	Equity Shares			Preference Shares		
	Percentage (%)	In ₹ per share (Face value of ₹ 10/- each)	Dividend Amount (₹ in lakhs)	Percentage (%)	In ₹ per share (Face value of ₹ 10/- each)	Dividend Amount (₹ in lakhs)
2014-2015	9	0.90	136.58	--	--	--
2015-2016	9	0.90	154.58	9	0.90	64.68
2016-2017	9	0.90	154.58	9	0.90	278.49
2017-2018	9	0.90	154.58	9	0.90	244.73
2018-2019	9	0.90	154.58	9	0.90	201.21

Listing on Stock Exchanges:

The Company's equity shares are listed on:

- BSE Limited (BSE)
Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai 400 001.

Stock Code: 526217

- The National Stock Exchange of India Limited (NSE)
Exchange Plaza, 5th Floor, Plot No. C/1, "G" Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.

Stock Code: HITEHCORP

Corporate Identification Number (CIN): L28992MH1991PLC168235

The Company has paid the listing fees to BSE and NSE and the custodian charges to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year 31st March, 2020

The International Securities Identification Number (ISIN) allocated to the Company is **INE120D01012**.

Market Price Data:

The monthly high and low prices and volumes of your Company's shares at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31st March, 2020 are given as follows:

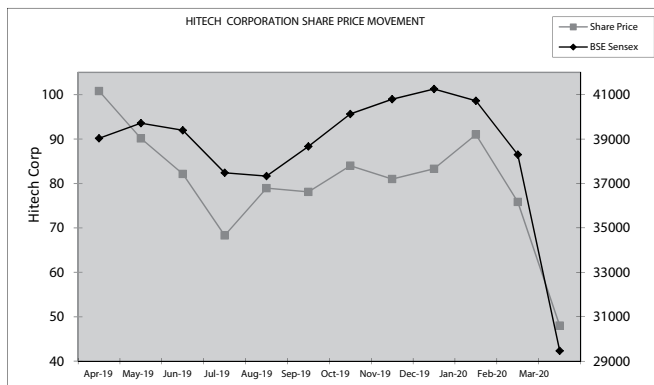
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
2019						
April	110.00	93.00	8,545	109.95	100.00	33,956
May	104.00	84.00	10,733	103.00	80.95	25,606
June	94.00	77.00	6,781	95.90	78.00	75,188
July	91.00	68.10	4,695	95.60	68.75	58,560
August	84.00	66.00	10,974	84.40	64.75	68,910
September	94.35	72.95	13,889	93.90	72.70	53,509
October	94.20	77.00	9,664	89.00	75.00	34,005
November	100.00	78.70	12,122	101.95	77.95	58,431
December	89.00	78.00	14,517	87.85	80.00	61,800
2020						
January	97.30	84.35	5,461	95.95	81.10	49,254
February	98.80	72.00	14,629	93.00	69.05	76,883
March	80.00	41.40	59,211	73.90	40.05	1,27,979

Source: BSE and NSE Website

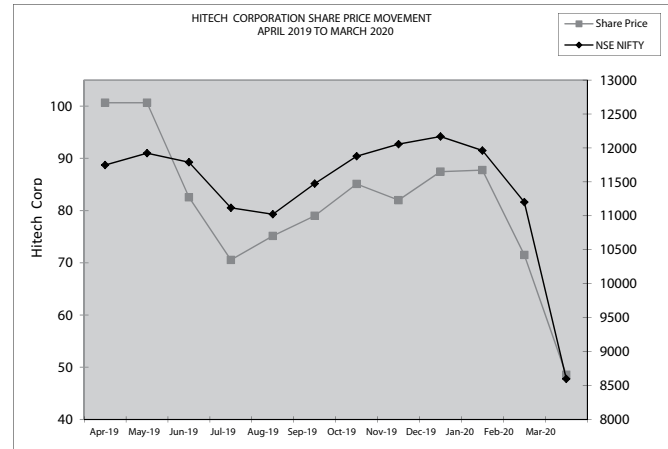
Note: High and low are in rupees per traded share. Volume is the total monthly volume of trade (in numbers) in the Company's Shares on BSE & NSE.

Performance in comparison to broad-based Indices

The chart below shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex for the year 2019-20 (based on month end closing).



The chart below shows the comparison of your Company's share price movement on NSE vis-à-vis the movement of NSE Nifty for the year 2019-20 (based on month end closing).



Share Transfer System:

SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018, amended Regulation 40 of Listing Regulations pursuant to which from 1st April, 2019, onwards securities can be transferred only in dematerialised form. However, it is clarified that, members can continue holding shares in physical form. Transfer of securities in dematerialised form will facilitate convenience to the investors and ensure safety in transactions by the investors.

Members holding shares in physical form are requested to convert their holding(s) to dematerialised form to eliminate all risks associated with physical shares.

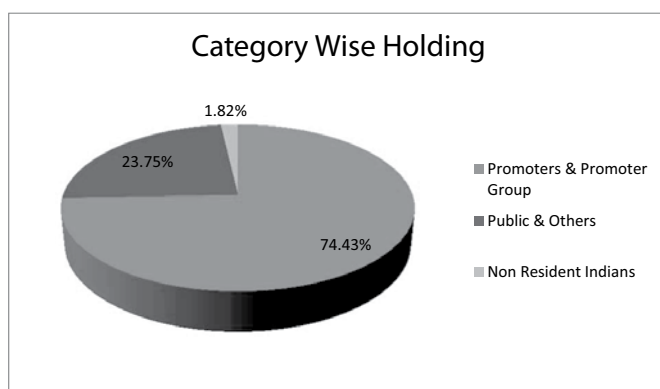
SEBI vide Press Release dated 27th March, 2019, has clarified that the share transfer deed(s) once lodged prior to the deadline of 31st March, 2019 and returned due to deficiency in documents submitted, may be re-lodged for transfer.

The Board of Directors of the Company have delegated the authority to approve the work of transfer of shares, transmission of shares or requests for deletion of name of the shareholders etc., as mentioned in Regulation 40(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the Registrar and Share Transfer Agent of the Company. The same are noted and taken on record in the Meeting of Stakeholders Relationship Committee. The transactions in respect of issue of duplicate share certificates, re-materialisation and issue of new share certificates are approved by the Stakeholders Relationship Committee of the Company.

A summary of all the transfers, transmissions, deletion requests, etc., approved by the Stakeholders Relationship Committee is placed before the Board of Directors from time to time for their review. The Committee ordinarily meets as and when required. The Company obtains a half-yearly compliance certificate from a Company Secretary in Practice as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the said certificate with Stock Exchanges in accordance with the Regulation 40(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Shareholding Pattern as on 31st March, 2020:

	Category of Shareholder(s)	Total No. of Equity Shares	Percentage of total no. of Equity shares
(A)	Shareholding of Promoter and Promoter Group		
(a)	Individuals/Hindu Undivided Family	4,77,185	2.78
(b)	Bodies Corporate	1,23,07,295	71.65
	Total Shareholding of Promoter and Promoter Group (A)	1,27,84,480	74.43
(B)	Public Shareholding		
1)	Institutions		
(a)	Mutual Funds/UTI	-	-
(b)	Central Government / State Government(s)	1,07,263	0.62
(c)	Financial Institution / Banks	-	-
	Sub-Total (B) (1)	1,07,263	0.62
2)	Non-Institutions		
(a)	Bodies Corporate	3,68,862	2.15
(b)	Hindu Undivided Family	2,92,386	1.70
(c)	Individuals		
	(i) Individual shareholders holding nominal share capital up to ₹ 2 Lakhs	20,63,677	12.02
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 2 Lakhs	12,46,633	7.26
(d)	Individual (Non-Resident Individuals)	3,12,399	1.82
	Sub-Total (B) (2)	42,83,957	24.95
	Total Public shareholding (B)=(B)(1) +(B)(2)	43,91,220	25.57
	Total (A) + (B)	1,71,75,700	100.00



Distribution of equity shareholding of the Company as on 31st March, 2020 is as follows:

No. of Equity Shares	Shareholders		Shareholding	
	Number	% to Total	Number	% to Total
Upto 500	5,501	87.42	6,66,202	3.88
501 – 1000	334	5.31	2,68,717	1.57
1001 – 2000	175	2.78	2,68,513	1.56
2001 - 3000	61	0.97	1,56,596	0.91
3001 – 4000	34	0.54	1,19,151	0.70
4001 – 5000	53	0.84	2,56,521	1.49
5001 – 10000	53	0.84	3,93,878	2.29
10001 and above	82	1.30	1,50,46,122	87.60
Total	6,293	100.00	1,71,75,700	100.00

Distribution of preference shareholding of the Company as on 31st March, 2020 is as follows:

No. of Preference Shares	Shareholders		Shareholding	
	Number	% to Total	Number	% to Total
Upto 500	-	-	-	-
501 – 1000	-	-	-	-
1001 – 2000	-	-	-	-
2001 - 3000	-	-	-	-
3001 – 4000	-	-	-	-
4001 – 5000	-	-	-	-
5001 – 10000	-	-	-	-
10001 and above	2	100.00	2,23,57,159	100.00
Total	2	100.00	2,23,57,159	100.00

Details of the Company's dematerialised shares as on 31st March, 2020:

Type of shares	Number of shares	% to total shares	Number of shareholders	% to total shareholders
Equity Shares	1,68,46,834	98.09	4,756	75.58
Preference Shares	2,23,57,159	100.00	2	100.00

Break up of equity shares in physical and demat form as on 31st March, 2020:

	No of shares	% of shares
Physical Segment	3,28,866	1.91
Demat Segment		
NSDL	1,56,78,592	91.28
CDSL	11,68,242	6.81
Total	1,71,75,700	100.00

Outstanding GDRs/ ADRs/Warrants/Convertible instruments and their impact on equity:

The Company is not having any outstanding GDRs/ ADRs/Warrants/ Convertible instruments as on 31st March, 2020.

Details of public funding obtained in the last three years:

Your Company has not obtained any public funding in the last three years.

Other Information:

DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The shares of the Company are compulsorily traded in dematerialised form and are available for trading under both the Depository Systems, viz. NSDL (National Securities Depository Limited) and CDSL (Central Depository Services (India) Limited). Nearly 98.09% of total equity shares of the Company are held in dematerialised form with NSDL & CDSL.

Reconciliation of Share Capital Audit:

As stipulated by the Securities and Exchange Board of India (SEBI) a qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This Audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The audit, *inter-alia* confirms that the total listed and paid up equity share capital of the Company is in agreement with the aggregate of the total number of equity shares in dematerialized form (held with NSDL and CDSL) and the total number of equity shares in physical form.

Nomination facility:

Pursuant to the provision of Section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them. Members holding shares in physical form and desirous of making a nomination are requested to send their requests to the Registrar and Transfer Agents of the Company. Members holding shares in electronic form are requested to give the nomination request to their respective Depository Participant directly. Nomination Form as prescribed under the Companies Act, 2013 is available on the Company's website and can be downloaded from the following web-link <https://hitechgroup.com/investor/Display/miscellaneous>.

Disclosure of Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company does not have any significant exposure to commodities price risk and foreign exchange risk directly.

Unclaimed Dividends:

Shareholders are requested to ensure that they claim the dividend(s) before transfer of the said amounts to the IEPF. Dividend warrants in respect of the dividend declared, have been dispatched to the shareholders at the addresses registered with the Company. Those shareholders who have not yet received the dividend warrants may please write to the Company's RTA for further information in this regard. Shareholders who have not encashed the warrants are requested to do so by getting them revalidated from the Registered Office of the Company or its RTA.

Transfer to the Investor Education and Protection Fund:

Pursuant to applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('the IEPF Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government after completion of seven years from the date of transfer to Unclaimed Dividend Account of the Company. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific Order of Court, Tribunal or Statutory Authority, restraining transfer of the shares.

During the year under review, the Company had sent individual notices to the shareholders and also published Notice in the newspapers seeking action from the shareholders who have not claimed their dividends for seven consecutive years or more before a particular date. The Company has processed the claims received in response to the said Notices.

Accordingly, the Company has transferred the following unpaid or unclaimed dividends and corresponding shares thereto to IEPF during the financial year 2019-20:

Particulars	Amount of Dividend (in ₹)	No. of Equity Shares
Final Dividend for the Financial Year 2011-12	2,84,056	12,600

Shareholders / claimants whose shares, unclaimed dividend have been transferred to IEPF Demat Account of the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on <http://www.iepf.gov.in>) from time to time. The Shareholders / claimant can file only one consolidated claim in a financial year as per the Rules.

In terms of Sections 205C of the Companies Act, 1956 and Section 125 of the Companies Act, 2013, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account to the Investor Education and Protection Fund ("IEPF"). Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer to the IEPF.

Financial Year	Type	Unclaimed dividend amount as on 31.03.2020 (in ₹)	Due Date for transfer to IEPF
2012-2013	Final	3,27,787.84	13.10.2020
2013-2014	Final	1,96,627.96	12.10.2021
2014-2015	Final	3,42,871.42	28.01.2023
2015-2016	Final	3,73,586.40	22.10.2023
2016-2017	Final	3,93,453.00	01.09.2024
2017-2018	Final	2,83,813.20	14.08.2025
2018-2019	Final	2,62,145.70	29.10.2026

During the financial year 2020-21, the Company would be transferring unclaimed final dividend for the financial year ended 31st March, 2013 to IEPF on or before 13th October, 2020.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on the website, at link https://hitechgroup.com/investor/Display/Unclaimed_UnpaidDividend.

Shareholders are requested to verify their records and claim their unclaimed dividends for the past years, if not claimed.

The contact details of Nodal Officer are provided on the website of the Company under the following web-link <https://www.hitechgroup.com/investor/>

Unclaimed Physical Shares:

As required under Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Registrar & Transfer Agent of the Company has sent reminders to the shareholders whose share certificates are lying unclaimed. **Disclosure in respect of unclaimed equity shares of the Company:-**

Particulars	Number of Shareholders	Number of Equity Shares
Opening Balance: Aggregate number of shareholders and the unclaimed shares lying as on 1 st April, 2019.	1	100
Less: Number of shareholders who approached the Company for transfer of shares.	-	-
Less: Number of shareholders and aggregate number of shares transferred to the IEPF during the year.	-	-
Closing Balance: Aggregate number of shareholders and Unclaimed shares lying as on 31 st March, 2020.	1	100

History of IPO/Allotment of shares of the Company:

Build-up of the Company's Equity share capital:

Type of Issue	Year of Issue	No of shares	Total Cumulative shares (No.)
Initial Public Offer (IPO)	1993	49,00,000	49,00,000
Preferential Allotment to Promoters	1994	5,00,000	54,00,000
Preferential Allotment to Promoters for Redemption of Preference Capital	2000	36,00,000	90,00,000
Issue of Shares pursuant to merger with Plastic Precision & Machinefabrik Limited	2004	28,96,995	1,18,96,995
Private allotment of Equity issue	2006	12,78,705	1,31,75,700
Preferential Allotment to Promoters	2014	20,00,000	1,51,75,700
Conversion of Convertible Warrants in to Equity shares, issued to some of the Promoters	2016	20,00,000	1,71,75,700
Total paid-up equity shares as on 31 st March, 2020			1,71,75,700

Registrar and Transfer Agents:

Link Intime India Private Limited is the Registrar & Transfer Agent of the Company.

Shareholders, beneficial owners and depository participants (DPs) are requested to send/deliver the documents/correspondences relating to the Company's securities and any grievances thereon, to Link Intime India Private Limited, the Registrar and Transfer Agent of the Company at the following address:

Link Intime India Private Limited

Unit: Hitech Corporation Limited

C-101, 247 Park,
LBS Road, Vikhroli (West),
Mumbai - 400 083
Tel.: 022 4918 6000 Fax: 022 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in

Members are requested to quote their folio no., DP ID, Client ID, e-mail address, telephone number and full address for prompt reply to their communication.

Manufacturing Plant locations:

Sanaswadi:

Manufacturing and Technology Centre
Gut Nos. 939 & 940, Village : Sanaswadi Tal. Shirur, Dist. Pune, Maharashtra - 412 208.

Sriperumbudur:

F-16/ SIPCOT Industrial Park, Kancheepuram, Sriperumbudur, Tamil Nadu - 602 106.

Rohtak:

Plot No.2, Sector 30B, Industrial Model Township (IMT), Rohtak, Haryana - 124 001.

Khandala:

Gat No.272/7, Village: Dhawadwadi, Taluka: Khandala, Dist. Satara, Maharashtra - 412 802.

Naroli Unit I & II:

709/3/1/1, Vadfalia, Bhilad Naroli Road, Naroli, Silvassa - 396 235.

PPMF:

4615/16 Plastic Zone Road, Manda Village, GIDC Sarigam, Gujarat - 396 155.

Baddi Unit I & II:

Khasra No. 544/151, Village Dhana, Tehsil Nalagrah, Dist. Solan, HP - 174 101.

Umbergaon:

A-1/912-913, G.I.D.C., Umbergaon, Dist. Valsad, Gujarat - 396 171.

Sitarganj:

Plot No. D-63, Phase -2, Eldeco Sidcul Industrial Park, Sitarganj, Uttarakhand - 262 405.

Mysuru:

SY NO .478,485,486,487,488,489 & 508, Immavu Village, Chikkiahana Chatra, Nanjangud Taluk, Mysuru : 571302.

Vizag:

Plot No.5, IC Pudi, Rambili Mandal, Atchutapuram, Post, Visakhapatnam – 531011

Sarigam: (Discontinued w.e.f 15th January, 2020)

4923 Plastic Zone Road No. 46A, Manda Village, GIDC Sarigam, Gujarat - 396 155.

Address for correspondence:

Registered Office:

HITECH CORPORATION LIMITED
Unit No. 201, 2nd Floor, Welspun House,
Kamala City, Senapati Bapat Marg,
Lower Parel (W),
Mumbai - 400 013
E-mail : investor.help@hitechgroup.com

CODE OF CONDUCT FOR EMPLOYEES

Your Company has adopted a Code of Conduct for all its employees including its Board Members and Senior Management Personnel of the Company in accordance with the requirements of Regulation 17(5) five of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Code of Conduct has been posted on the website of the Company in accordance with the requirement under Regulation 46 (2)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the requirement under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all the Board Members and the Senior Management Personnel have given affirmation of compliance with the said Code of Conduct for the financial year ended 31st March, 2020. A declaration to this effect signed by Mr. Malav A. Dani, Managing Director of the Company is annexed to this report as Annexure 'B'.

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS:

The Company has adopted a Code of Conduct to Regulate, Monitor and Report trading by Insiders (Prevention of Insider Trading Code) under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Insider Trading Regulations).

In accordance with the SEBI Insider Trading Regulations, the Company has established systems and procedures to prohibit insider

trading activity. The Prevention of Insider Trading Code was suitably amended to incorporate the amendments made by SEBI to the Insider Trading Regulations.

The Board has also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure and Conduct as per the requirements of the SEBI Insider Trading Regulations.

The Code of Conduct to Regulate, Monitor and Report trading by Insiders and Code of Fair Disclosure & Practices have been uploaded on website of the Company and can be accessed through the following link: <https://hitechgroup.com/investor/Display/codeofConduct>.

CEO/CFO Certification:

As required by Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/CFO Certificate for the financial year ended 31st March, 2020 signed by Mr. Malav A. Dani, Managing Director and Mrs. Avan R. Chaina, Chief Financial Officer, was placed before the Board of Directors at their meeting held on 16th June, 2020 is annexed to this Report as Annexure 'B'.

Auditor's Certificate on Corporate Governance:

As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditor's Certificate on Corporate Governance forms part of the Annual Report.

ANNEXURE A TO REPORT ON CORPORATE GOVERNANCE

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,
Hitech Corporation Limited
(formerly Hitech Plast Limited)
Unit No. 201, 2nd Floor, Welspun House,
Kamala City, Senapati Bapat Marg,
Lower Parel, Mumbai 400013

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Hitech Corporation Limited** having CIN L28992MH1991PLC168235 and having registered office at Unit No. 201, 2nd Floor, Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai 400013 (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 carried by us 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 ending on **March 31, 2020** 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 Authorities:

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Ashwin Dani	00009126	13/01/1992
2	Jalaj Dani	00019080	12/09/2004
3	Harish Motiwalla	00029835	23/09/2005
4	Jayendra Shah	00132613	14/11/2013
5	Mehernosh Mehta	00372340	17/03/2016
6	Ashwin Nagarwadia	00466681	31/01/2009
7	Malav Dani	01184336	01/02/2008
8	Aditya Sheth	02289144	25/06/2019
9	Bomi Chinoy	07519315	23/05/2016
10	Kalpana Merchant	00827907	27/02/2020

Ensuring the eligibility of 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 Nilesh Shah & Associates
Company Secretaries

Nilesh Shah
(Partner)

Date: 16th June, 2020
Place:- Mumbai

FCS : 4554 C.P.: 2631
UDIN: F004554B000347655

Annexure B to Report on Corporate Governance

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that:

The Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2020

Place : Mumbai

Date : 24th August, 2020

Malav A. Dani

Managing Director

CEO / CFO Certificate under Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors
Hitech Corporation Limited

We, Malav A. Dani, Managing Director and Avan R. Chaina, Chief Financial officer, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief, certify that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violated of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to 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 propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee:
 1. Significant changes in internal control over financial reporting during the year;
 2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai
Date : 16th June, 2020

Malav A. Dani
Managing Director
(DIN:01184336)

Avan R. Chaina
Chief Financial Officer

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF HITECH CORPORATION LIMITED

We have examined the compliance of conditions of Corporate Governance by HITECH CORPORATION LIMITED ('the Company'), for the year ended on March 31, 2020, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), the Standards on Auditing specified under section 143 (10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above-mentioned Listing Regulations as applicable during the year ended March 31, 2020

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Registration No: 104607W / W100166

Roshni R. Marfatia
Membership No: 106548
UDIN: 20106548AAAADZ6515

Place: Mumbai
Date: August 24, 2020

FIVE YEAR REVIEW

₹ in lakhs

Results for the Accounting Year	F.Y. 2019-20 [^]	F.Y. 2018-19 [^]	F.Y. 2017-18 [^]	F.Y. 2016-17 [^]	F.Y. 2015-16
REVENUE ACCOUNT					
Gross Revenue from Sale of Goods and Services *	45,765.31	45,890.18	39,471.54	40,136.55	43,074.01
Net Revenue from Sale of Goods and Services *	45,765.31	45,890.18	38,548.22	36,505.75	39,070.25
Growth Rate (%)	(0.27)	19.05	5.59	(6.56)	(15.48)
Materials Cost	27,464.27	28,543.07	23,760.53	22,914.06	24,641.20
% to Net Revenue	60.01	62.20	61.64	62.77	63.07
Overheads	12,565.46	12,491.61	11,371.66	10,289.61	10,066.11
% to Net Revenue	27.46	27.22	29.50	28.19	25.76
Operating Profit (EBITDA)	6,033.81	5,205.87	4,347.23	3,589.46	4,634.71
Finance Costs	2,356.41	1,991.66	1,392.11	927.57	1,050.46
Depreciation	2,996.79	2,142.86	1,751.87	1,299.47	1,559.28
Profit Before Tax (before Exceptional Item)	680.61	1,071.35	1,203.25	1,362.42	2,024.97
Exceptional item (Charge)/ Income	(322.15)	1,486.35	-	-	-
Profit Before Tax	358.46	2,557.70	1,203.25	1,362.42	2,024.97
% to Net Revenue	1.49	2.33	3.12	3.73	5.18
Profit After Tax	235.93	1,640.30	776.39	935.67	1,411.80
CAPITAL ACCOUNT					
Equity Share Capital	1,717.57	1,717.57	1,717.57	1,717.57	1,717.57
Reserves and Surplus	14,815.41	14,725.43	13,281.99	12,689.22	11,837.38
Deferred Tax Liability/Asset (Net)	613.68	563.03	250.08	201.02	162.56
Borrowings	17,792.27	18,234.07	16,281.40	10,760.38	3,688.60
Property, Plant and Equipment and Other Intangible Assets	27,767.95	27,375.32	19,974.67	14,706.21	9,912.36
Investments	-	-	-	-	-
Debt - Equity Ratio##	0.83	0.86	0.77	0.44	0.04
Market Capitalisation	8,338.80	18,541.17	24,758.77	29,275.98	28,236.85
PER SHARE DATA					
Earning Per Share (₹)	1.37	9.55	4.52	5.45	8.60
Dividend	0#	0.90	0.90	0.90	0.90
Book Value (₹)	96.26	95.73	87.33	83.88	78.92

(#) For the current Financial year no dividend is recommended by the Board.

For the purpose of Debt to Equity ratio, Equity includes Reserves and Preference shares.

* The Government of India introduced the Goods and Services Tax (GST) with effect from July 1, 2017. Gross Revenue from Sale of Goods for the period upto June 30, 2017 are inclusive of Excise Duty and for the subsequent periods are net of GST. The Net Revenue from Sale of Goods is after adjustment of Excise Duty to enable comparability.

[^] Figures for these years are as per new accounting standards (Ind AS) and Schedule III of the Companies Act, 2013.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HITECH CORPORATION LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Hitech Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") 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 (India Accounting Standard) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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.

Key Audit Matter	Auditor's Response
<p>Inventory Existence and Valuation</p> <p>As at March 31, 2020 the Company held Inventory amounting to Rs. 3,481.97 lakhs.</p> <p>The Company's major part of inventory comprises raw materials and work-in-progress which are spread across multiple factories. These inventories are counted by management on a quarterly basis.</p> <p>Inventories are valued at lower of cost and Net realisable value. There is significant management judgement involved in estimating the net realisable value of items held, as well as assessing which items may be non-moving or obsolete.</p> <p>The management's estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise. The management also provides for non-moving or obsolete stock on the basis of age of inventory. Such methodology relies upon certain assumptions made in determining appropriate provisioning for such stock.</p> <p>Based on above, existence and valuation of inventories has been identified as a key audit matter.</p> <p>Refer Notes 2.5 (8) and 11 to the Financial Statements.</p>	<p>To address the risk of material misstatement on inventories our audit procedures included amongst others:</p> <ul style="list-style-type: none"> - assessing the company's accounting policy for inventory - assessing the inventory valuation processes and testing the key controls around inventory existence and valuation assertions. - verifying the existence and condition of inventory by attending inventory counts across various locations on a rotational basis during the year. - As attendance of inventory counts at year end was not possible at certain planned locations due to COVID-19, we have appointed local external chartered accountancy firms to attend the physical verification. We have relied on their reports submitted to us. Further we have also performed alternate procedures as specified in SA-501 "Audit Evidence - Specific Considerations for Selected Items" to assess the existence of the inventory. (Refer Other matters paragraph below). - challenging judgements of the management regarding estimates of net realisable value and the methodology used for provisioning for non-moving or obsolete stock.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Report on Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The other information as specified above is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information as specified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Act with respect to the preparation of these 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 provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control 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 internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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.

Other Matters

Inventory is verified by us on a rotational basis at the various plant locations during the year, however, due to the COVID-19 related lockdown we were unable to travel to the planned plant locations at the year end and reliance has been placed on inventory counts conducted by management, internal auditors and local chartered accountancy firms appointed by us for the inventory verification as at March 31, 2020. We have also performed alternate procedures to audit the existence of inventory which includes inspection of supporting documentation relating to purchases, production and sales as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Financial Statements. Our report on the Financial Statement is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS prescribed under section 133 of the Act, read with relevant rules issued thereunder.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.
 - h) 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 to the financial statements.
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts requiring provision under the applicable law or accounting standards.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For KALYANIWALLA & MISTRY LLP

Chartered Accountants

Firm Registration No. 104607W/W100166

Roshni R. Marfatia

Partner

M. No.: 106548

UDIN: 20106548AAAABY3416

Mumbai: June 16, 2020.

Annexure A to the Independent Auditor's Report

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2020.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

- i)
 - a) The Company has generally maintained proper records showing particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, the Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on such verification are not material and have been properly dealt with in the books of account.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) The Management has conducted physical verification of inventory (excluding goods-in-transit and stocks with third parties) at reasonable intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. The discrepancies reported on such verification are not material and have been properly dealt with in the books of account.
- iii) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties listed in the register maintained under section 189 of the Companies Act. Accordingly, the provisions of sub-clause (a), (b) and (c) of paragraph 3 (iii) of the Order are not applicable, to the Company.
- iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, provisions of Clause 3(iv) of the said Order are not applicable to the Company.

- v) According to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi) We are informed that the maintenance of cost records has not been prescribed by the Central Government of India under section 148(1) of the Act, in respect of the Company's product.
- vii) a) According to the information and explanation given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues, including dues pertaining to provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and other statutory dues with the appropriate authorities, wherever applicable and there are no such outstanding dues as at March 31, 2020, for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and the records of the Company examined by us, dues of income tax, sales tax and excise duty not deposited on account of dispute are as follows:

Name of Statute	Nature of Dues	Amount (Rs. in lakhs)	Period	Forum where Dispute is pending
Central Excise Act 1944, Central Sales tax Act 1956 and Value Added Tax Act	Excise duty disputes	72.23	FY 2012-13 to 2015-16	Commissioner Excise
	Sales Tax dues Non submission of C Forms and Mismatch in VAT Input Credit	1.65	FY 2009-10	Commissioner Appeal VAT
	Sales Tax dues Non submission of C Forms, Mismatch in VAT Input Credit and Penalty on Late payment	22.64	FY 2012-13 to 2014-15	Commissioner VAT
Income Tax Act, 1961	Demand based on the order of regular assessment u/s 143(3) of the Act.	444.50	AY 2011-12 to 2015-16 and AY 2017-18	Commissioner of Income Tax (Appeals)
		187.62	AY 2016-17 and AY 2010-11	Income Tax Appellate Tribunal
		0.30	AY 2003-04	High Court, Mumbai
		3.96	AY 2007-08	Income Tax Officer

- viii) According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of loans or borrowings to financial institutions, banks or debenture holders. However, in case of one packing credit loan amounting to Rs. 300 lakh which was due for repayment on March 31, 2020, the Company's request for a 15 day roll over was not executed by the Bank due to the lock down and the said amount was repaid on April 08, 2020 as instructed by the Bank. The penal interest charged by the bank was also waived. There were no loans or borrowings taken from the government during the year.
- ix) According to the information and explanations given to us and the records examined by us, the term loans obtained by the Company were applied for the purpose for which the loans were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- x) Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no material fraud on, or by the Company, has been noticed or reported during the year.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and hence the provisions of paragraph 3(xvi) of the Order is not applicable.

For KALYANIWALLA & MISTRY LLP

Chartered Accountants
Firm Registration No. 104607W /W100166

Roshni R. Marfatia

Partner
M. No.: 106548
UDIN: 20106548AAAABY3416

Mumbai: June 16, 2020.

Annexure B to the Independent Auditor's Report

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2020.

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the financial statements of Hitech Corporation Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to Financial Statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2020, based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For KALYANIWALLA & MISTRY LLP

Chartered Accountants
Firm Registration No. 104607W/W100166

Roshni R. Marfatia

Partner
M. No.: 106548
UDIN: 20106548AAAABY3416

Mumbai: June 16, 2020.

Balance Sheet As at March 31, 2020

	Note No.	As at March 31, 2020	(₹ in lakhs) As at March 31, 2019
ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	4 A	24,944.60	23,352.74
(b) Right of Use Assets	4 B	2,531.69	-
(c) Capital Work-in-Progress		165.03	3,880.53
(d) Investment Property	4 C	112.70	117.21
(e) Other Intangible Assets	4 D	13.94	24.84
(f) Financial Assets			
(i) Investments	5	-	-
(ii) Loans	6	534.25	489.29
(iii) Others Financial Assets	7	132.32	121.33
(g) Current Tax Assets (Net)	8	671.34	593.01
(h) Other Non-Current Assets	9	641.17	814.05
Total Non-Current Assets		29,747.04	29,393.00
2 Current Assets			
(a) Inventories	10	3,481.97	3,991.63
(b) Financial assets			
(i) Trade receivables	11	4,321.32	5,605.64
(ii) Cash and Cash Equivalents	12 A	51.77	38.51
(iii) Bank balances other than (ii) above	12 B	32.47	83.11
(iv) Others Financial Assets	7	420.55	416.21
(c) Other current assets	9	571.04	851.74
Total Current Assets		8,879.12	10,986.84
Total		38,626.16	40,379.84
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	1,717.57	1,717.57
(b) Other Equity	14	14,815.40	14,725.43
Total Equity		16,532.97	16,443.00
Liabilities			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	9,360.72	10,985.72
(ii) Lease Liabilities	4 B	381.95	-
(iii) Other Financial Liabilities	16	6.14	13.50
(b) Provisions	17	222.49	227.24
(c) Deferred tax liabilities (Net)	18	613.68	563.03
Total Non-Current Liabilities		10,584.98	11,789.49
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	6,306.55	6,248.35
(ii) Lease Liabilities	4 B	113.39	-
(iii) Trade payables	19		
Total outstanding dues of Micro and Small Enterprise		178.64	127.76
Total outstanding dues of creditors other than Micro and Small Enterprise		1,454.41	1,433.96
(iv) Other financial liabilities	16	3,067.50	3,952.60
(b) Other Current Liabilities	20	80.86	96.90
(c) Provisions	17	289.02	269.94
(d) Current tax liabilities (Net)	21	17.84	17.84
Total Current Liabilities		11,508.21	12,147.35
Total		38,626.16	40,379.84
Significant Accounting Policies	2		

The accompanying notes form an integral part of the financial statements.

As per our report attached
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Regn No. 104607W/W100166

Roshni R. Marfatia
Partner
M.No. 106548

For and on behalf of the Board of Directors
Hitech Corporation Limited
CIN: L28992MH1991PLC168235

Ashwin S. Dani
Chairman
DIN:00009126

Malav A. Dani
Managing Director
DIN:01184336

Avan R. Chaina
Chief Financial Officer

Namita R. Tiwari
Company Secretary

Mumbai, June 16, 2020

Mumbai, June 16, 2020

Statement of Profit and Loss for the year ended March 31, 2020

(₹ in lakhs)

	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
Revenue			
I	22	46,008.71	46,190.11
II	23	54.83	50.44
III		46,063.54	46,240.55
IV Expenses			
	24	27,297.21	29,136.13
	25	167.06	(593.06)
	26	3,080.70	3,100.87
	27	2,356.41	1,991.66
	28	2,996.79	2,142.86
	29	9,484.76	9,390.74
		45,382.93	45,169.20
V		680.61	1,071.35
VI	30	(322.15)	1,486.35
VII		358.46	2,557.70
VIII Tax Expenses:			
		68.88	604.45
		138.04	452.35
		(57.74)	(139.40)
		(26.65)	-
		122.53	917.40
IX		235.93	1,640.30
X Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
		57.48	(15.55)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
		(17.08)	5.04
		40.40	(10.51)
XI		276.33	1,629.79
XII Earnings per share (Face Value ₹ 10 per share)			
		1.37	9.55
		1.37	9.55
	2		

The accompanying notes form an integral part of the financial statements.

As per our report attached
For Kalyaniwalla & Mistry LLP
 Chartered Accountants
 Firm Regn No. 104607W/W100166

Roshni R. Marfatia
 Partner
 M.No. 106548

Mumbai, June 16, 2020

For and on behalf of the Board of Directors
Hitech Corporation Limited
 CIN: L28992MH1991PLC168235

Ashwin S. Dani
 Chairman
 DIN:00009126

Avan R. Chaina
 Chief Financial Officer

Mumbai, June 16, 2020

Malav A. Dani
 Managing Director
 DIN:01184336

Namita R. Tiwari
 Company Secretary

Statement of Cash Flow for the year ended March 31, 2020

(₹ in lakhs)

	Year ended March 31, 2020	Year ended March 31, 2019
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	358.46	2,557.70
Adjustments for :		
Depreciation and amortization expense	2,996.79	2,142.86
Loss on Sale of Property, Plant and Equipment	2.61	24.76
Unrealised Foreign Exchange Loss	(0.67)	1.08
Bad Debts written off	160.13	96.47
Provision for doubtful debts	(68.37)	(93.10)
Provision for doubtful advances	(48.89)	42.45
Loans and Advances written off	7.27	-
Finance costs	2,155.19	1,742.19
Dividend on preference shares and tax thereon	201.21	249.47
Rental Income from Investment Property	(27.81)	-
Interest Income	(22.24)	(23.58)
Operating Profit before working capital changes	5,713.68	6,740.30
Adjustments for :		
Inventories	509.66	(247.57)
Trade Receivables	1,192.57	1,916.53
Loans	(61.31)	(29.44)
Financial Assets	(26.12)	(66.70)
Other assets	294.84	(338.12)
Trade Payables	71.33	(508.38)
Financial liabilities	(1,949.06)	1,727.08
Other liabilities	(16.04)	(45.49)
Provisions	71.86	75.94
Cash Generated from Operations	5,801.41	9,224.14
Income Tax paid (Net of Refund)	(167.30)	(663.74)
Net Cash generated from operating activities	5,634.11	8,560.40
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(2,598.65)	(8,481.94)
Sale of Property, Plant & Equipment	25.93	20.64
(Decrease) / Increase in fixed deposits	50.42	(5.17)
Rent Received	27.81	-
Interest Received	30.17	22.97
Net Cash (used in) investing activities	(2,464.32)	(8,443.50)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Redemption of Preference Shares	-	(394.54)
Proceeds of Long Term Borrowings	500.00	4,200.00
Repayments from Long Term Borrowings	(1,000.00)	(1,004.40)
Proceeds / (Repayments) from Short Term Borrowings (Net)	105.12	(1,170.67)
Preference Dividend & Tax	(242.57)	(291.95)
Equity Dividend & Tax	(186.36)	(186.36)
Finance costs paid	(2,140.07)	(1,763.51)
Interest paid on lease payments	(42.82)	-
Principle payment of Lease Liability	(102.91)	-
Net Cash (used in) from financing activities	(3,109.61)	(611.43)

(₹ in lakhs)

	Year ended March 31, 2020	Year ended March 31, 2019
(D) Net Increase/ (Decrease) in Cash and Cash Equivalents	60.18	(494.53)
Cash and Cash Equivalents at the beginning of the year	(572.47)	(77.95)
Cash and Cash Equivalents at the end of the period	(512.29)	(572.47)

Notes :

(a) The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.

	As at March 31, 2020	As at March 31, 2019
(b) Cash and Cash Equivalents comprises of : (Refer Note 12 A)		
Cash on hand	4.25	5.26
Balances with bank		
- Current Accounts	47.52	24.39
- Cash credit accounts		8.86
Less: Loan repayable on demand (Cash Credit / Overdraft Account)	(564.06)	(610.98)
	(512.29)	(572.47)

(c) For Disclosure requirements as per amendment to Ind AS 7 (Refer Note 41)

The accompanying notes form an integral part of the financial statements.

As per our report attached
For Kalyaniwalla & Mistry LLP
 Chartered Accountants
 Firm Regn No. 104607W/W100166

Roshni R. Marfatia
 Partner
 M.No. 106548

Mumbai, June 16, 2020

For and on behalf of the Board of Directors
Hitech Corporation Limited
 CIN: L28992MH1991PLC168235

Ashwin S. Dani
 Chairman
 DIN:00009126

Avan R. Chaina
 Chief Financial Officer

Mumbai, June 16, 2020

Malav A. Dani
 Managing Director
 DIN:01184336

Namita R. Tiwari
 Company Secretary

Statement of Changes in Equity for the year ended March 31, 2020

A. Equity Share Capital

	Note No	As at March 31, 2020	As at March 31, 2019
Balance as at the beginning of the year	13	1,717.57	1,717.57
Changes in Equity Share Capital during the year		-	-
Balance as at the end of the year		1,717.57	1,717.57

B. Other Equity (Refer Note 14)

	Reserves & Surplus				Total
	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	
Balance as at April 1, 2018	1,880.00	925.36	133.80	10,342.83	13,281.99
Profit for the year	-	-	-	1,640.30	1,640.30
Re-measurement of defined benefit plans	-	-	-	(10.51)	(10.51)
Total Comprehensive Income for the year	-	-	-	1,629.79	1,629.79
Transfer to Capital Redemption Reserve on Redemption of Preference Shares (Refer foot-note to Note 14)		394.54		(394.54)	-
Equity dividend	-	-	-	(154.58)	(154.58)
Tax on equity dividend	-	-	-	(31.77)	(31.77)
Balance as at March 31, 2019	1,880.00	1,319.90	133.80	11,391.73	14,725.43
Balance as at April 1, 2019	1,880.00	1,319.90	133.80	11,391.73	14,725.43
Profit for the year	-	-	-	235.93	235.93
Re-measurement of defined benefit plans	-	-	-	40.40	40.40
Total Comprehensive Income for the year	-	-	-	276.33	276.33
Equity dividend	-	-	-	(154.58)	(154.58)
Tax on equity dividend	-	-	-	(31.78)	(31.78)
Balance as at March 31, 2020	1,880.00	1,319.90	133.80	11,481.70	14,815.40

The accompanying notes form an integral part of the financial statements.

As per our report attached
For Kalyaniwalla & Mistry LLP
 Chartered Accountants
 Firm Regn No. 104607W/W100166

Roshni R. Marfatia
 Partner
 M.No. 106548

Mumbai, June 16, 2020

For and on behalf of the Board of Directors
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Mumbai, June 16, 2020

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 Managing Director
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Namita R. Tiwari
 Company Secretary

Notes to the Financial Statement for the year ended March 31, 2020

1. CORPORATE INFORMATION

Hitech Corporation Limited (the Company) is engaged in manufacturing of rigid plastic packaging products specially catering to customers relating to Paints, Lube, Agro chemical, FMCG, Personal and Health care and Home care product as well as export market. The Company is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India, namely the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company's registered office is at 201, Welspun House, 2nd floor, Kamala City, Lower Parel (W), Mumbai- 400 013.

2. BASIS OF PREPARATION, MEASUREMENT, KEY ACCOUNTING ESTIMATES AND JUDGEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

These financial statements of the Company are prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

These financial statements have been prepared and presented under the historical cost convention, on accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto is use.

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

2.2. Key estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The areas involving critical estimates or judgements are:

- i. Determination of the estimated useful lives of property, plant & equipment and the assessment as to which components of the cost may be capitalized; (Note 2.4 .1)
- ii. Determination of the estimated useful lives of intangible assets (Note 2.4.2)
- iii. Recognition and measurement of defined benefit obligations, key actuarial assumptions; (Note 39)
- iv. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note 17)
- v. Fair value of financial instruments (Note 31A)
- vi. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. (Note 18)
- vii. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right- of - use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

2.3. Measurement of Fair Value

The Company's accounting policies and disclosures require financial instruments to be measured at fair values.

The Company has an established control framework with respect to the measurement of fair values. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.4. Significant Accounting Policies

1. Property, Plant and Equipment

Recognition and Measurement

Items of property, plant and equipment, other than freehold land that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses. Freehold land is carried at cost and is not depreciated.

The cost of an item of property, plant and equipment comprises of its purchase price including taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs of bringing the asset to its working condition. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalised under relevant heads of Property, Plant & Equipment if the recognition criteria are met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation

Depreciation on property, plant & equipment other than factory buildings is provided on the straight-line method, pro rata to the period of use, over their useful life. Depreciation on factory buildings is provided on written down value method, pro rata to the period of use, over their useful life. The estimated useful lives of assets are as follows:

Asset Block	Useful life
Factory Buildings ⁽¹⁾	15 to 40 years
Moulds ⁽¹⁾	4 years
Plant & Machinery ⁽¹⁾	5 to 19 years
Furniture & Fixture	10 years
Computers ⁽¹⁾	5 years
Vehicles ⁽¹⁾	5 years
Office Equipment	5 years
Leasehold improvements	Over lease term

- (1) Based on technical evaluation of useful life by the Management, it believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The residual value of property, plant & equipment except buildings, is considered at ₹ Nil as the realisable value at the end of useful life is not expected to be significant. In case of factory building the residual value is estimated by management to be at 5% of cost.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

2. Intangible Assets

Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. Internally generated intangibles, excluding eligible development costs are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

Amortization

Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognised in the Statement of Profit & Loss. The estimated useful lives for intangible asset are 3 years.

The amortization period and method for an intangible asset with finite useful life is reviewed at least at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

3. Right to use Asset

The Company's lease asset classes primarily consist of leases for land, premises and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate which is the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition to Ind AS 116

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019, except those which are exempted under this standard, using the modified retrospective approach. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The standard permits a choice on initial adoption, on a lease-by-lease basis, to measure the right-of-use asset at either its carrying amount as if Ind AS 116 had been applied since the commencement of the lease, or an amount equal to the lease liability adjusted for accruals or prepayments. The Company has elected to measure the right-of-use asset equal to the lease liability, with no net impact on retained earnings and no restatement of prior period comparatives. The Company has measured Right-of-Use assets and lease liability based on the remaining lease period and payments discounted using the incremental borrowing rate of 9% as of the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On initial date of application, the adoption of the new standard resulted in recognition of Right-of-use asset (ROU) of ₹ 2,623.14 lakhs (including Leasehold Land) and a lease liability of ₹ 553.97 lakhs. In the profit and loss account for the year ended March 31, 2020, the nature of expenses in respect of operating leases has changed from lease rent in the previous year to depreciation cost ₹ 123.85 lakhs for the right-of-use assets and finance cost ₹ 42.82 lakhs for interest accrued on lease liabilities. The effect of this adoption is insignificant on the profit for the period and earning per share.

The difference between the lease obligation recorded as of March 31, 2019 under Ind AS 17 disclosed under Note 37 of annual financial statements forming part of 2019 Annual Report and the value of the lease liability as of April 1, 2019 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.

The Company as a lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance lease or operating lease by reference to the right – of – use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

4. Investment Property

Recognition and measurement

Investment properties are properties held to earn rentals and / or for capital appreciation. Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Freehold land is carried at cost and is not depreciated.

Cost includes purchase price, taxes and duties and other direct costs incurred for bringing the asset to the condition of its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Depreciation

Depreciation on building is provided on written down value method, pro rata to the period of use, over their useful life. The estimated useful lives based on technical evaluation by the Management is 40 years. The residual value is estimated by management to be at 5% of cost.

Derecognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of derecognition.

5. Capital Work in Progress and Capital Advances

Cost of assets not ready for intended use, as on balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

6. Impairment of non-financial assets

At each balance sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's non-financial assets. An impairment loss is recognised whenever the carrying value of an asset or a cash-generating unit exceeds its recoverable amount. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. An impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which the impairment takes place. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

7. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, futures and currency options.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset, except in the case of financial assets not recorded at fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed through the Statement of Profit and Loss.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i. Financial assets measured at amortised cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit & loss (FVTPL)

i. Financial Assets measured at Amortised cost

This category applies to cash and bank balances, trade receivables (excluding those measured at FVTOCI), loans and other financial assets of the Company. Such financial assets are measured at amortised cost if both the following conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. Subsequently such financial assets are measured at amortized cost using the Effective Interest Rate (EIR) method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under finance income in the Statement of Profit and Loss.

ii. Financial Assets measured at FVTOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss. Interest income from these financial assets is included in other income using the effective interest rate method.

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss. Interest income from these financial assets is included in other income using the effective interest rate method.

iii. Financial Assets measured at FVTPL

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through Profit or Loss is recognised in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity Instruments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

A financial asset is derecognised only when:

- i. the rights to receive cash flows from the financial asset have expired contract is discharged, cancelled or expires.
- ii. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.
- iii. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of Financial Assets

The Company applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance. Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL allowance recognised (or reversed) during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

Financial Liabilities

Classification as liability or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. Interest expense are included in the 'Finance costs' line item.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

8. Inventory

Inventories are valued at lower of cost and net realisable value. Costs are ascertained on First in First Out (FIFO) basis. Costs includes cost of purchase and other costs incurred in bringing each product to its present location and condition. In the case of manufactured inventories, cost includes cost of raw materials, packing materials and an appropriate share of fixed and variable production overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Variable production overheads are allocated based on actual production facilities.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Provision is made for cost of obsolescence and other anticipated losses whenever considered necessary.

9. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet includes cash at bank and on hand, book debit balances in cash credit and current accounts, deposits held at call with financial institutions, other short term highly liquid investments, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents, cash and short - term deposits as defined above is net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

10. Provisions, Contingent Liabilities and Contingent Assets

The Company recognizes a provision when there is a present legal or constructive obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognised till the realization of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefit is probable.

11. Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Rendering of Services

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Interest Income

Interest income is recognized using the effective interest rate (EIR) method.

12. Employee Benefits

i. Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

ii. Post-Employment Benefits

➤ Defined Contributions plan

Provident Fund and Employee State Insurance Scheme

Defined contribution plans are Provident Fund Scheme and Employee State Insurance Scheme. The Company contributes to the Government administered provident funds on behalf of its employees.

Recognition and measurement of defined contribution plans

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

➤ Defined Benefit plans:

Gratuity scheme

The Company operates a defined benefit gratuity plan for employees. The Company contributes to a separate entity (a fund), towards meeting the Gratuity obligation.

Recognition and measurement of defined benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

iii. Other Long-Term Employee Benefit

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulations of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses in respect of such benefits are charged to Statement of Profit and Loss in the period in which they arise.

iv. **Ind AS 19 – Plan Amendment, Curtailment or Settlement**

As per the amendment to Ind AS 19 if there is a change in the plan assets, amendment, curtailment or settlement occurs, then the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement.

13. **Income Taxes**

Income tax expense/ income comprises current tax expense / income and deferred tax expense / income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI. In which case, the tax is also recognized directly in equity or other comprehensive income, respectively.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations and establishes provisions where appropriate.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is a convincing evidence that the Company will pay normal tax during specified period.

As per the Appendix to Ind As 12, the Company needs to assess whether it is probable that a tax authority will accept an uncertain tax treatment used or a treatment which is being proposed to be used in its income tax filings.

In accordance with Amendment to Ind AS 12, Income Taxes

The amendment clarifies that an entity shall recognize income tax consequences of dividends in profit or loss, other comprehensive income or equity. The entity pays tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

14. **Foreign Currency Transactions**

i. **Functional and Presentation currency**

The Company's financial statements are prepared in Indian Rupees (INR "₹") which is also the Company's functional currency.

ii. **Transactions and balances**

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in profit or loss in the year in which they arise except for the qualifying cash flow hedge, which are recognised in OCI to the extent that the hedges are effective.

15. Government Grant and Subsidies

Grants in the nature of subsidy which are non-refundable are credited to the statement of profit and loss, on accrual basis, where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them.

Grants in the nature of subsidy which are refundable are shown as liabilities in the Balance Sheet.

16. Derivative Financial instruments and hedge accounting

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Forward exchange contracts

The Company enters into forward exchange contracts in nature of currency swaps and interest rate swaps to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

The forward exchange contract is marked to market (MTM) and the gain/ loss on the same is recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the period in which the exchange rates change. Any Profit or Loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or expense for the period.

17. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

18. Research and Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

19. Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

In accordance with the amended Ind AS 23 Borrowing Cost, if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

20. Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

21. Dividend

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. As per Corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

22. Earnings Per Share

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

23. Segment Reporting

The Company has identified Rigid Plastic Packaging Products as its single primary reportable segment in accordance with the requirements of Ind AS 108 - Operating Segments.

3. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Notes to the Financial Statements

Note 4 A : Property, Plant and Equipment

(₹ in lakhs)

	Gross Carrying Amount					Depreciation/ Amortisation					Closing Carrying Amount
	As at 01.04.2019	Additions during the Year	Deductions / adjustments	Reclassified to Right of Use Assets (Refer Note 4B)	As at 31.03.2020	As at 01.04.2019	Additions / Amortization during the Year	Deductions / adjustments	Reclassified to Right of Use Assets (Refer Note 4B)	As at 31.03.2020	As at 31.03.2020
Freehold Land	2,987.07	6.45	-	-	2,993.52	-	-	-	-	-	2,993.52
Leasehold Land	2,100.77	-	-	2,100.77	-	46.07	-	-	46.07	-	-
Buildings	11,654.32	3,838.89	-	-	15,493.21	1,245.61	1,067.12	-	-	2,312.73	13,180.48
Plant & Machinery											
Moulds	1,381.13	179.53	5.00	-	1,555.66	557.31	325.11	0.33	-	882.09	673.57
Other Machinery	9,906.50	2,388.39	58.08	-	12,236.81	3,064.04	1,372.25	34.72	-	4,401.57	7,835.24
Furniture	189.17	35.45	1.20	-	223.42	56.25	22.95	0.69	-	78.51	144.91
Leasehold Improvements	4.74	-	-	-	4.74	4.50	0.16	-	-	4.66	0.08
Computers	64.14	16.68	-	-	80.82	34.77	13.90	-	-	48.67	32.15
Office Equipment	69.15	44.91	-	-	114.06	28.99	18.17	-	-	47.16	66.90
Vehicles	76.06	-	-	-	76.06	42.79	15.52	-	-	58.31	17.75
Total	28,433.05	6,510.30	64.28	2,100.77	32,778.30	5,080.33	2,835.18	35.74	46.07	7,833.70	24,944.60

(Previous Year)

(₹ in lakhs)

	Gross Carrying Amount					Depreciation/ Amortisation					Closing Carrying Amount
	As at 01.04.2018	Additions during the Year	Deductions / adjustments	Reclassified to Investment Property (Refer Note 4C)	As at 31.03.2019	As at 01.04.2018	Additions / Amortization during the Year	Deductions / adjustments	Reclassified to Investment Property (Refer Note 4C)	As at 31.03.2019	As at 31.03.2019
Freehold Land	2,199.24	829.33	-	41.50	2,987.07	-	-	-	-	-	2,987.07
Leasehold Land	2,100.77	-	-	-	2,100.77	23.78	22.29	-	-	46.07	2,054.70
Buildings	5,831.28	5,914.02	-	90.98	11,654.32	615.38	645.50	-	15.27	1,245.61	10,408.71
Plant & Machinery											
Moulds	821.65	560.59	1.11	-	1,381.13	293.75	263.97	0.41	-	557.31	823.82
Other Machinery	7,292.79	2,684.46	70.75	-	9,906.50	1,952.55	1,139.37	27.89	-	3,064.03	6,842.47
Furniture	151.47	37.70	-	-	189.17	36.25	20.00	-	-	56.25	132.92
Leasehold Improvements	15.04	-	10.30	-	4.74	12.52	2.28	10.30	-	4.50	0.24
Computers	55.66	8.48	-	-	64.14	21.87	12.90	-	-	34.77	29.37
Office Equipment	37.30	32.27	0.42	-	69.15	19.68	9.55	0.24	-	28.99	40.16
Vehicles	84.11	-	8.05	-	76.06	31.56	17.25	6.03	-	42.78	33.28
Total	18,589.31	10,066.85	90.63	132.48	28,433.05	3,007.34	2,133.11	44.87	15.27	5,080.31	23,352.74

The amount of Contractual commitments for the acquisition of Property plant and equipment is disclosed in Note 33 (b).

Part of the above assets are offered as collateral towards borrowings (Refer Note 42)

Note 4 B : Right of Use assets

Following are the changes in the carrying value of Right of Use (ROU) assets for the year ended March 31, 2020:

(₹ in lakhs)

Particulars	Category of ROU assets			Total
	Leasehold Land	Premises	Vehicle	
Balance on adoption of Ind AS 116 as at April 1, 2019	22.64	509.04	36.76	568.44
WDV reclassified on adoption of Ind AS 116 (Refer Note 4A)	2,054.70	-	-	2,054.70
Balance as at April 1, 2019	2,077.34	509.04	36.76	2,623.14
Additions during the year	-	45.57	9.18	54.75
Deletion during the year	-	-	-	-
Depreciation/Amortisation for the year	22.64	108.90	14.66	146.20
Balance as at March 31, 2020	2,054.70	445.71	31.28	2,531.69

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

Note 4 B : Right of Use assets (...Contd)

The following is the break-up of current and non-current lease liabilities as at March 31, 2020

		(₹ in lakhs)
Particulars	As at	March 31, 2020
Current lease liabilities		113.39
Non-current lease liabilities		381.95
Total		495.34

The following is the movement in lease liabilities during the year ended March 31, 2020:

		(₹ in lakhs)
Particulars	As at	March 31, 2020
Balance on adoption of Ind AS 116 as at April 1, 2019		553.97
Addition during the year		44.28
Finance cost accrued during the year		42.82
Deletions during the year		-
Payment of lease liabilities during the year		145.73
Balance as at March 31, 2020		495.34

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

		(₹ in lakhs)
Particulars	As at	March 31, 2020
Less than one year		152.87
One to five year		398.86
More than five year		205.64
Total		757.37

Rental expense recorded for short-term leases was ₹ 11.74 lakhs for the year ended March 31, 2020.

Disclosures under IND AS 17 (for the year 2018-19)

The future minimum lease rental payable as on March 31, 2019 as per the lease agreement

		(₹ in lakhs)
Particulars	As at	March 31, 2019
Not later than one year		148.10
Later than one year but not more than five years		527.80
Total		675.90

Note 4 C : Investment Property

		Gross Carrying Amount					Depreciation/ Amortisation					Closing Carrying Amount
	As at 01.04.2019	Additions during the Year	Deductions / adjustments	Reclassified from Property, Plant & Equipment	As at 31.03.2020	As at 01.04.2019	Additions / Amortization during the Year	Deductions / adjustments	Reclassified from Property, Plant & Equipment	As at 31.03.2020	As at 31.03.2020	
Freehold Land	41.50	-	-	-	41.50	-	-	-	-	-	41.50	
Building	90.98	-	-	-	90.98	15.27	4.51	-	-	19.78	71.20	
Total	132.48	-	-	-	132.48	15.27	4.51	-	-	19.78	112.70	

Note 4 C : Investment Property (...Contd)

(Previous Year)

(₹ in lakhs)

	Gross Carrying Amount					Depreciation/ Amortisation					Closing Carrying Amount
	As at 01.04.2018	Additions during the Year	Deductions / adjustments	Reclassified from Property, Plant & Equipment	As at 31.03.2019	As at 01.04.2018	Additions / Amortization during the Year	Deductions / adjustments	Reclassified from Property, Plant & Equipment	As at 31.03.2019	As at 1.03.2019
Freehold Land	-	-	-	41.50	41.50	-	-	-	-	-	41.50
Building	-	-	-	90.98	90.98	-	-	-	15.27	15.27	75.71
Total	-	-	-	132.48	132.48	-	-	-	15.27	15.27	117.21

Fair Value Movement is as under:

(₹ in lakhs)

	Fair Value				
	As at 01.04.2019	Change during the Year	Deductions / adjustments	Reclassified from Property, Plant & Equipment	As at 31.03.2020
Freehold Land	99.87	5.94	-	-	105.81
Building	133.61	-	-	-	133.61
Total	233.48	5.94	-	-	239.42

(Previous year)

(₹ in lakhs)

	Fair Value				
	As at 01.04.2018	Change during the Year	Deductions / adjustments	Reclassified from Property, Plant & Equipment	As at 31.03.2019
Freehold Land	-	-	-	99.87	99.87
Building	-	-	-	133.61	133.61
Total	-	-	-	233.48	233.48

Notes:
1. Information regarding income and expenditure of Investment Property

The Company has entered into an agreement in February 2019 to lease their property situated at Dadra, both freehold land with building from April 2019. The profit arising from Investment Property is as under:

(₹ in lakhs)

	Year ended March 31, 2020	Year ended March 31, 2019
Rental income derived from Investment Property	27.81	-
Less: Direct operating expenses	8.19	-
Profits arising from investment property before depreciation	19.62	-
Less: Depreciation	4.51	-
Profit arising from investment property	15.11	-

- The Management has determined that the investment property consists of two class of assets - Land and building - based on the nature, characteristics and risks of each property.
- The fair valuation is based on current prices in the active market for similar properties. The main input used are quantum, area, location, demand, age of building and trend of fair market rent in the location of the property.
- The Company has no restriction on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Note 4 D : Other Intangible Assets

(₹ in lakhs)

	Gross Carrying Amount				Depreciation/ Amortisation				Closing Carrying Amount
	As at 01.04.2019	Additions during the Year	Deductions / adjustments	As at 01.03.2020	As at 01.04.2019	Additions / Amortization during the Year	Deductions / adjustments	As at 31.03.2020	As at 31.03.2020
Software	64.31	-	-	64.31	39.48	10.90	-	50.38	13.93
Patent	0.01	-	-	0.01	-	-	-	-	0.01
Total	64.32	-	-	64.32	39.48	10.90	-	50.38	13.94

(Previous Year)

(₹ in lakhs)

	Gross Carrying Amount				Depreciation/ Amortisation				Closing Carrying Amount
	As at 01.04.2018	Additions during the Year	Deductions / adjustments	As at 31.03.2019	As at 01.04.2018	Additions / Amortization during the Year	Deductions / adjustments	As at 31.03.2019	As at 31.03.2019
Software	43.10	21.21	-	64.31	29.73	9.75	-	39.48	24.83
Patent	0.01	-	-	0.01	-	-	-	-	0.01
Total	43.11	21.21	-	64.32	29.73	9.75	-	39.48	24.84

(₹ in lakhs)

Note 5 : Investments

	As at March 31, 2020	As at March 31, 2019
Non Current		
<u>Unquoted, fully paid up:</u>		
At Fair Value through Profit or Loss		
Investment in Equity Instruments		
11,000 (March 31, 2019: 11,000) Equity Shares of ₹100/- each fully paid up in HO Plast Pvt Ltd	11.00	11.00
Less: Impairment in value of investment	(11.00)	(11.00)
Total	-	-
Aggregate amount of Unquoted Investments	11.00	11.00
Aggregate amount of Quoted Investments	-	-
Aggregate Market Value of Quoted Investments	-	-
Aggregate amount of Impairment in Value of Investments	11.00	11.00

(₹ in lakhs)

Note 6 : Loans

	As at March 31, 2020	As at March 31, 2019
Non Current		
Unsecured :		
Security Deposits		
Considered Good	534.25	489.29
Security deposits which have significant increase in credit risk	-	11.48
Security deposits which are credit impaired	2.66	2.66
	536.91	503.43
Less: Loss Allowance	(2.66)	(14.14)
Total	534.25	489.29

(₹ in lakhs)

Note 7 : Other Financial Assets	As at March 31, 2020	As at March 31, 2019
Non-Current		
Fixed Deposits with original maturity of more than 12 months	24.26	23.18
Subsidy receivable from State Government	108.06	98.15
Total	132.32	121.33
Current		
Quantity discount receivable	329.06	260.24
Subsidy Receivable From State Government	74.26	126.88
Accrued interest on Security Deposits	17.23	29.09
Total	420.55	416.21
Note:		
(a) Of the above deposits under lien with sales tax authorities	2.50	2.50

(b) The Company was eligible for Industrial Promotion Subsidy under the Package Scheme of Incentive (PSI) 2007 upto March 31, 2019. Accordingly, in terms of the Indian Accounting Standard (Ind AS 20) "Accounting for Government Grants and Disclosure of Government Assistance", the Company is eligible for an incentive of ₹ Nil for the year ended March 31, 2020 (Previous Year : ₹ 87.36 Lakhs) and the same is credited in the Statement of Profit and Loss under the head "Other operating income" on accrual basis. The movement in the amount receivable is as under:

(₹ in lakhs)

	As at March 31, 2020	As at March 31, 2019
Opening balance of subsidy receivable	225.03	144.54
Add : Subsidy accrued for the period	-	87.36
Less: (Deductions)/ Additional claimed	1.85	(6.87)
Less : Subsidy received in cash	44.56	-
Closing balance of subsidy receivable	182.32	225.03

(₹ in lakhs)

Note 8 : Income Tax Assets (Non-Current)	As at March 31, 2020	As at March 31, 2019
Advance Income Tax (net of provision for taxation)	671.34	593.01
Total	671.34	593.01

(₹ in lakhs)

Note 9 : Other Assets	As at March 31, 2020	As at March 31, 2019
Non-Current		
Capital Advances		
Considered Good	84.20	242.94
Capital Advances which have significant increase in credit risk	-	37.41
	84.20	280.35
Less: Loss Allowance	-	(37.41)
	84.20	242.94
Prepaid expenses	26.84	28.23
Balances with indirect tax authorities	530.13	542.88
Total	641.17	814.05

Note 9 : Other Assets (...Contd)	As at March 31, 2020	As at March 31, 2019
Current		
Balances with indirect tax authorities	127.18	464.65
Insurance claim receivable	5.00	-
Advance recoverable in cash or kind	246.93	262.47
Prepaid expenses	189.49	120.63
Advance to employees	2.44	3.99
Total	571.04	851.74

Note 10 : Inventories	As at March 31, 2020	As at March 31, 2019
(Valued at lower of cost and net realizable value)		
Raw Materials (including Goods in Transit ₹ 25.96 lakhs (March 31,2019: ₹ 28.62 lakhs))	1,630.96	1,991.80
Packing Materials	100.22	98.00
Work-in-Progress	1,519.21	1,353.18
Finished Goods (including Goods in Transit ₹ 11.91 lakhs (March 31,2019: ₹ 55.45 lakhs))	189.96	523.05
Stores and Spares	41.62	25.60
Total	3,481.97	3,991.63

- (a) Inventory hypothecated against secured borrowings (Refer Note 42).
- (b) The cost of inventories recognised as an expense during the year is disclosed in Note 24 and 25.
- (c) The cost of inventories recognised as an expense includes ₹ 38.67 lakhs (Previous year ₹ 24.67 lakhs) in respect of write down of inventory to net realisable value. The reversal of such write down during the current year amounted to ₹ Nil. (Previous year ₹ Nil).

Note 11 : Trade Receivables	As at March 31, 2020	As at March 31, 2019
Current		
Unsecured:		
Considered Good	4,321.32	5,605.64
Considered Doubtful	545.50	613.87
	4,866.82	6,219.51
Less: Allowances for credit losses	545.50	613.87
Total	4,321.32	5,605.64
	537.06	1,137.37

- (a) Receivables subject to invoice discounting facility included above
The carrying amount of the trade receivables include receivables which are subject to invoice discounting facility as stated above. Under this facility, the Company has transferred the relevant receivables to the banks in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk and therefore continues to recognise the transferred assets in their entirety in its Balance Sheet. The amount repayable under the invoice discounting facility is presented under unsecured borrowings.
- (b) Trade receivables hypothecated against secured borrowings (Refer Note 42)
- (c) Movement in Allowance for doubtful receivables

	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	613.87	706.97
Amounts written off / recovered during the year (net)	(136.39)	(162.15)
Changes in allowance for doubtful receivables	68.02	69.05
Balance at the end of the year	545.50	613.87

The Company has provided allowance for doubtful receivables based on historical experience and the ageing analysis of the receivables.

(₹ in lakhs)

Note 12 A : Cash & Cash Equivalents	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
On Current accounts	47.52	24.39
Cash credit accounts	-	8.86
Cash on Hand	4.25	5.26
Total	51.77	38.51

(₹ in lakhs)

Note 12 B : Other Bank Balances	As at March 31, 2020	As at March 31, 2019
Deposits with more than 3 months but less than 12 months maturity	10.67	62.63
For Unpaid Dividend	21.80	20.48
Total	32.47	83.11
Note		
(a) Deposits under lien with sales tax authorities included in above	2.85	2.85
(b) The Company can utilise these balances only towards settlement of unclaimed dividend		

(₹ in lakhs)

Note 13 : Equity Share Capital	As at March 31, 2020	As at March 31, 2019
Authorised Share Capital		
2,90,00,000 (March 31, 2019 : 2,90,00,000) Equity Shares of ₹ 10/- each	2,900.00	2,900.00
3,10,00,000 (March 31, 2019 : 3,10,00,000) 9% Non Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each	3,100.00	3,100.00
5,00,000 (March 31, 2019 : 5,00,000) Unclassified shares of ₹ 10/- each	50.00	50.00
Total	6,050.00	6,050.00
Issued, Subscribed and Paid -up capital		
1,71,75,700 (March 31, 2019 : 1,71,75,700) Equity Shares of ₹ 10/- each fully paid	1,717.57	1,717.57
Total	1,717.57	1,717.57

a. Reconciliation of the numbers of equity shares outstanding at the beginning and at the end of the year

	As at March 31, 2020	As at March 31, 2019
	No. of Shares	No. of Shares
At the beginning of the year	1,71,75,700	1,71,75,700
Add : Issued during the year	-	-
At the end of the year	1,71,75,700	1,71,75,700

b. Terms/rights attached to equity shares

The Company has only one class of Equity Shares referred to as Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share. (The Company declares and pays dividends in Indian Rupees. Payment of dividend is also made in foreign currency to shareholders outside India.) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

As per the Companies Act, 2013, the holders of Equity Shares will be entitled to receive share in remaining assets of the Company, after distribution of all preferential amounts in the event of liquidation of the Company. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c. Details of equity shares held by Holding Company and shareholder holding more than 5% shares in the Company

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	No of Shares	% holding in Equity	No of Shares	% holding in Equity
Geetanjali Trading & Investments Private Limited (Holding Company)	1,18,69,295	69.11	1,18,69,295	69.11

Note 13 : Equity Share Capital (...Contd)**d. Information regarding aggregate number of shares during the immediately preceding five years**

The Company has not issued any bonus shares or shares for consideration other than cash and has not bought back any shares during the past five years.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

e. There are no calls unpaid on equity shares**f. No equity shares have been forfeited**

	(₹ in lakhs)	
Note 14 : Other Equity	As at March 31, 2020	As at March 31, 2019
Capital Redemption Reserve	1,319.90	1,319.90
Securities Premium Account	1,880.00	1,880.00
General Reserve	133.80	133.80
Retained Earnings	11,481.70	11,391.73
Total	14,815.40	14,725.43

Description of nature and purpose of each reserve**1. Capital Redemption Reserve**

This reserve was created on redemption of preference shares in accordance with the provisions of the Companies Act, 2013 and can be utilised only towards issue of fully paid up bonus shares.

2. Securities Premium

The amount received in excess of face value of equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

3. General Reserve

The Company has transferred a portion of net profit of the Company before declaring dividend to general reserves pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

4. Retained Earnings

This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

	(₹ in lakhs)	
Note 15 : Borrowings	As at March 31, 2020	As at March 31, 2019
Non-Current		
A. Secured		
Term Loans		
Rupee Loan(Refer note (i) below)	9,250.00	9,750.00
B. Unsecured		
Preference Shares		
223,57,159 (March 31, 2019 : 223,57,159) 9% Non Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each issued towards consideration to shareholders of Clear Mipak Packaging Solutions Limited on amalgamation.	2,235.72	2,235.72
	11,485.72	11,985.72
Current Maturities of Long Term Debts (Refer Note 16)	(2,125.00)	(1,000.00)
Total	9,360.72	10,985.72

Note:

- (i) After the balance sheet date, pursuant to the RBI regulatory measures, the Company has applied for moratorium of principal and interest payments due against terms loans between March 1, 2020 to August 31, 2020. Accordingly, the bank has sanctioned and allowed the moratorium aggregating ₹ 298.53 lakhs as of May 31, 2020 (including the instalment and interest of ₹ 158.46 lakhs for the period ended March 31, 2020). The moratorium application for June 1, 2020 to August 31, 2020 is under review with the banks.

Note 15 : Borrowings (...Contd)	As at March 31, 2020	As at March 31, 2019
Current		
A. Secured		
Repayable on demand		
Cash Credit from Banks	564.06	610.98
Working Capital Demand Loan	4,726.00	2,600.00
Packing Credit	300.00	1,900.00
	5,590.06	5,110.98
B. Unsecured		
Invoice Discounting	537.06	1,137.37
Corporate card	179.43	-
	716.49	1,137.37
Total	6,306.55	6,248.35

Note:

i) **Term Loans :**

a) **Rupee Term Loan from Bank ₹ 2,250 lakhs (March 31, 2019 : ₹ 3,250 lakhs)**

Term loan from HDFC Bank is repayable over a period of five years including a moratorium of one year commencing from the date of draw down. The loan has been fully availed and is repayable in 16 quarterly instalments based on draw downs. The loan carries interest based on One year Marginal Cost of Lending Rate (MCLR) (adjustable annually) plus nil spread. The present effective rate of interest is 8.74 % p.a. (Previous year 8.30 % p.a.). The loan is secured by exclusive first charge on plant & machinery at Rohtak unit and charge on immovable fixed assets comprising of land and building at Rohtak.

b) **Rupee Term Loan from Bank ₹ 4,500 lakhs (March 31, 2019: ₹ 4,500 lakhs)**

Term loan from Kotak Bank is repayable over a period of six years including a moratorium of two years commencing from the date of initial draw down. The loan has been fully availed and is repayable in 16 quarterly instalments based on initial draw down. The draw down up to April 18, of ₹ 27 crores is at fixed interest rate of 8.35 % p.a whereas the subsequent tranches are at average interest rate of 8.63 % p.a. (Previous year 8.77 % p.a.). The loan is secured by exclusive first charge on present and future movable fixed assets at Mysuru and Mortgage of land and building situated at Mysuru Plant.

c) **Rupee Term Loan from Bank ₹ 2,500 lakhs (March 31, 2019: ₹ 2,000 lakhs)**

Term loan from HDFC Bank is repayable over a period of six years including a moratorium of two year commencing from the date of draw down. The loan has been partially drawn and is repayable in 16 quarterly instalments based on draw downs. The loan carries interest based on One year Marginal Cost of Lending Rate (MCLR) (adjustable annually) plus NIL Spread. The present effective rate of interest is 8.76 % p.a. (Previous year 8.75%). The loan is secured by exclusive first charge on Plant & Machinery at Vizag unit and charge on immovable fixed assets comprising of land and building at Vizag. The execution of mortgage is under process.

ii) **9% Non Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each**

Preference Shares issued under the Scheme of Arrangement approved by the Hon'ble Bombay High Court on terms as under:

The Preference Shares carry preferential (cumulative) right to dividend, at the above said coupon rate, when declared. The Preference Shares do not carry any voting rights except in case of any Resolution placed before the Company which directly affects the rights attached to such shares or otherwise provided in the Companies Act, 2013 (the Act). The Preference Shares have the maximum redemption period of 20 years. However, the same may be redeemed fully or in such tranches, before the aforesaid period, by the express mutual consent of the holders of such Preference Shares and Company as may be allowed under the Act. The Preference Shares will be redeemed at face value out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of capital made for the purposes of the redemption.

Of the above preference shares 96.44% have been held by Geetanjali Trading & Investments Private Limited as under :

Name of Shareholder		As at March 31, 2020	As at March 31, 2019
Geetanjali Trading and Investments Private Limited	(No. of Shares)	21,561,381	21,561,381
	(₹ in lakhs)	2,156.14	2,156.14

iii) **Other Borrowings - Secured**

- Working capital facilities including cash credit from Banks are secured on first charge basis by way of hypothecation of inventories and book debts of specific units and collaterally secured by hypothecation of specific plant and machinery and equitable mortgage on land and building of specific units. The borrowings carries interest @ 7.95% to 11.70 % p.a. (Previous year 8.00% to 11.25 % p.a.).
- The packing credit is granted by bank for purchase of trade merchandise against confirmed orders up to 90% of its value for a maximum tenure of 90 days. The average rate of interest is 9.50% p.a. (Previous year: 9% p.a.).

iv) Other Borrowings - Unsecured

- (a) Invoice discounting relate to customer sales invoices discounted by banks for a period not exceeding 120 days and carries interest @ 8.55% p.a. to 8.95% p.a (Previous year 8.3% p.a. to 8.95% p.a.).
- (b) Corporate card is unsecured facility provided by the banker for making the vendor payments repayable within 51 days for a convenience fee @ 1.15%.
- v) There is no default in repayment of principal and interest. However, in the case of one packing credit loan, which was due for repayment on March 31, 2020, the Company's request for a 15 day roll over was not executed by the Bank due to the lockdown, and the said amount was repaid on April 8, 2020 as instructed by the bank. The penal interest charged by the bank was also waived.
- vi) For carrying amount of assets offered as collateral against the above borrowings (Refer Note 42).

	(₹ in lakhs)	
Note 16 : Other Financial Liabilities	As at March 31, 2020	As at March 31, 2019
Non-Current		
Security deposit received	6.14	13.50
Total	6.14	13.50
Current		
Current Maturities of Long Term Debts (Refer Note 15)	2,125.00	1,000.00
Unpaid Dividends	21.80	20.48
Payable to employees	294.81	449.75
Vendors for Capital Expenditure	384.56	2,172.73
Other Payables	37.33	36.58
Interest Accrued but not Due on Borrowings	2.79	30.49
Preference Dividend accrued (Including Corporate dividend Tax (March 31, 2020 ₹ Nil, (March 31, 2019 ₹ 41.36 lakhs))	201.21	242.57
Total	3,067.50	3,952.60

Note:

There are no amounts due and outstanding to be credited to Investor Education Protection Fund in accordance with Section 125 of the Companies Act 2013 as at the year end.

	(₹ in lakhs)	
Note 17 : Provisions	As at March 31, 2020	As at March 31, 2019
Non-Current		
a) Provision for Employee Benefits		
- Provision for gratuity	85.32	83.02
- Provision for Compensated Absences	137.17	144.22
	222.49	227.24
Current		
a) Provision for Employee Benefits		
- Provision for gratuity	93.18	91.17
- Provision for Compensated Absences	47.36	34.86
b) Others		
Provision for Excise & Sales Tax	148.48	143.91
Total	289.02	269.94

Note

* Pursuant to the Indian Accounting Standard (Ind AS 37) - Provisions, Contingent Liabilities and Contingent Assets, the Company has a policy to estimate the probable loss due to litigation in various tax matters. The disclosure relating the aforesaid provisions made in the accounts for the year ended March 31, 2020 is as follows:

	(₹ in lakhs)	
Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	143.91	94.14
Addition	53.98	54.37
Utilisations	(2.33)	(3.55)
Reversals	(47.08)	(1.05)
Closing Balance	148.48	143.91

Note 18 : Income taxes
A. The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:

(₹ in lakhs)			
As at March 31, 2020			
Particulars	Balance Sheet As at April 1, 2019	Profit & loss 2019-20	Balance Sheet As at March 31, 2020
a) Difference between written down value of fixed assets as per the books of accounts and Income Tax Act, 1961.	(1,079.20)	(107.12)	(1,186.32)
b) Provision for expense allowed for tax purpose on payment basis	226.67	10.05	236.72
c) Allowance for doubtful debts and advances	150.10	(40.97)	109.13
	(702.43)	(138.04)	(840.47)
d) Minimum Alternative Tax (MAT) Credit Entitlement	139.40	87.39	226.79
-Current Year		57.74	
-Previous year credit taken in Current Year		29.65	
Deferred tax (expenses)/ benefit	-	(50.65)	-
Net Deferred Tax Liabilities	(563.03)	-	(613.68)

(₹ in lakhs)			
As at March 31, 2019			
Particulars	Balance Sheet As at April 1, 2018	Profit & loss 2018-19	Balance Sheet As at March 31, 2019
a) Difference between written down value of fixed assets as per the books of accounts and Income Tax Act, 1961.	(559.20)	(520.00)	(1,079.20)
b) Provision for expense allowed for tax purpose on payment basis	143.92	82.75	226.67
c) Allowance for doubtful debts and advances	165.20	(15.10)	150.10
	(250.08)	(452.35)	(702.43)
d) Minimum Alternative Tax (MAT) Credit Entitlement	-	139.40	139.40
Deferred tax (expenses)/ benefit	-	(312.95)	-
Net Deferred Tax Liabilities	(250.08)	-	(563.03)

The Company offsets tax assets and liabilities if and only it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

B. The major components of income tax expense for the year are as under :

(₹ in lakhs)		
	Year ended March 31, 2020	Year ended March 31, 2019
(i) Income recognised in the Statement of Profit and Loss		
Current tax	68.88	604.45
Adjustments in respect of previous year	(26.65)	-
Deferred tax:		
Deferred tax	138.04	452.35
Minimum Alternative Tax (MAT) Credit Entitlement	(57.74)	(139.40)
Income tax expenses recognised in the Statement of Profit and Loss	122.53	917.40
(ii) Income tax expense recognised in Other Comprehensive Income (OCI)		
Net gain / (loss) on remeasurements of defined benefit plans	(17.08)	5.04
Income tax (expense)/credit recognised in OCI	(17.08)	5.04

Note 18 : Income taxes (...Contd)

C. Reconciliation of tax expense and accounting profit for the year is as under:

	(₹ in lakhs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax	358.46	2,557.70
Indian Statutory Income Tax rate	33.38%	34.94%
Expected Income tax expense	119.67	893.76
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Tax effect on non-deductible expenses	65.40	(38.47)
Tax impact of income not subject to tax	(0.62)	(28.13)
Incentive tax credits	(93.01)	(49.16)
Additional tax on book profit	57.74	139.40
Total	149.18	917.40
Adjustments in respect MAT credit and current income tax of previous year (net of short provision for tax of earlier year ₹ 3.00 lakhs).	(26.65)	-
Tax expense as per Statement of Profit and Loss	122.53	917.40

The tax rate used for above reconciliation is the corporate tax rate of 33.38% payable by corporate entities in India on taxable profits under Indian tax law.

The Company has evaluated the option of lower tax rates allowed under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Considering certain incentives tax benefits and Minimum Alternative Tax (MAT) credit available, the Company has elected not to exercise the option permitted under Section 115 BAA for the year ended March 31, 2020.

The Company has accounted for tax credits in respect of Minimum Alternative Tax (MAT credit) of ₹ 57.74 lakhs for year ended March 31, 2020 (March 31, 2019 ₹ 139.40 lakhs) and an additional MAT credit of ₹ 29.65 lakhs for year ended March 31, 2019 based on the Income Tax return filed. The Company is reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years and accordingly has recognised as deferred tax asset.

	(₹ in lakhs)		
Tax Credit Carried forward (Financial Year)	As at March 31, 2020	Expiry Date	As at March 31, 2019
2018-2019	169.05	March 31, 2034	139.40
2019-2020	57.74	March 31, 2035	-

	(₹ in lakhs)	
Note 19 : Trade Payables	As at March 31, 2020	As at March 31, 2019
(a) Total outstanding dues of micro and small enterprises	178.64	127.76
(b) Total outstanding due of creditors other than micro and small enterprises	1,454.41	1,433.96
Total	1,633.05	1,561.72

	(₹ in lakhs)	
Note 20 : Other Current Liabilities	As at March 31, 2020	As at March 31, 2019
Advance from Customer	14.28	10.57
Others Payable	7.08	-
Payable towards statutory dues	59.50	86.33
Total	80.86	96.90

	(₹ in lakhs)	
Note 21 : Current Tax Liabilities (Net)	As at March 31, 2020	As at March 31, 2019
Provision for Income tax (Net of advance tax)	17.84	17.84
Total	17.84	17.84

	(₹ in lakhs)	
Note 22 : Revenue from operations	Year ended March 31, 2020	Year ended March 31, 2019
A. Revenue from Contracts with Customers		
Revenue from Sale of Products		
Domestic	45,543.44	45,805.33
Exports	221.87	84.85
	45,765.31	45,890.18
B. Other Operating Revenues		
Scrap Sales	153.98	131.18
Wind Mill Income	81.67	88.26
Subsidy from State Government	7.75	80.49
	243.40	299.93
Total	46,008.71	46,190.11
Reconciliation of Revenue from sale of products with the contracted price		
Gross Revenue	45,765.31	45,890.18
Less: Discounts	-	-
Net Revenue recognised from contracts with customers	45,765.31	45,890.18

	(₹ in lakhs)	
Note 23 : Other Income	Year ended March 31, 2020	Year ended March 31, 2019
a) Interest Income		
- Deposits with banks	1.64	5.40
- On Others	20.60	18.18
b) Sundry Balances Written back (Net)	1.49	12.07
c) Rental Income from Investment Property	27.81	-
d) Other Non-Operating Income	3.29	14.79
Total	54.83	50.44

	(₹ in lakhs)	
Note 24 : Cost of Materials Consumed	Year ended March 31, 2020	Year ended March 31, 2019
Opening Inventory	2,089.80	2,440.67
Add: Purchases (Net)	26,938.59	28,785.26
	29,028.39	31,225.93
Less: Closing Inventory	1,731.18	2,089.80
Total	27,297.21	29,136.13

	(₹ in lakhs)	
Note 25 : Changes in inventories of Finished Goods And Work-in-Progress	Year ended March 31, 2020	Year ended March 31, 2019
Opening Inventory		
Finished Goods	523.05	306.48
Work-in-Progress	1,353.18	976.69
	1,876.23	1,283.17
Less: Closing Inventory		
Finished Goods	189.96	523.05
Work-in-Progress	1,519.21	1,353.18
	1,709.17	1,876.23
(Increase) / Decrease in Inventories	167.06	(593.06)

(₹ in lakhs)

Note 26 : Employee Benefits Expenses	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and Wages	2,624.20	2,704.84
Contribution to Provident and Other Funds	174.84	149.47
Defined Benefit Plan – Gratuity (Refer note 39)	48.76	45.31
Staff Welfare Expenses	232.90	201.25
Total	3,080.70	3,100.87

(₹ in lakhs)

Note 27 : Finance Cost	Year ended March 31, 2020	Year ended March 31, 2019
Interest Expenses		
On Term Loans	835.97	592.38
On Cash Credit	505.74	510.03
On Fixed deposits	-	9.44
	1,341.71	1,111.85
Less: Interest capitalised	-	(73.22)
	1,341.71	1,038.63
Bill Discounting Charges	731.14	688.44
Dividend on preference shares	201.21	206.66
Dividend tax on preference shares	-	42.81
Interest on net defined benefit liability	13.03	11.45
Interest on lease liability	42.82	-
Interest on others including finance charges	26.50	3.67
Total	2,356.41	1,991.66

(₹ in lakhs)

Note 28 : Depreciation and Amortisation	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on Property, plant and equipment	2,835.18	2,133.11
Amortisation of Intangible assets	10.90	9.75
Depreciation on Investment Property	4.51	-
Depreciation on Right of use assets	146.20	-
Total	2,996.79	2,142.86

(₹ in lakhs)

Note 29 : Other Expenses	Year ended March 31, 2020	Year ended March 31, 2019
Consumption of Stores and Spare Parts	613.99	636.12
Water, Power and Fuel	2,955.27	2,797.99
Processing Charges	900.95	767.98
Material Handling Charges	2,323.18	2,318.43
Repairs and Maintenance		
Buildings	37.94	56.23
Plant and Equipment	173.75	227.97
Others	88.44	116.33
Freight	910.30	729.31
Lease Rent	32.22	184.60
Rates and Taxes	102.29	152.27
Insurance	202.25	107.60
Security Charges	214.29	200.69
House keeping Expenses	92.19	98.40
Travelling and Conveyance	278.37	290.71
Directors' sitting fees	16.75	14.95
Payment to Auditors (Refer Note(i) below)	22.80	25.29
Commission to non-executive directors	4.37	12.00
Bad debts written off	160.13	96.47
Provision for doubtful debts (net)	(68.37)	(93.10)
Loans and Advances written off	7.27	-
Provision for doubtful Loans and Advances (net)	(48.89)	42.45
Legal and Professional Expenses	210.66	301.73
Net Loss on Foreign Currency Transactions and Translations (other than considered as finance cost)	9.70	1.76
Loss on sale of fixed assets (net)	2.61	24.76
Corporate Social Responsibility expenses (Refer Note(ii) below)	35.84	51.58
Miscellaneous expenses	206.46	228.22
Total	9,484.76	9,390.74

Note**i) Payment to Auditors**

As Auditor:

- Audit Fees

16.00

16.00

- Tax Audit Fees

2.50

2.50

- Certification and other services

3.75

5.90

Reimbursement of Expenses

0.55

0.89

22.80

25.29

ii) Corporate Social Responsibility expenses

The Company has spent ₹ 35.84 lakhs during the financial year (March 31, 2019 ₹ 51.58 lakhs) as per the provisions of section 135 of the Companies Act 2013, towards Corporate Social Responsibility (CSR) activities.

a) Gross Amount required to be spent by the Company during the financial year ₹ 35.84 lakhs (March 31, 2019 ₹ 32.24 lakhs).

(₹ in lakhs)

b) Details of amount spent during the year	Year ended March 31, 2020	Year ended March 31, 2019
i) Construction/ Acquisition of any Assets	Nil	Nil
ii) Purpose other than (i) above		
Paid through Bank transfer *	35.84	51.58
Yet to be paid in Cash	-	-
Total	35.84	51.58
* Represent actual outflow during the year		
c) Related party transaction in relation to CSR Expenditure	Nil	Nil

(₹ in lakhs)

Note 30 : Exceptional Items	Year ended March 31, 2020	Year ended March 31, 2019
a) Loss by flood (Net of realisation of damaged inventories ₹ 44.75 lakhs)	(213.67)	-
b) Employee separation compensation	(108.48)	-
c) Insurance claim received	-	1,486.35
Total Exceptional Items (Charge) / Credit	(322.15)	1,486.35

- a. The claim for damage at our manufacturing facility at Baddi, due to floods in the region of Himachal Pradesh, has been filed with the insurance company, however pending assessment of loss by the surveyor, the insurance claim receivable has not been accounted as income in accordance, with IND AS 37 "Provision, Contingent Liabilities and Contingent Assets", which requires 'virtual certainty' for recognition of the insurance claim receivable. The loss owing to floods on account of damaged stock and the repair cost incurred net of salvage value realised has been considered as an exceptional item for the year ended March 31, 2020.
- b. During the year, as part of rationalisation of the production facilities and optimisation of cost, the Company has closed its operations from unit in Sarigam (Gujarat), for which a one time Employee separation compensation was paid as per statute. This has been included as an exceptional item for the year ended March 31, 2020.
- c. During the previous financial year an amount of ₹ 1,486.35 lakhs (net) was received in full and final settlement towards property damage insurance claim consequent to the completion of the assessment by the Insurance Company in connection with fire at Rohtak in 2015-16. The same was disclosed as other income during the previous year ended March 31, 2019, however it has been reclassified under exceptional items to match with current year disclosure.

Note 31 : Financial Instruments**Note 31A : Categorywise classification of Financial Instruments**

(₹ in lakhs)

	As at March 31, 2020	As at March 31, 2019
a Financial Assets		
Measured at Amortised Cost		
Non current		
(i) Investments	-	-
(ii) Loans	534.25	489.29
(ii) Other Financial Assets	132.32	121.33
Current		
(i) Trade Receivables	4321.32	5,605.64
(ii) Cash and Cash Equivalents	51.77	38.51
(iii) Other Bank Balances	32.47	83.11
(iv) Other financial assets	420.55	416.21
Measured at Fair Value through Profit and loss (FVTPL)		
(i) Investment (Fully impaired)	-	-
b Financial Liabilities		
Measured at Amortised Cost		
Non Current		
(i) Borrowings	9,360.72	10,985.72
(ii) Lease Liabilities	381.95	-
(iii) Other financial liabilities	6.14	13.50
Current		
(i) Borrowings	6,306.55	6,248.35
(ii) Lease Liabilities	113.39	-
(iii) Trade Payables	1,633.05	1,561.72
(iv) Other financial liabilities	3,067.50	3,952.60

Note 31B : Financial Risk Management Objectives and Policies

The Company's overall policy with respect to managing risks associated with Financial Instruments is to minimise potential adverse effects of Financial Performance of the Company. The policies of managing specific risks are summarised below:

a Foreign Currency Risk Management

The Company undertakes transactions denominated in foreign currencies; consequently exposures to exchange rate fluctuations arise. Exchange rate fluctuations are managed within approved policy parameters.

The carrying amounts of the Company's foreign currency denominated exposure as at the end of the reporting periods are as follows:

	(₹ in lakhs)	
	As at March 31, 2020	As at March 31, 2019
Liabilities		
Payables		
USD	-	-
Receivables		
USD	21.90	37.96
Net Exposure		
USD	21.90	37.96
Rates		
USD	75.39	69.17

Foreign Currency Sensitivity Analysis

The company is mainly exposed to changes in USD. The below table demonstrates the sensitivity to a 10 % increase or decrease in the USD against INR with all other variants held constant. The sensitivity analysis is prepared under net un-hedged exposure of the company as at the reporting date.

	(₹ in lakhs)	
Change in USD Rate	As at March 31, 2020	As at March 31, 2019
Effect on PBT		
+10%	2.19	3.80
- 10%	(2.19)	(3.80)

b Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The credit risk arising from Trade Receivables is managed in accordance to the Company's established policy and control relating to customer credit risk management. The credit quality of the customer is assessed based on the credit worthiness and past experience. The expected credit is based on the ageing of the days of receivables.

The ageing of the trade receivables is as under:

	(₹ in lakhs)	
Particulars	As at March 31, 2020	As at March 31, 2019
More than 180 days	671.61	719.02
Others	4,195.21	5,500.49
	4,866.82	6,219.51
Less: Allowances for credit losses	545.50	613.87
	<u>4,321.32</u>	<u>5,605.64</u>

c Interest Rate Risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the Management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Note 31B : Financial Risk Management Objectives and Policies (...Contd)**Exposure to interest rate risk:**

The interest rate profile of the company's interest bearing financial instruments as reported to the management of the company is as follows

(₹ in lakhs)		
Borrowings	As at March 31, 2020	As at March 31, 2019
Fixed Rate Borrowings	14,203.21	14,623.09
Variable Rate Borrowings	3,589.06	3,610.98
Total	17,792.27	18,234.07

Fair Value Sensitivity Analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value to profit or loss. Therefore, a change in interest rates at the reporting date would not affect Profit or Loss.

Cash flow sensitivity Analysis for variable rate instruments

A reasonable possible change of 100 BPS in interest rates would result in variation in interest expenses for the company by the amounts indicated in the table below. This calculation also assumes that the changes occur at the Balance Sheet date and has been calculated based on its exposure outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

(₹ in lakhs)		
	100 BPS Increase	100 BPS Decrease
Year ended March 31,2020		
Financial Liabilities		
Variable Rate Borrowings	24.24	(24.24)
Cash Flow Sensitivity(Net)	24.24	(24.24)
Year ended March 31,2019		
Financial Liabilities		
Variable Rate Borrowings	36.11	(36.11)
Cash Flow Sensitivity(Net)	36.11	(36.11)

The Company does not have any additional impact on equity other than impact on retained earnings.

d Liquidity Risk Management

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The company's exposure to liquidity risk arises primarily from mis-matches of the maturities of financial assets and liabilities. The company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.

The company also has adequate credit facilities arranged with banks to ensure there is sufficient cash to meet all its normal operating commitments on a timely and cost effective manner. The following are the remaining contractual maturities of financial liabilities at the reporting dates :

(₹ in lakhs)					
	Carrying Values	Total	Contractual Cash Flows		
			Less than 1 year	1 to 5 years	More Than 5 years
As at March 31, 2020					
(i) Borrowings	17,79 2.27	19,542.43	9,224.48	10,317.95	-
(ii) Trade Payables	1,633.05	1,633.05	1,633.05	-	-
(iii) Other financial liabilities	942.50	1,948.57	942.50	1,006.07	-
As at March 31, 2019					
(i) Borrowings	18,234.07	20,707.24	8,078.30	12,097.18	531.76
(ii) Trade Payables	1,561.72	1,561.72	1,561.72	-	-
(iii) Other financial liabilities	2,952.61	3,958.68	2,952.61	1,006.07	-

Note 31C : Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. As at March 31, 2020 the Company had equity shares and preference shares. In order to maintain and achieve optimal capital structure the Company redeploys the earnings into the business based on its long term financial plans.

The Company manages Capital using Net Debt to Equity. For this purpose equity includes Reserves and Preference Shares. The Company's Net Debt to Equity are as follows :

Particulars	(₹ in lakhs)	
	March 31, 2020	March 31, 2019
Net Debt	15,556.55	15,998.37
Total Equity	18,768.69	18,678.72
Net Debt to Equity Ratio	0.83	0.86

Note 32 : Dividend

Dividend on equity shares paid during the year	(₹ in lakhs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Final dividend @ 9% per equity share of ₹10/- each	154.58	154.58
Dividend Distribution Tax	31.77	31.47
Proposed Dividend		

In view of the ongoing economic condition, the Board of Directors has felt it prudent to conserve the financial resources of the Company. Consequently, no dividend has been recommended by the Board for the financial year ended March 31, 2020.

Note 33 : Contingent Liabilities and Commitments

	(₹ in lakhs)	
	As at March 31, 2020	As at March 31, 2019
a) Contingent Liabilities		
1) Claims against the Company not acknowledged as debts		
Tax and other matters in dispute under appeal	866.46	1,004.12
2) Bills of exchange discounted with banks		
(since realized ₹ 4,834.38 lakhs till June 15, 2020 (March 31, 2019: ₹ 3,680.42 lakhs))	5,191.69	7,033.80
3) Bank guarantees	104.96	56.60
b) Commitments		
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for. (Gross of advances March 31, 2020 ₹ 224.90 Lakhs, March 31, 2019 ₹ 1,893.31 Lakhs)	147.59	1,633.83

Note 34 : Research and Development

The Company has recognition for its In-house R & D unit situated at Gat Nos. 939 & 940, Village - Sanaswadi, Tal - Shirur, Dist. Pune, Maharashtra - 412 208 (Unit- Technology Centre) up to March 31, 2020, issued by Government of India, Ministry of Science and Technology, Department of Scientific and Industrial Research, New Delhi. During the year the Company has incurred following expenditure on Research and Development :-

	(₹ in lakhs)	
	Year ended March 31, 2020	Year ended March 31, 2019
a) Revenue Expenditure		
Employee Cost	199.27	180.45
Travelling Expenditure	5.15	3.10
Processing charges	12.95	10.56
Power and fuel	6.17	7.90
Stores and Spares	11.61	3.85
Material Consumed	163.02	149.14
Repairs and Maintenance	16.44	12.34
Depreciation on Equipment	20.25	18.96
Rent	4.34	17.12
Others	14.44	15.62
Total	453.64	419.04

b) Capital Expenditure :- There are no capital expenditure incurred during the current year and previous year.

Note 35 : Impact of Covid-19

The outbreak of Coronavirus disease (Covid-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The nationwide lockdown ordered by the Government has resulted in significant reduction in economic activities including the business operations of the Company. The Company's units which had to suspend operations due to Government directives related to COVID 19 have since resumed operations, taking all due care for the health and safety of its employee and adopting work from home policy wherever possible for employees across the locations, as per the guidelines and norms prescribed by the respective State Government/local authorities.

Based on the current indicators of future economic conditions, the Company has carried out a comprehensive assessment of the possible impact on its business operations. The Company expects to recover the carrying amounts of its assets such as receivables and inventories and meet all its liabilities, service its obligations, and sustain operations. The Company is trying to reduce the fixed overheads to the best possible extent to sail through the difficult times ahead. The actual impact of the global pandemic, COVID19, may be different from that presently estimated and would be recognised in the financial statements when material changes to economic conditions arise.

Note 36 : Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2019-20, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

	(₹ in lakhs)	
	As at March 31, 2020	As at March 31, 2019
(a) Principal amount remaining unpaid (but within due date as per the MSMED Act) at the end of the financial year	178.64	127.76
(b) Interest due thereon remaining unpaid	Nil	Nil
(c) The amount of interest paid u/s 16 of MSMED Act , along with the amounts of payments made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(d) The amount of interest due and payable for the period of delay in making payment which have been paid but, beyond the appointed day during the year	Nil	Nil
(e) The amount accrued and remaining unpaid at the end of each accounting period; i.e., principal is paid but interest has remained unpaid	Nil	Nil
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise, this is required for the purpose of disallowance as a deductible expenditure u/s 23 of the Act.	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 37 : Foreign Currency Exposure

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

The Company has not entered into any forward exchange contract during the current year and during the previous years.

The foreign currency (FC) exposure not hedged as at March 31, 2020 are as under :

Currency	(in FC)		(₹ in lakhs)	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Payable				
USD	-	-	-	-
Receivable				
USD	29,057	54,874	21.90	37.96

Note 38 : Disclosure pursuant to Indian Accounting Standard (IndAS-116) Leases**Assets given on operating lease**

- The Company has entered into an agreement to give one of its factory building along with freehold land situated at Dadra on operating lease effective April 1, 2019.
- Undiscounted lease payments to be received as at March 31, 2020 as per the lease agreement:

	(₹ in lakhs)
	Year ended March 31, 2020
Not later than one year	27.00
Later than one year but not more than five years	116.10
Later than five years	124.96
	268.06

Note 38 : Disclosure pursuant to Indian Accounting Standard (IndAS-116) Leases (...Contd)
Disclosures under IND AS 17 (for the year 2018-19)

The future minimum lease rental receivable as on March 31, 2019 as per the lease agreement

	(₹ in lakhs)
	Year ended March 31, 2019
Not later than one year	27.00
Later than one year but not more than five years	113.40
Later than five years	154.53
	<u>294.93</u>

Note 39 : Employee benefits
(1) Post employment benefits:
a Defined Contribution plan
Provident Fund and Employee State Insurance Scheme

Defined contribution plans are Provident Fund Scheme and Employee State Insurance Scheme. The Company contributes to the Government administered provident funds on behalf of its employees.

b Defined Benefit plan
Gratuity scheme

The Company operates a defined benefit gratuity plan for employees. The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary. The Company has a gratuity trust. However, the Company funds its gratuity payouts to the trust from its cash flows. Accordingly, the Company creates adequate provision in its books every year based on actuarial valuation. These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

c Amounts Recognised as Expense
i Defined Contribution Plan

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹164.24 lakhs (March 31, 2019: ₹ 135.22 lakhs) has been included under Contribution to Provident and Other Funds in Note 26 'Employee Benefit Expenses'.

ii Defined Benefit Plan

Gratuity cost amounting to ₹ 48.76 Lakhs (March 31, 2019 : ₹ 45.31 lakhs) has been included in Note 26 'Employee Benefit Expenses'.

d The amounts recognised in the Company's financial statements as at year end are as under

Particulars	Gratuity (Funded Plan)	
	Year ended March 31, 2020	Year ended March 31, 2019
i Change in Present Value of Obligation		
Opening defined benefit obligation as at April 1	618.96	528.73
Current Service Cost	48.76	45.31
Interest Cost	46.29	40.61
Actuarial (Gain)/Loss on obligations due to change in Demographic Assumption	(20.24)	-
Actuarial (Gain)/Loss on obligations due to change in Financial Assumption	(31.59)	7.32
Actuarial (Gain)/Loss on obligations due to experience	6.79	15.10
Benefits Paid	(107.12)	(18.11)
Closing defined benefit obligation as at March 31	561.85	618.96
ii Change in fair value of assets :		
Opening fair value of plan assets as at April 1	444.77	379.69
Return on Plan Assets excluding Interest Income	12.44	6.89
Interest Income	33.27	29.16
Assets distributed on settlements	-	-
Contributions by employer	-	47.16
Benefits Paid from the fund	(107.12)	(18.11)
Closing Fair Value of Plan Assets as at March 31	383.36	444.77
iii Amounts recognised in the Balance Sheet		
Present value of benefit obligation at the end of the period	(561.85)	(618.96)
Fair Value of Plan Assets	383.36	444.77
Funded Status {Surplus/ (Deficit)}	(178.49)	(174.19)
Net (Liability)/Asset recognised in the Balance Sheet	(178.49)	(174.19)
iv Amount recognised in the statement of Profit & Loss		
Current Service Cost	48.76	45.31
Interest on defined benefit obligation	13.03	11.44
Total	61.79	56.75

Note 39 : Employee benefits (...Contd)

Particulars	Gratuity (Funded Plan)	
	Year ended March 31, 2020	Year ended March 31, 2019
v Amount recognised in Other Comprehensive Income (OCI)		
Actuarial (Gains)/ Losses on the Obligation For the Period	(45.04)	22.44
Return on Plan Assets, Excluding Interest Income	(12.44)	(6.89)
Net (Income)/Expense For the Period Recognised in OCI	(57.48)	15.55
vi Balance Sheet Reconciliation		
Opening Net Liability	174.19	149.04
Expenses Recognized in Statement of Profit or Loss	61.79	56.75
Expenses Recognized in OCI	(57.48)	15.55
Employer's Contribution	-	(47.16)
Net Liability/(Asset) Recognized in the Balance Sheet	178.50	174.19
vii Estimated contribution to be made in next financial year	54.31	61.78
viii Weighted Average Duration of Projected Benefit Obligation	6 years	8 years
ix Major categories of Plan Assets as a % of total Plan Assets	100%	100%
Insurer Managed Funds		
x Assumptions :		
Discounted Rate (per annum)	6.24%	7.68%
Estimated Rate of return on Plan Assets (per annum)	6.24%	7.68%
Mortality for domestic plan	Indian Assured Lives Mortality	Indian Assured Lives Mortality
Rate of Escalation in Salary (per annum)	5% for next 3 years and from 4th year 9.5%	10.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

xi Maturity Analysis of Projected Benefit Obligation: From the Fund Projected Benefits Payable in Future Years from the Date of Reporting	(₹ in lakhs)	
	As at March 31, 2020	As at March 31, 2019
Within the next 12 months	96.39	75.17
2nd Following Year	70.78	66.61
3rd Following Year	71.46	61.56
4th Following Year	61.22	59.95
5th Following Year	56.94	59.18
Sum of Years 6 To 10	221.09	274.15
11 and above	217.41	486.48

xii **Sensitivity analysis**
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

	(₹ in lakhs)			
	As at March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(24.87)	27.49	(35.02)	39.30
Future salary growth (1% movement)	26.59	(24.62)	37.50	(34.27)
Employee Turnover (1% movement)	(3.96)	4.37	(5.87)	6.44

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

xiii **Other details**

Methodology Adopted for ALM

Projected Unit Credit Method.

Usefulness and Methodology adopted for Sensitivity analysis

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Comment on Quality of Assets

Since investment is with insurance company, assets are considered to be secured.

Note 39 : Employee benefits (...Contd)
(2) Long Term Employee Benefits:

The liability towards compensated absences (annual leave) as at March 31, 2020, based on actuarial valuation carried out by using the Projected Unit Credit Method amounting to ₹ 28.44 lakhs (March 31, 2019 : ₹ 42.24 lakhs) has been recognised in the Statement of Profit and Loss.

Note 40 : Earnings per Share (EPS)

	Year ended March 31, 2020	Year ended March 31, 2019
Profit after tax as per Statement of Profit and Loss (₹ in Lakhs)	235.93	1,640.30
Weighted average number of Equity Shares outstanding	17,175,700	17,175,700
Earnings per share (₹)—Basic [Face value of ₹ 10/- per share]	1.37	9.55
Earnings per share (₹)—Diluted [Face value of ₹ 10/- per share]	1.37	9.55

Note 41 : Disclosure under Amendment to Ind AS 7 regarding impact of non- cash transactions on financial liabilities

Effective April 1, 2017 the Company adopted the amendment to Ind AS 7, which requires the Company to provide disclosure that will enable users of financial statements to evaluate changes in liabilities from financing activities, including changes arising from cash flow and non cash changes. In order to meet this disclosure requirement, the reconciliation between the opening and closing balances for liabilities arising from financing activities in the Balance Sheet, is as stated below:

(₹ in lakhs)				
Particulars	As at March 31, 2019	Cash Flows	Foreign Exchange (Gain) /Loss (Non- Cash)	As at March 31, 2020
Long term borrowings	11,985.72	(499.99)	-	11,485.72
Short term borrowings (excluding cash credits)	5,637.37	(74.31)	-	5,742.49
Total liabilities from financing activities	17,623.09	(574.30)	-	17,228.21

(₹ in lakhs)				
Particulars	As at March 31, 2018	Cash Flows	Foreign Exchange (Gain) /Loss (Non- Cash)	As at March 31, 2019
Long term borrowings	9,198.94	2,786.78	-	11,985.72
Short term borrowings (excluding cash credits)	6,808.04	(1,170.67)	-	5,637.37
Assets held to hedge long term borrowings	-	-	-	-
Total liabilities from financing activities	16,006.98	1,616.11	-	17,623.09

Note 42 : Carrying value of Assets offered as collateral

(₹ in lakhs)		
	As at March 31, 2020	As at March 31, 2019
Current Assets		
Floating Charge		
Financial Assets		
Trade Receivables (Other than Invoice discounting)	3,784.25	4,468.27
Non Financial Assets		
Inventories	3,481.97	3,991.63
Total Current assets hypothecated as collateral	7,266.22	8,459.90
Non Current Assets		
Floating Charge		
Plant and Machinery	6,801.61	5,922.25
Capital work in progress (Plant & Machinery)	115.29	3,639.62
Fixed Charge		
Land	4,891.74	4,905.68
Building	10,910.61	7,958.25
Total non current assets mortgaged as collateral security	22,719.25	22,425.80
Total asset offered as Security including collateral	29,985.48	30,885.70

Note 43 : Segment Reporting

The Company's Chief Operating Decision Maker, examines the Company's performance on an entity level. The Company has only one reportable segment i.e.' Rigid Plastic Containers'.

Amount of the Company's revenue from external customers is shown in the table below

Revenue from External Customers		(₹ in lakhs)
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rigid Plastic Packaging products	46,008.71	46,190.11
Total operations	46,008.71	46,190.11

The Company's revenue from external customer attributed to country other than India are not material.

Revenue aggregating to ₹ 33,053.26 lakhs (March 31, 2019 : ₹ 33,522.01 lakhs) are derived from two external customers.

Note 44 :Information on related party transactions as required by Indian Accounting Standard (IndAS – 24) for the year ended March 31, 2020.**1. Relationship:****(i) Holding Company**

Geetanjali Trading and Investments Private Limited

(ii) Fellow Subsidiaries

Hitech Specialities Solutions Ltd

Hitech Insurance Broking Services Ltd

Rituh Holding and Trading Company Pvt. Ltd.

(iv) Entities controlled or jointly controlled by KMP:

Mefree LLP

Rayirth Holding and Trading Company Pvt. Ltd.

Sattva Holding & Trading Pvt. Ltd.

Cannes Venatici Trading Pvt. Ltd.

Homevilla Yoga Pvt Ltd

(iii) Key Management Person (KMP) & Relatives of Key Managerial Persons:

Mr. Malav A. Dani (Managing Director)

Mr. Ashwin S. Dani (Relative of Managing Director)

Mrs. Ina A. Dani (Relative of Managing Director)

Mr. Jalaj A. Dani (Relative of Managing Director)

Mr. Hasit A. Dani (Relative of Managing Director)

Mr. Mehernosh A. Mehta (Whole Time Director)

Mr. Bharat Gosalia (Chief Financial officer)(up to 2nd July, 2019)

Mrs. Avan R Chaina (Chief Financial officer)(w.e.f.3rd July, 2019)

Mrs. Namita R. Tiwari (Company Secretary)

(v) Entities over which KMP along with Relatives exercise significant influence:

Asian Paints Limited

Paladin Paints and Chemicals Private Limited

(vi) Post Employee Benefit Plan Entities :

Hitech Plast Employees' Gratuity Trust

Mipak Industries Employees' Group Gratuity Assurance Scheme

Plast-Kul Industries Employees' Group Gratuity Assurance Scheme

Clear Plastics Employees' Gratuity Trust

Mipak Polymers Ltd Employees' Group Gratuity Assurance Scheme

Note 44 : Information on related party transactions as required by Indian Accounting Standard (IndAS – 24) for the year ended March 31, 2020.(...Contd)
2. Related Party Transactions

(₹ in lakhs)

Particulars	Holding Company		Fellow subsidiaries		Key Management Person & Relatives of Key Managerial Persons		Entities over which KMP along with Relatives exercise significant influence		Post Employee Benefit Plan Entities	
	19-20	18-19	19-20	18-19	19-20	18-19	19-20	18-19	19-20	18-19
Sale of Goods	-	-	0.03	0.20	-	-	29,657.39	28,974.57	-	-
Rent Paid	-	-	-	24.00	-	-	-	-	-	-
Remuneration paid	-	-	-	-	125.88	127.80	-	-	-	-
Retiral benefits (Long Term)	-	-	-	-	1.55	2.47	-	-	-	-
Retiral benefits (Short Term)	-	-	-	-	(0.37)	0.38	-	-	-	-
Sitting Fees	-	-	-	-	2.80	2.30	-	-	-	-
Commission paid	-	-	-	-	1.10	1.10	-	-	-	-
Reimbursement of Expenses	-	-	-	-	4.26	4.91	-	-	-	-
Dividend on Preference Shares	194.05	199.31	7.16	7.36	-	-	-	-	-	-
Preference Shares Redeemed Partially	-	380.50	-	14.04	-	-	-	-	-	-
Preference Dividend paid	194.05	233.55	7.16	8.62	-	-	-	-	-	-
Contributions made to Fund	-	-	-	-	-	-	-	-	-	-
Outstanding										
Receivables	-	-	-	-	-	-	176.50	669.76	-	-
Payables										
Bonus Payable	-	-	-	-	6.28	8.76	-	-	-	-
Preference Dividend Payable	194.05	194.05	7.16	7.16	-	-	-	-	-	-
Commission Payable	-	-	-	-	-	1.10	-	-	-	-
Contribution Payable to Fund	-	-	-	-	-	-	-	-	178.50	174.19

Note 45 : Approval of financial statements

The financial statements are approved for issue by the Board of Directors in their meeting dated June 16, 2020.

Note 46 : Other Notes

Previous year's figures have been regrouped / reclassified where necessary to confirm with financial statements prepared under Ind AS.

As per our report attached
For Kalyaniwalla & Mistry LLP
 Chartered Accountants
 Firm Regn No. 104607W/W100166

Roshni R. Marfatia
 Partner
 M.No. 106548

Mumbai, June 16, 2020

For and on behalf of the Board of Directors
Hitech Corporation Limited
 CIN: L28992MH1991PLC168235

Ashwin S. Dani
 Chairman
 DIN:00009126

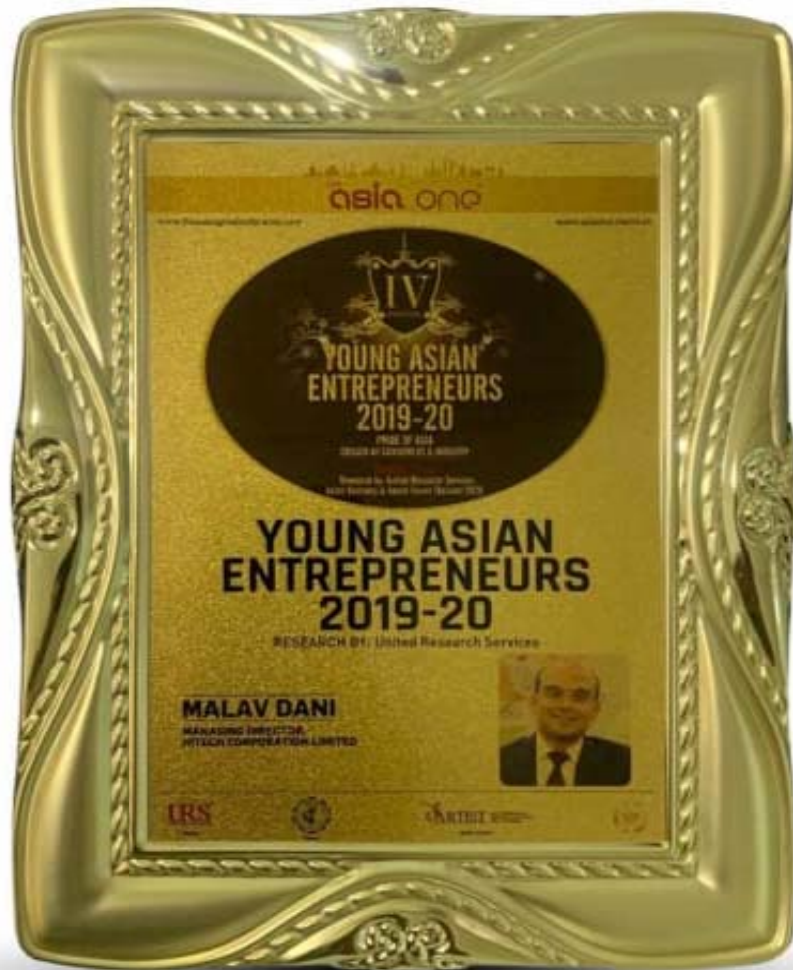
Avan R. Chaina
 Chief Financial Officer

Mumbai, June 16, 2020

Malav A. Dani
 Managing Director
 DIN:01184336

Namita R. Tiwari
 Company Secretary

AWARDS



Young Asian Entrepreneurs 2019-20 February 2020

Awarded with AsiaOne Young Asian Entrepreneur 2019-20 at the 13th Edition of Asian Business & Social Forum 2020 Summit and Awards on 7th Feb 2020 at Marriott Marquis Hotel Bangkok.

