



# Letter to Stakeholders



**1000+**  
Employees



**13**  
Manufacturing Sites



**10,000 sq.ft.**  
Innovation Centre



**360°**  
Packaging Solutions

Dear Fellow Partners,

In the present fast paced world where everybody is on a constant run, if you want to be at the forefront, you should be committed, innovative and flexible to changes while always keeping sight of the long term goals. This is especially true in the packaging sector where today's consumer wants packaged goods that work better, faster, smarter while being affordable.

After the effective merger of the subsidiary company - Clear Mipak Packaging Solutions Limited into the Company, Hitech has widened its activities by providing complete packaging solutions to multi-sector industries. Though while doing the same, the Company will continue to retain its focus on its existing business while exploring new business avenues. In order to truly represent the image of the Company, it has changed its name from 'Hitech Plast Limited' to 'Hitech Corporation Limited'. We believe this step will assist us to expand into greener pastures.

As intimated in our Company's last Annual Report, the manufacturing unit at Rohtak, Haryana was disrupted from 20<sup>th</sup> February, 2016 due to fire set to the said unit by agitators, resulting in irreparable damage to the property. While the Company made an alternate arrangement to meet the sales requirement, the impact of this arrangement was significant only in the last quarter. Therefore, the performance of this quarter has been satisfactory, but clearly our profitability has been affected due to the disruption of our said facility. We would like to inform you that Hitech has successfully completed the rebuilding tasks of the manufacturing facility at Rohtak by March 2017. In order to meet the growing demand of our customers in the North, we have increased the capacity of the new Rohtak facility.

We are in the midst of building an environment for a strong-growth trajectory with continuous investment towards expanding our manufacturing footprint to serve customer demands. We pledge to be innovative and responsive, while offering high quality sustainable packaging solutions. We affirm and avow our resolve to relentlessly strive to offer better customer experience by driving innovation.

Hitech has made a significant impact in the community by launching a tree plantation drive around its areas of operations and the mid-day meal programme for under-privileged children. It has also collaborated with the Ram Krishna Mission to impart life skills value education to primary, secondary and Industrial Training Institute (I.T.I) students and with INTACH (Indian National Trust for Art & Cultural Heritage) for its current initiative of cleaning the rivers of Pune to bring them back to their original natural state. We shall continue to look for ways for social interventions in the identified areas going forward.

Lastly, we take this opportunity to thank you for maintaining faith in us and make certain that we are and will continue to stay committed to scaling greater heights in all our future endeavours. We look forward to a rewarding journey ahead, together. As always, we deeply value your investments and appreciate your continued patronage.

With Regards,

Malav Dani

Hitech Corporation Ltd.

## Our Core Value Equation



The Hitech Group stands on the foundation of its four core values which are 'Integrity' at work, 'Innovation' in thought, 'Commitment' to all internal and external stakeholders, leading to 'Excellence' across the Group's offerings and initiatives.

CONTENTS		
1.	Corporate Information	2
2.	Directors' Report	3
3.	Management Discussion and Analysis	25
4.	Report on Corporate Governance	27
	<b>Financials</b>	
5.	Financial Highlights	42
6.	Auditors' Report	44
7.	Balance Sheet	48
8.	Statement of Profit and Loss	49
9.	Cash Flow Statement	50
10.	Notes to Financial Statements	52
11.	Attendance Slip & Proxy Form	

QUALITY POLICY
<p>We shall engage our customers by translating their needs and requirements into products we manufacture. With a quest for 'Right First Time' and 'On Time Delivery' and a spirit within us to drive quality in all that we do, We shall accelerate continual improvement of our processes by relentless self - evaluation.</p> <p>While doing so, we shall always maintain our integrity and commitment and adhere to all legal, environmental, health and safety requirements.</p>

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Ashwin S. Dani**

*Chairman*

**Rajnikant B. Desai**

*Independent Director*

**Jalaj A. Dani**

*Director*

**Harish N. Motiwalla**

*Independent Director*

**Ashwin R. Nagarwadia**

*Director*

**Jayendra R. Shah**

*Independent Director*

**Gool M. Kotwal**

*Independent Director*

*(Upto 15<sup>th</sup> April, 2016)*

**Bomi P. Chinoy**

*Independent Director*

*( w.e.f 23<sup>rd</sup> May, 2016)*

**Vaishali V. Sharma**

*Independent Director*

*( w.e.f 10<sup>th</sup> June, 2016)*

**Malav A. Dani**

*Managing Director*

**Mehernosh A. Mehta**

*Whole Time Director*

### STATUTORY AUDITORS

**M/s. Manubhai & Shah LLP**

*Chartered Accountants, Mumbai*

*(Upto 22<sup>nd</sup> June, 2017)*

### BANKERS

Kotak Mahindra Bank Limited

Standard Chartered Bank

HDFC Bank Limited

State Bank of India

*Chief Operating Officer*

**Baskaran Nadar**

*( w.e.f 2<sup>nd</sup> August, 2016)*

*Chief Financial Officer*

**Bharat I. Gosalia**

*Company Secretary*

**Namita Tiwari**

### REGISTERED & CORPORATE OFFICE

Unit No. 201, 2<sup>nd</sup> Floor, Welspun House,

Kamala City, Senapati Bapat Marg,

Lower Parel (W), Mumbai – 400 013.

Tel No.: 022-4001 6500 Fax : 022-2495 5659

CIN: L28992MH1991PLC168235

Website: [www.hitechgroup.com](http://www.hitechgroup.com)

Email: [investor.help@hitechgroup.com](mailto:investor.help@hitechgroup.com)

### REGISTRAR & TRANSFER AGENT

**Link Intime India Pvt. Ltd**

C-101, 247 Park, L. B. S. marg,

Vikhroli (West),

Mumbai – 400 093

Tel.: 022-49186000 Fax : 022-4918 6060

Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## DIRECTORS' REPORT

### Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Sixth Annual Report together with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2017.

### FINANCIAL RESULTS

The performance of the Company for the financial year ended 31<sup>st</sup> March, 2017 is summarized below:

(₹ in lakhs)

	2016-17	2015-16
Sales Revenue	40,137	43,074
Other Income	287	272
Total Revenue	40,424	43,346
Earnings Before Interest, Depreciation & Tax (EBIDT)	3,496	4,635
Interest and Financing Charges	601	1,051
Depreciation	1,300	1,559
Profit (Before Tax)	1,595	2,025
Less: Provision for Tax	411	613
Net Profit (After Tax)	1,184	1,412
Previous year balance brought forward	9,362	8,214
Amount available for appropriations	10,546	9,626
The Directors recommendation of appropriation of the disposable profits as under :		
Dividend on Preference Shares	--	65
Tax on dividend of Preference Shares	--	13
Dividend on Equity Shares	--	155
Tax on Equity Dividend	--	31
Balance carried to Balance Sheet	10,546	9,362

### OVERVIEW OF FINANCIAL PERFORMANCE

Operating revenue reduced to ₹ 401 crores from ₹ 431 crores of previous year largely on account of Rohtak unit not operating during the year due to fire occurred last year and rebuilding activity was in progress. Profit before tax reduced to ₹ 15.95 crores consequent to reduction in sales and continuing fixed overheads of Rohtak plant. Profit after tax reduced to ₹ 11.84 crores from ₹ 14.12 crores.

### COMMENCEMENT OF OPERATIONS AT ROHTAK

The Rebuilding of factory at Rohtak was completed during the year and the operation resumed in March, 2017.

### SHARE CAPITAL

The Paid up Share Capital of the Company as on 31<sup>st</sup> March, 2017 is as under :

No. of Shares	Capital (₹ in lakhs)
1,71,75,700 Equity Shares of ₹ 10/- each	1,717.57
3,09,44,164 – 9% Non-Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each.	3,094.42
<b>TOTAL</b>	<b>4,811.99</b>

There was no change in the Share Capital of the Company during the financial year under review.

### DIVIDEND

Your Directors are pleased to recommend dividend for approval of the members at the ensuing Annual General Meeting as under:

- On 9% Non-Convertible Redeemable Cumulative Preference Shares ('NCRCPs') of ₹ 10/- each, dividend @ 9% p.a. i.e.

₹ 0.90 per Preference Share of ₹10/- each payable for the financial year ended 31<sup>st</sup> March, 2017.

- The proposed dividend on NCRCPs will absorb ₹ 278.49 lakhs including Dividend Distribution Tax of ₹ 56.70 lakhs.
- On Equity Shares @ 9% i.e. ₹ 0.90 per equity share (Previous year ₹ 0.90 per equity share), for the financial year ended 31<sup>st</sup> March, 2017.
- The proposed dividend on Equity Share Capital will absorb ₹ 186.05 lakhs including Dividend Distribution Tax of ₹ 31.49 lakhs.

The final dividend recommended by the Board will be accounted in the financial year in which it is approved by the shareholders in the Annual General Meeting.

### TRANSFER TO RESERVES

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

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

### PART REDEMPTION OF PREFERENCE SHARES

The Members are informed that on account of amalgamation of Clear Mipak Packaging Solutions Ltd (CMPSL) with the Company, 3,09,44,164, 9% Non Convertible Redeemable Cumulative Preference Shares of ₹ 10/- each were issued as consideration to the shareholders of CMPSL. As per the terms, the said Preference Shares have maximum period of 20 years with the option of redeeming the Preference Shares in full or in tranches before the aforesaid period by the mutual consent of the holders as may be allowed under the Act.

The Members are informed that the Company had redeemed 46,41,624 Preference Shares of ₹ 10/- each at par aggregating to ₹ 4,64,16,240 (Rupees Four Crore Sixty Four Lakhs Sixteen Thousand Two Hundred Forty Only) on 9<sup>th</sup> June, 2017, out of profits of the Company after creation of Capital Redemption Reserve. After redemption, the Preference Share capital is now reduced to ₹ 26.30 crores.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### (a) APPOINTMENTS / RE-APPOINTMENTS

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Ashwin S. Dani, Non-Executive Director, retires by rotation and being eligible offers himself for re-appointment to the Board.

During the financial year under review, Mr. Bomi P. Chinoy (DIN 07519315) and Ms. Vaishali V. Sharma (DIN 07531200) were appointed as Additional Directors (Independent) by the Board of Directors of the Company with effect from 23<sup>rd</sup> May, 2016 and 10<sup>th</sup> June, 2016, respectively. In the 25<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2016, members approved the aforesaid appointment of Independent Directors for a term of 5 years.

#### (b) RESIGNATIONS

During the Financial Year 2016-17, Mrs. Gool M. Kotwal, a Non-Executive Independent Director resigned from the Board of your Company with effect from the close of business hours of 15<sup>th</sup> April, 2016.

The Board places on record its appreciation for her invaluable contribution/ guidance during her association with your Company.

### (c) KEY MANAGERIAL PERSONNEL

Mr. Malav A. Dani (DIN: 01184336), Managing Director, Mr. Mehernosh A. Mehta (DIN: 00372340), Wholtime Director, Mr. Bharat I. Gosalia, 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), 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, from time to time.

In the 25<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2016, Mr. Malav A. Dani (DIN 01184336) was re-appointed as the Managing Director for another term of five years with effect from 5<sup>th</sup> August, 2016 and Mr. Mehernosh A. Mehta (DIN 00372340) was appointed as Wholtime Director for a term of five years with effect from 17<sup>th</sup> March, 2016.

### (d) DECLARATION OF INDEPENDENCE

All Independent Directors have given necessary declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

### (e) FAMILIARISATION PROGRAMME

Whenever any person joins the Board of the Company as a Director, an induction programme is arranged for the new appointee, wherein the appointee is familiarised with the Company, his/her roles, rights and responsibilities in the Company, the Code of Conduct of the Company to be adhered, nature of the industry in which the Company operates, and business model of the Company.

The details of such familiarisation programmes has been disclosed on the Company's website at [www.hitechgroup.com](http://www.hitechgroup.com)

### (f) BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 read with Rules issued thereunder and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of Directors on recommendation of 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 have formed the following committees and the detail 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
- Committee of Directors

### NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES

The details of the number of Meetings of the Board and the Committees are discussed in the Corporate Governance Report which forms part of this Report.

### EXTRACT OF ANNUAL RETURN

The 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 as "Annexure A".

### ADOPTION OF NEW ARTICLES OF ASSOCIATION OF YOUR COMPANY

The Company proposes to adopt new Articles of Association in accordance with the provisions of the Companies Act, 2013 read with Rules issued thereunder. The Resolution in this regard forms part of the Notice convening the 26<sup>th</sup> Annual General Meeting and the relevant Resolutions are recommended for your approval therein.

### 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 this report.

### CHANGE OF NAME

The name of the Company was changed from "Hitech Plast Limited" to "Hitech Corporation Limited" and a Certificate of Incorporation consequent to change of name was obtained from Registrar of Companies, Mumbai on 3<sup>rd</sup> May, 2017.

### 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 2017-18 has been paid to the respective Stock Exchange(s).

### AUDITORS AND THEIR REPORT

#### a. Statutory Auditors:

The Members of the Company at its 23<sup>rd</sup> Annual General Meeting held on Saturday, the 13<sup>th</sup> day of September, 2014, had appointed M/s. Manubhai & Shah LLP, Chartered Accountants (Firm Reg. No: 106041W/W100136) as Statutory Auditors of the Company for a term of five (5) years, subject to the ratification of their appointment by the Members at every Annual General Meeting.

The said Statutory had expressed their inability to continue as Statutory Auditors of the Company due to pre-occupation and other professional commitments. The Board places on record its appreciation for the services rendered by them during their tenure as the Statutory Auditors of the Company.

The Board at its Meeting held on 23<sup>rd</sup> June, 2017, pursuant to Section 139(8) of the Companies Act, 2013, appointed M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Reg. No: 104607W/W100166) as Statutory Auditors of the Company, subject to the approval of shareholders at the ensuing Annual General Meeting.

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and Rules made thereunder and that they are not disqualified for appointment within the meaning of Section 141 of the Companies Act, 2013 and hold a valid Certificate of Practice issued by Peer Review Board of Institute of Chartered Accountants of India as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The above appointment forms part of the Notice of the ensuing Annual General Meeting. The Board of Directors recommends the appointment of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, as the Statutory Auditors of the Company for a period of five years commencing from the date of appointment till conclusion of the 31<sup>st</sup> Annual General Meeting of the Company, subject to ratification of their appointment by the members at every Annual General Meeting.

The Auditor's Report for the financial year ended 31<sup>st</sup> March, 2017 does not contain any qualification, reservation or adverse remarks.



**b. Cost Auditors:**

As the Companies (Cost Records and Audit) Rules are not applicable to your Company, the Company has not appointed any Cost Auditor for the financial year 2017-18.

**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, Noida are re-appointed as the Internal Auditors of the Company for the financial year 2017-18.

The Audit Committee of the Board of Directors, Statutory Auditors and the Management 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 re-appointed M/s. Nilesh Shah & Associates, Company Secretaries, Mumbai, to conduct the Secretarial Audit of your Company for the financial year ended 31<sup>st</sup> March, 2018.

The Secretarial Audit Report is annexed herewith as 'Annexure B' to this Report.

The Secretarial 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 & 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 and is appended hereto as 'Annexure -C' and forms part of this Report. The Nomination & Remuneration Policy is also displayed on the Company's website under the web link: <http://www.hitechgroup.com/investor/#policies>

**SEXUAL HARASSMENT POLICY**

The Company has formulated and adopted a Policy on Prevention of Sexual Harassment of Women at Workplace pursuant to the provisions of Sexual Harassment of Woman at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has not received any complaints under the said policy during the year. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

Sexual Harassment Policy of the Company is displayed on the Company's website under the weblink: <http://www.hitechgroup.com/investor/#policies>

**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: <http://www.hitechgroup.com/investor/#policies>

**CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

**Corporate Social Responsibility ('CSR') Committee:**

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 have constituted a Corporate Social Responsibility Committee. The details of membership of the Committee & the meetings held are detailed in the Corporate Governance Report forming part of the Annual Report.

**CSR Policy:**

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: <http://www.hitechgroup.com/investor/#policies>

**Initiatives undertaken during the financial year 2016-17:**

During the financial year 2016-17, the Company has spent ₹ 54.99 lakhs towards Corporate Social Responsibility (CSR) expenses.

The Annual Report on CSR activities undertaken by Company during the financial year 2016-17, is annexed as Annexure-D 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 the Rule 8 of the Companies (Accounts) Rules, 2014 is appended hereto as 'Annexure - E' and forms part of this Report.

**TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956/ Section 124, 125 of the Companies Act, 2013, dividends pertaining to the financial year 2008-09 amounting to ₹ 1,58,610 which remained unpaid or unclaimed for a period of 7 years was transferred by the Company to the Investor Education and Protection Fund.

Further, dividends which remained unpaid or unclaimed for a period of 7 years, pertaining to the financial year 2009-10 which was declared at the Annual General Meeting of the Company held on 4<sup>th</sup> September, 2010, will be transferred to the Investor Education and Protection Fund by 3<sup>rd</sup> October, 2017. Members who have not encashed their dividend warrants for the year 2009-10 or thereafter are requested to write to the Company's Registrar and Share Transfer Agents. Details of Investor Education and Protection Fund provided on Company's website under the weblink - <http://www.hitechgroup.com/investor/#unclaimed-unpaid-dividend>

**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 F'.

**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 as on 31<sup>st</sup> March, 2017 was ₹ 304.40 lakhs (including Directors deposit accepted in the year 2014-15).

**Particulars of Deposits covered Under Chapter V of the Act are as follows:**

Particulars	Details (₹ in Lakhs)
Opening Balance	354.40
Accepted during the year	--
Repaid / Settled during the year	50.00
As at the close of the year	304.40
Whether there has been any default in repayment of deposits or interest thereon; and if so the number of times and the total amount involved-	
a. At the beginning of the year	Nil
b. Maximum during the year	Nil
c. At the end of the year	Nil
Deposits which are not in compliance with requirements of Chapter V of Companies Act, 2013	Nil

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

During the year under review, the Company has not provided any loan or given any guarantee or made any investment. The investment of ₹ 1.25 lakhs in Paints & Coatings Skill Council, a Charitable Company incorporated under Section 8 of the Companies Act, 2013 could not be materialised and therefore reversed during the year in the books of account of the Company.

## **RELATED PARTY TRANSACTIONS**

All Related Party Transactions which were entered during the financial year 2016-17 were on an arm's length basis and in the ordinary course of business. There were no material 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.

The Board of Directors of the Company has formulated a Policy on dealing with RPTs and a Policy on materiality of Related Party Transactions which is uploaded on the website of the Company and can be accessed through the following link: <http://www.hitechgroup.com/investor/#policies>

The details of the Related Party Transactions of the Company as required under Accounting Standard-18 are set out in Note 41 to the financial statements forming part of this Annual 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 is set out as 'Annexure G' to this Report.

## **INTERNAL FINANCIAL CONTROLS**

Your Company has in place the adequate internal financial controls with reference to financial statements. 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 and disclosures, risk mitigation and monitoring, and integration with strategy and business planning.

## **SIGNIFICANT/ MATERIAL ORDERS PASSED BY THE REGULATORS**

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.

## **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 of the Company to which the Financial Statements relate and date of this report.

## **IMPLEMENTATION OF COMPANIES (INDIAN ACCOUNTING STANDARDS) RULES, 2015**

The Companies (Indian Accounting Standards) Rules, 2015 is applicable to the Company with effect from 1<sup>st</sup> April, 2017. Your Company is prepared to implement the said Rules in the financial statements of the Company for the year 2017-18.

## **IMPLEMENTATION OF CENTRAL GOODS AND SERVICE TAX (GST) ACT, 2017**

The Central Goods And Service Tax (GST) Act, 2017 will be applicable with effect from the date as notified by the Government. Your Company has registered itself with various authorities for implementation of the GST Act.

## **CHANGE IN NATURE OF BUSINESS**

There were no material changes in the nature of business of the Company during the year under review.

## **NAMES OF COMPANIES WHICH HAVE BECOME / CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES DURING THE YEAR**

As on 31<sup>st</sup> March, 2017, the Company does not have any subsidiary company, Joint Venture or Associate Company.

## **GENERAL**

Your Company

- has not issued Shares having differential rights as to dividend, voting or otherwise; and
- does not have any ESOP Scheme for its employees/Directors.
- has not issued Sweat Equity Shares.

## **HUMAN RESOURCE**

The Company has always perceived its manpower as its biggest strength. The emphasis was on grooming in-house talent enabling them to take higher responsibilities. The employee relations continue to be cordial at all the divisions of the Company. Your Directors place on record their deep appreciation for the contribution of the employees at all levels. Their dedicated efforts and enthusiasm have been integral to your Company's steady performance.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, the Directors confirm that:

- In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures; if any
- 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 31<sup>st</sup> March, 2017 and of the profit and loss of the Company for the financial year ended 31<sup>st</sup> March, 2017;
- 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;
- the annual accounts have been prepared on a going concern basis;
- 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;
- 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 appreciation 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**

**Ashwin S. Dani**  
Chairman  
(DIN: 00009126)

**Place : Mumbai**  
**Date: 23<sup>rd</sup> June, 2017**



**ANNEXURE A TO DIRECTORS' REPORT**

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**for the financial year ended 31<sup>st</sup> March, 2017

[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 <sup>TH</sup> 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 <sup>nd</sup> 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 Ltd. C 101, 1 <sup>st</sup> 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 - 400018	U65990MH1979PTC021049 (CIN)	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 01.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(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	--
<b>Sub total (A)(1)</b>	<b>12784480</b>	<b>--</b>	<b>12784480</b>	<b>74.43</b>	<b>12784480</b>	<b>--</b>	<b>12784480</b>	<b>74.43</b>	<b>--</b>

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) Individuals (Non-Resident Individuals / Foreign Individuals)	--	--	--	--	--	--	--	--	--
b) Government	--	--	--	--	--	--	--	--	--
c) Institutions.	--	--	--	--	--	--	--	--	--
d) Foreign Portfolio Investor	--	--	--	--	--	--	--	--	--
e) Any Other (Specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (A)(2)</b>	--	--	--	--	--	--	--	--	--
<b>Total shareholding of Promoter And Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>12784480</b>	--	<b>12784480</b>	<b>74.43</b>	<b>12784480</b>	--	<b>12784480</b>	<b>74.43</b>	--
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Venture Capital Funds	--	--	--	--	--	--	--	--	--
c) Alternate Investment Funds	--	--	--	--	--	--	--	--	--
d) Foreign Venture Capital Investors	--	--	--	--	--	--	--	--	--
e) Foreign Portfolio Investor	2249	--	2249	0.01	--	--	--	--	(0.01)
f) Financial Institutions / Banks	--	--	--	--	6941	--	6941	0.04	<b>0.04</b>
g) Insurance Companies	--	--	--	--	--	--	--	--	--
h) Provident Funds / Pension Funds	--	--	--	--	--	--	--	--	--
i) Any Other Specify									
UTI	--	1100	1100	0.01	--	1100	1100	0.01	--
j) Others (specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(1)</b>	<b>2249</b>	<b>1100</b>	<b>3349</b>	<b>0.02</b>	<b>6941</b>	<b>1100</b>	<b>8041</b>	<b>0.05</b>	<b>0.03</b>
<b>2 Central Government / State Government(s)/ President of India</b>									
Central Government / State Government(s)	--	3000	3000	0.01	--	3000	3000	0.01	--
<b>Sub Total (B)(2)</b>	--	<b>3000</b>	<b>3000</b>	<b>0.01</b>	--	<b>3000</b>	<b>3000</b>	<b>0.01</b>	--
<b>3. Non-Institutions</b>									
(a) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1391873	364026	1755899	10.22	1682060	355476	2037536	11.86	<b>1.64</b>
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1412425	--	1412425	8.22	1225252	-	1225252	7.13	<b>(1.09)</b>
b) NBFC registered with RBI	--	--	--	--	--	--	--	--	--
c) Employee Trusts	--	--	--	--	--	--	--	--	--
d) Overseas Depositories (holding DRs) (balancing figure)	--	--	--	--	--	--	--	--	--
e) Any Other (Specify)									
Foreign Nationals	400	--	400	--	400	--	400	--	--
Hindu Undivided Family	217709	--	217709	1.27	235626	--	235626	1.37	0.10
Non Resident Indians (Non Repat)	28216	--	28216	0.17	47450	--	47450	0.28	0.11
Directors / Relatives of Directors	7100	--	7100	0.04	7100	--	7100	0.04	--
Non Resident Indians (Repat)	276106	219900	496006	2.89	71405	219900	291305	1.70	(1.19)
Clearing Member	82720	--	82720	0.48	73613	--	73613	0.43	(0.05)
Bodies Corporate	383296	1100	384396	2.24	460797	1100	461897	2.69	0.45
<b>Sub Total (B)(3)</b>	<b>3799845</b>	<b>585026</b>	<b>4384871</b>	<b>25.53</b>	<b>3803703</b>	<b>576476</b>	<b>4380179</b>	<b>25.50</b>	<b>(0.03)</b>
<b>Total Public Shareholding (B)=B(1)+B(2)+B(3)</b>	<b>3802094</b>	<b>589126</b>	<b>4391220</b>	<b>25.57</b>	<b>3810644</b>	<b>580576</b>	<b>4391220</b>	<b>25.57</b>	--
<b>Total (A)+(B)</b>	<b>16586574</b>	<b>589126</b>	<b>17175700</b>	<b>100.00</b>	<b>16595124</b>	<b>580576</b>	<b>17175700</b>	<b>100.00</b>	--
<b>C. Shares held by Custodian GDRs &amp; ADRs</b>	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	<b>16586574</b>	<b>589126</b>	<b>17175700</b>	<b>100.00</b>	<b>16595124</b>	<b>580576</b>	<b>17175700</b>	<b>100.00</b>	--