



AN ISO 9001-2008 COMPANY

Hittco Tools Ltd.

**21st
Annual Report
2014 - 2015**

BOARD OF DIRECTORS	:	Mr. Surendra Bhandari, Chairman Cum Managing Director Mrs. Madhu Bhandari Mr. Sidharth Bhandari Mr. Rajib Ghosh Roy-WTD Mr. Joseph Mathai Mr. Rajeev G. Hassanand Mr. S.R. Satish Mr. N.K. Raghunath Mr. Vikram S Gupta	
COMPANY SECRETARY	:	Mr. Manjeet Kumar	
STATUTORY AUDITORS	:	M/s. Nagesh & Mylar Associates	
SECRETARIAL AUDITORS	:	M/s Swamy & Associates, Company Secretaries, Bangalore	
REGISTRAR & TRANSFER AGENTS	:	M/s Cameo Corporate Services Ltd. Subramaniam Building, #1, Club House Road, Chennai-600 002. Ph: 044-28460390	
PLANT	:	Unit-I # 78, III Phase, Peenya Industrial Area, Bangalore-560 058.	Unit-II # 78/B, III Phase Peenya Industrial Area, Bangalore-560 058.
REGISTERED & CORPORATE OFFICE	:	HDFC Bank Ltd. IndusInd Bank Ltd. Canara Bank & Kotak Mahindra Bank Ltd.	
NOTE	:	No gift will be given in the AGM	

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NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of the Members of HITTCO TOOLS LIMITED will be held at 11.00 A.M on Wednesday, the 30th September 2015 at “SHANTALA” Conference Hall, Ashraya International Hotel, # 149, Infantry Road, Bangalore – 560 001, to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2015 and Profit and Loss Account for the year ended on that date along with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. SidharthBhandari (DIN: 00237174) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought it, to pass with or without modification the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. Mishra & Co, Chartered Accountants, Firm Registration No. 012355S, be and are hereby appointed Statutory Auditors of the Company in place of the retiring Auditors, M/s. Nagesh&Mylar, Chartered Accountants, Bangalore, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty Sixth AGM of the Company to be held in the year 2020 (subject to ratification of their appointment at every AGM), on such remuneration as may be mutually agreed upon between the Board of Directors and the Auditors.”

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification, the following resolution as an special resolution:

RESOLVED THAT pursuant to the provisions of Section 190, 196, 203 and other applicable provisions of the Companies Act, 2013 and Rules made there under, consent of the members of the company be and is hereby accorded to continue the employment of Mr. SurendraBhandari, (holding DIN - 00727972) as Managing Director of the Company who is attaining the age of 70 years on 03rd March, 2016 and who was appointed as Managing Director of the Company on 30 September, 2014 for five years to hold office of Managing Director of the Company till 30th September 2019.

RESOLVED FURTHER THAT the Board of Directors of the Company (including a Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To consider adoption of newly substituted Article Of Association of the company containing regulation in line with the companies Act,2013 and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (statutory modification (s) or re-enactment thereof, for the time being in force), the new draft Articles as contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including a Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Place: Bangalore
Date: 3rd September, 2015

By order of the board
Manjeet Kumar
COMPANY SECRETARY

IMPORANT NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME FIXED FOR HOLDING THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Explanatory statement pursuant to section 102 of the Companies Act, 2013, relating to the special business to be transacted at the Meeting is annexed hereto.
4. Brief resume of Directors including those proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, name of companies which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationship between directors inter-se as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.
6. Members/Proxies are requested to deposit the attendance slip duly filed in and signed for attending the Meeting. Members who hold shares in dematerialization form are requested to write their client ID and DP ID numbers for identification
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days during business hours up to the date of Meeting.
9. The Register of Member of the Company will remain closed from 24rd September, 2015 to 30th September, 2015 (both days inclusive).
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their demat account. Member holding shares in physical form can submit their PAN details to the Company at the Registered Office of the Company.
11. Members, who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
12. Due to security reasons mobile phones, camera, bags and other accessories are not allowed to be carried inside the meeting premise.
13. Members intending to require information about accounts to be explained at the meeting are requested to write to the Company at least Seven days in advance of the Annual General Meeting.
14. Members holding physical shares in identical order of names in more than one folio are requested to send to the Company or Share Transfer Agent, the details of such folios together with the shares certificates for consolidating their holding in one folio. A consolidated share certificates will be returned to such members after making requisite changes thereon.
15. The Notice for the Annual General Meeting and the Annual Report will be available for inspection at the Registered Office of the Company on all working days in business hour up to the date of Annual General Meeting. The above said shall also be available on the Company's website at www.Hittco.com and on the website of the CDSL: www.cdslindia.com
16. Business to be transacted at the meeting may be transacted through electronic voting system and company is providing facility for voting by electronic means.

17. Mr. Swamy Company Secretary in practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
18. The Scrutinizer shall within a period of three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the company and make a scrutinizer report of the votes cast in favor or against, if any, forthwith to the whole Time Director and in his absence to the Company Secretary of the Company.
19. The result of voting shall be declared by the Chairman of the meeting on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.Hittco.com and on the website of the CDSL: www.cdslindia.com within two days of passing of the resolution at the 21st Annual General Meeting of the Company
20. The results will also be communicated to stock exchange where the shares of the company are listed.

VOTING THROUGH ELECTRONIC MEANS:

- I. In compliance with the provisions of Section 108 of the Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).
 - (i) The voting period begins on 27/09/2015 (from 9.00 A.M) and will end on 29/09/2015 (up to 5.00 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24/09/2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Hittco Tools limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders & Custodians:

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item no: 4

In the opinion of the board Mr. Surendrabhandari (holding DIN-00727912) continue as the managing director after the attend the age of 70 year on 3rd March, 2016.

The board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail service of Mr. SurendraBhandari (DIN-00727912) as a managing director. Mr. SurendraBhandari was appointing the managing director as on 30th September 2014 for the term of 5 year. As per section 196 of the companies Act, 2013 its required to pass the special resolution if Appoint or re-appoint or the continue as a Managing Director after the age of 70 year. Accordingly, the board recommends the resolution in relation to continue of Mr. SurendraBhandari (holding DIN 00727972), as a managing Director, for the approval by the shareholder of the company.

Item No. 5

The Articles of Association of the Company as currently in force was originally adopted when the Company was incorporated under the Companies Act, 1956 and further amendments were adopted from time to time, over the past several years. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013.

Considering that substantive sections of the Companies Act which deal with the general working of the companies stand notified, it is proposed to amend the existing Articles of Association to align it with the provisions of Companies Act, 2013 including the Rules framed there under and adoption of specific sections from Table “F” to Schedule I to the Companies Act, 2013 which sets out the model articles of association for a company limited by shares.

Sharholder’s attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- a) Company’s lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- b) the nominee(s) of a deceased sole member are recognized as having title to the deceased’s interest in the shares;
- c) new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- d) new provisions relating to appointment of chief executive officer and chief Financial officer, in addition to manager and company secretary;
- e) existing articles have been streamlined and aligned with the Act;
- f) the statutory provisions of the Act which permit a company to do some acts “if so authorized by its articles” or provisions which require a company to do acts in a prescribed manner “unless the articles otherwise provide” have been specifically included; and
- g) Provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA as they would only lead to duplication – their non-inclusion makes the new AoA crisp, concise and clear and aids ease of reading and understanding.

The proposed new draft AoA is being uploaded on the Company’s website for perusal by the shareholders.

Accordingly, consent of the members is sought for passing a Special Resolution as set out in item no. 5 of the Notice.

ANNEXURE TO THE NOTICE

Information required to be furnished as per the Listing agreement:

As required under the listing agreement, the particulars of Directors who are proposed to be appointed/ re-appointed are given below:

Name of Director	Mr. Sidharth Bhandari
DIN	00237174
Date of Birth	17-02-1972
Date of Appointment	04-01-1995
Qualification	B.E
Expertise in specific functional areas	He has come from business family and has possess good business sense and administrative capabilities.
List of other Companies in which Directorship held (excluding in Foreign companies)	<ol style="list-style-type: none">1. IEM International Private Limited2. Hitecc Prints (India) Private Limited3. BI Holdings (Bangalore) Private Limited4. HTC Properties Private Limited5. B.I. Realtors Private Limited6. Hittco Properties Private Limited7. Sanctum Decor Private Limited
Chairman/Member of Committees the Board of Directors of the Company.	NIL
Details of shareholding (both own or held by/for other persons on a beneficial basis), if any, in the Company.	92699 Equity Share

Manjeetkumar
COMPANY SECRETARY

Place : Bangalore
Date : 3rd September, 2015

DIRECTORS' REPORT

To
The Members,

Your Directors take pleasure in presenting the 21st Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS:

(Rs. In Lakhs)

Particulars	2014-15	2013-14
INCOME :		
Sales	740.83	774.89
Other Income	19.13	18.18
Total (A)	759.96	793.07
EXPENSES:		
Cost of Material Consumed	214.89	166.48
Purchase of Stock-in-trade	-	1.93
Changes in inventories of finished goods, work in progress and stock-in-trade	(33.37)	18.25
Employee benefit expenses	224.58	226.43
Other expenses	308.38	275.68
Interest and Financial Charges	39.32	42.25
Exceptional items	0	0
Total (B)		731.02
Profit before Depreciation and Tax (C) = (A) - (B)	6.16	62.05
Depreciation and amortisation expenses	53.71	63.71
Tax	5.15	3.24
Profit / (Loss) after Depreciation and Tax	(52.70)	(4.89)
Earnings Per Share(Basic)	(0.88)	(0.09)
Earnings Per Share(Diluted)	(0.88)	(0.08)

OPERATIONS AND BUSINESS PERFORMANCE:

The Company has almost maintained a turnover of Rs.740.83 lakhs during the year 2014-15 as against Rs.774.89 lakhs during the previous year 2013-14. The Export Sales for the year 2014-15 was Rs. 34.70 lakhs compared to Rs. 32.60 lakhs during the previous year and contributed 4.69 % of the total sales. The Company's net loss after tax for the year 2014-15 was Rs.52.70 lakhs as against loss of Rs. 4.89 lakhs in the previous year which is due to provision for deferred tax, provision for gratuity and lesser turnover. The company is competent of achieving profitability.

DIVIDEND:

The Board is unable to recommend any Dividend for the year under review due to loss of the company.

TRANSFER TO RESERVES

Your company has not made any transfer to reserve during the financial year 2014-2015.

DIRECTORS:

At the ensuing Annual General Meeting, Mr. Sidharth Bhandari, Directors will retire by rotation and being eligible offer themselves for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT:

Your Directors state that:

- a) In the preparation of the annual account for the year ended march31,2015, the applicable accounting standard read with the requirements set out under schedule III to the Act, have been followed and there is no material departures from the same.
- b) The directors have selected such accounting policies and applied then consistently and made judgments and estimate that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at march 31,2015 and the profit of the company for the year ended on that date.
- c) The director have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) The directors have prepared the annual account on a going concern basis.
- e) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- f) The director have devised proper system to ensure compliance with the provision of all applicable laws and that such system are adequate and operating effectively.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the company during the year. There was no significant and material order passed by regulator or court or tribunal impacting the going concern status and company operation in future. There was no material change and commitment affecting the financial position of the company occurring between 31 March, 2015 and the date of the report.

DEPOSITS:

The Company has not accepted/renewed any deposit from the public during the year under review.

PROSPECTUS

Your company is expected to maintain a reasonable rate of growth and your director positively view the prospectus for the current year with confidence.