



## 32nd Annual Report 2019-20





# CORPORATE INFORMATION

Board of Directors	Mr. Kamal Agrawal – Managing Director
	Mrs. Premlata Narendra Purohit – Non-Executive Chairman (Independent Director)
	Mr. Arvind Bansilal Sharma –Non-Executive Independent Director <sup>4</sup>
	Mr. Ramamurthy Shetty Guravai-(Additional director) <sup>1</sup>
	Mrs. Varsha Shah –(Additional Director) <sup>2</sup>
Statutory Auditors	M/s. B. M. Gattani & Co., Chartered Accountants
Company Secretary & Compliance Officer	Mrs. Ishita Rushabh Sanghavi <sup>3</sup>
Chief Financial Officer	Mr. Jeetendra Chanda
Practising Company Secretary	M/s Monika Thanvi & Associates
Bankers	IDBI, Mumbai
Registrar & Share Transfer Agent	Adroit Corporate Service Pvt. Limited 19, Jaferbhoy Industrial Estate, 1 <sup>st</sup> Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai – 400 059
Registered Office	55, Tirupati Plaza, 1 <sup>st</sup> Floor, Tirupati Shopping Centre Premises Co-Op. Society Ltd., S V Road, Santacruz (W), Mumbai 400 054 Tel no. 91-22- 6561 4984, Fax: 91-22- 26002894 E-mail address: <a href="mailto:hitkit.global@gmail.com">hitkit.global@gmail.com</a> & <a href="mailto:info@hitkitglobal.com">info@hitkitglobal.com</a> Website: <a href="http://www.hitkitglobal.com">www.hitkitglobal.com</a>
Corporate Identification No	L70100MH1988PLC049929

1. Appointed with effect from 28<sup>th</sup> September, 2019,
2. Appointed with effect from 31<sup>st</sup> August 2020.
3. Tendered Resignation w.e.f. 03<sup>rd</sup> August, 2020.
4. Resigned w.e.f. 31<sup>st</sup> August, 2020.

## **32<sup>nd</sup>ANNUAL GENERAL MEETING**

Date	30 <sup>th</sup> September, 2020
Day	Wednesday
Time	10.30 A.M.
Venue	AGM held through OV/OAVM Deemed venue is Registered Office of the Company
Book Closure	23.09.2020 to 30.09.2020 (Both days inclusive)

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**NOTICE**

**Notice is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Shareholders of Hit Kit Global Solutions Limited will be held on Wednesday, 30<sup>th</sup> September, 2020 at 10:30 a.m. through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') facility to transact the following business:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2020 and Statement of Profit and Loss for the year ended on that date together with the Reports of Directors' and Auditors' thereon.

**SPECIAL BUSINESS:**

**2. To approve appointment of Mr. Ramamurthy Shetty Guruvai (DIN: 08429776) as Non-Executive Director of the Company:**

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

**"RESOLVED THAT Mr. Ramamurthy Shetty Guruvai (DIN:08429776)** was appointed as an Additional Director of the Company with effect from 28<sup>th</sup> September, 2019 by the Board of Directors, as recommended by the Nomination and Remuneration Committee, as an additional director of the Company with effect from 31<sup>st</sup> August, 2020 under section 161(1) of the Act and who holds office up to the date of the forthcoming Annual General Meeting of the Company and is eligible for appointment and the Company has received a notice in writing from a member under Section 160 (1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as Non Executive Director of the Company."

**"RESOLVED FURTHER THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the appointment of Mr. Ramamurthy Shetty Guruvai (DIN: 08429776), as a non-executive Director of the Company, liable to retire by rotation be and is hereby approved.

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

**3. To approve appointment of Mrs. Varsha Shah (DIN: 08856197) as an Independent director of the Company**

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

**"RESOLVED THAT** Mrs. Varsha Shah (DIN:08856197) who was appointed as an Additional Director of the Company with effect from 31<sup>st</sup> August, 2020 by the Board of Directors as recommended by the Nomination and Remuneration Committee and who holds office up to the date of the forthcoming Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ('the Act'), but who is eligible for appointment and the Company has received a notice in writing from a member under Section 160 (1) of the Act proposing her candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company."

**"RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-

enactment(s) thereof] and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the appointment of Mrs. Varsha Shah (DIN: 08856197), who has submitted a declaration that she meets the criteria for independence as provided in Section 149 (6) of the Act and Rules framed there under and Regulation 16 (1)(b) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from 31<sup>st</sup> August, 2020, be and is hereby approved.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board  
For Hit Kit Global Solutions Limited

sd/-  
Kamal Agrawal  
Managing Director

Registered Office:  
55, Tirupati Plaza, 1st Floor,  
Tirupati Shopping Centre Premises  
Co-Op. Society Ltd., S.V. Road,  
Santacruz (W), Mumbai-400054.

Place: Mumbai,  
Date: August 31, 2020.

**NOTES:**

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its circular dated 5 May 2020 read with circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as 'MCA Circulars') and SEBI circular dated 12 May 2020 permitted holding of the AGM through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations, 2015') and MCA Circulars, the AGM of the Company is being conducted through VC/OAVM (hereinafter called as 'e-AGM').
2. The deemed venue for Thirty Second e-AGM shall be the registered office of the Company
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this e-AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional/Corporate Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization, etc., authorizing their representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the Scrutinizer by email through its registered email address to csmonika.thanvi@gmail.com with a copy marked to hitkit.global@gmail.com.
5. Statement pursuant to section 102(1) of the Act forms part of this Notice.
6. Brief details of the director, who is seeking change in designation, is annexed hereto as per requirements of regulation 36(3) of the SEBI Listing Regulations, 2015 and as per provisions of the Act.
7. The facility of joining the e-AGM through VC /OAVM will be opened 15 minutes before and will be open up to 15 minutes after the scheduled start time of the e-AGM, i.e. from 4.00 p.m. to 4.30 p.m. and will be available for 1,000 members on a first-come first-served basis. This rule would however not apply to participation of members holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors, etc.
8. Institutional Investors, who are members of the Company are encouraged to attend and vote at the Thirteenth e-AGM of the Company.
9. The 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 the PAN to their depository participants. Members holding shares in physical form can submit their PAN details to the Company or registrar.

10. In terms of section 101 and 136 of the Act, read together with the Rules made there under, the listed companies may send the notice of e-AGM and the annual report, including Financial statements, Board Report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI circular dated 12 May 2020, Notice of 32<sup>nd</sup> e-AGM along with the Annual Report for FY2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the said Notice and Annual Report will also be available on the Company's Website <https://www.hitkitglobal.com>, website of the Stock Exchanges i.e. BSE Ltd. [www.bseindia.com](http://www.bseindia.com) and on the website of [www.evotingindia.com](http://www.evotingindia.com).
11. To receive shareholders' communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participants, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their e-mail address with M/s Adroit Corporate Services Pvt. Ltd. – [prafuls@adroitcorporate.com](mailto:prafuls@adroitcorporate.com)
12. Pursuant to section 72 of the Companies Act, 2013, members holding shares in single name and physical form are advised to file nomination in the prescribed Form No. SH-13 in duplicate (which will be made available on request) with the Company's shares transfer agent, in respect of shares held in electronic / Demat form, the members may please contact their respective depository participant.
13. With a view to enable the Company serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings into one folio
14. SEBI vide its notification dated 8 June 2018 as amended on 30 November 2018, has stipulated that with effect from 1 April 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialised form. The Company has complied with the necessary requirements as applicable, including sending of letters to members holding shares in physical form and requesting them to dematerialize their physical holdings.
15. To comply with the above mandate, members who still hold share certificates in physical form are advised to dematerialize their shareholding to also avail of numerous benefits of dematerialization, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the e-AGM.
17. The Company has been maintaining, inter alia, the following statutory registers at its registered office:
  - i) Register of contracts or arrangements in which directors are interested under section 189 of the Act.
  - ii) Register of directors and key managerial personnel and their shareholding under section 170 of the Act.

In accordance with the MCA circulars, the said registers will be made accessible for inspection through electronic mode, and shall remain open and be accessible to any member during the continuance of the meeting.



18. For ease of conduct, members who would like to ask questions/express their views on the items of the businesses to be transacted at the meeting can send in their questions/comments in advance by visiting URL <https://evotingindia.com/> and clicking on the tab 'Post your Queries' during the period starting from 27 September 2020 (9.00 a.m.) up to 29 September 2020 (5.00 p.m.) mentioning their name, demat account no./Folio no., e-mail Id, mobile number, etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.
19. For more details on shareholders' matters, please refer to the chapter on General Shareholder Information, included in the Annual Report.
20. Since the meeting will be conducted through VC/OAVM facility, the Route Map is not annexed to this Notice.
21. In case a person has become a Member of the Company after dispatch of e-AGM Notice, but on or before the cut-off date for e-voting, i.e., Wednesday, 23<sup>rd</sup> September 2020, such person may obtain the User ID and Password from M/s Adroit Corporate Services Pvt. Ltd. – [prafuls@adroitcorporate.com](mailto:prafuls@adroitcorporate.com)
22. Alternatively, member may send signed copy of the request letter providing the email address, mobile number, self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via email to [prafuls@adroitcorporate.com](mailto:prafuls@adroitcorporate.com) for obtaining annual report for FY2019-20 and Notice of 32<sup>nd</sup> e-AGM.
23. Instructions for e-voting and joining the e-AGM are as follows:

**24. Voting through electronic means:**

In terms of the provisions of section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (hereinafter called "the Rules" for the purpose of this section of the Notice) and the provision under SEBI Listing Regulations, 2015, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on **23<sup>rd</sup> September, 2020** (End of Day) being the Cut-off date (Record date for the purpose of Rule 20 (2) (ii) of the Rules) fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by CDSL

The instructions for E-voting are as under:

**A. The instructions for shareholders voting electronically are as under:**

- i. The voting period begins on **Sunday, 27<sup>th</sup> September, 2020 at 9.00 a.m.** and ends on **Tuesday, 29<sup>th</sup> September, 2020 at 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 **23<sup>rd</sup> September, 2020** (End of Day) 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](http://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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
<b>DOB</b>	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.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio. Please enter the DOB or Dividend 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).

- 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 on HITKIT GLOBAL SOLUTIONS 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. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- 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 and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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 favor 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). You can also send your queries/ grievances relating to e-voting at:- Name : Mr. Rakesh Dalvi, Deputy Manager, Address : Phiroze Jeejeebhoy Towers, 16th Floor, Dalal Street, Mumbai –400001.

Email Id/Phone Number(s) : [rakeshd@cdslindia.com](mailto:rakeshd@cdslindia.com) /022 22728588, Toll free no: 18002005533.

**B. For members whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:**

- 25. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to M/s Adroit Corporate Services Pvt. Ltd.– [prafuls@adroitcorporate.com](mailto:prafuls@adroitcorporate.com)
- i. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [prafuls@adroitcorporate.com](mailto:prafuls@adroitcorporate.com)

- ii. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

**C. Instructions for shareholders attending the AGM through VC/OAVM are as under:**

1. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**D. instructions for shareholders for e-voting during the AGM are as under**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

**E. Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [hitkit.global@gmail.com](mailto:hitkit.global@gmail.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

#### **F. General instructions:**

- The Company has appointed M/s. Monika Thanvi & Associates, Company Secretary as the Scrutinizer to the e-voting process, in a fair and transparent manner.
- The Scrutinizer shall submit a consolidated Scrutinizer's Report (votes casted during the AGM and votes casted through remote e-voting) of the total votes cast in favour of or against, if any, not later than three days after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting. The result declared along with the consolidated Scrutinizer's Report shall be simultaneously placed on the Company's website [www.hitkitglobal.com](http://www.hitkitglobal.com) and on the website of CDSL and communicated to the BSE Limited. Subject to the receipt of sufficient votes, The resolution shall be deemed to be passed at the annual general meeting of the Company scheduled to be held on **Wednesday, 30<sup>th</sup> September, 2020.**

**Explanatory Statement**  
**(Pursuant to Section 102 of the Companies Act, 2013)**

**ITEM NO. 2:**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 28<sup>TH</sup> September, 2019 had appointed Mr. RAMAMURTHY SHETTY GURAVAI (DIN: 08429776), as an Additional Director, (Non-Executive) liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

In respect of the appointment of Mr. Ramamurthy Shetty, a notice in writing in the prescribed manner, as required under section 160 of the Companies Act, 2013 and Rules made thereunder, has been received by the Company, regarding his candidature for the office of director.

As an Additional Director, Mr. Ramamurthy Shetty Guruvai (DIN: 08429776), holds office till the date of the AGM and is eligible for being appointed as a Director. Ramamurthy Shetty Guruvai (DIN: 08429776), is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. In the opinion of the Board, Mr. Ramamurthy Shetty Guruvai (DIN: 08429776), fulfills the conditions for his appointment as a Non-Executive Director as specified in the Act and the Listing Regulations.

Pursuant to provisions of SEBI (LODR) Regulations 2015 and Secretarial Standards on General Meetings issued by Institute of Company Secretaries of India, relevant particulars of Directors seeking re-appointment at this AGM are given here below:

<b><u>Particulars</u></b>	<b><u>Details</u></b>
Name	Mr. Ramamurthy Shetty Guruvai
DIN	08429776
Date of Birth / Age	01.07.1964 / 56 years
Designation	Non-Executive Director
Experience in functional area	Mr. Shetty aged 55 years has a vast knowledge of 20 years in agricultural field. He is also a Non Executive Director of Webnet Infoways Limited.
Qualification	HSC(12 <sup>th</sup> )
Terms and Condition of Appointment & re-appointment along with Remuneration sought to be paid and last drawn Remuneration	As per Terms & Condition set out in Appointment Letter
Directorship in other Companies (Public Limited Companies)	Webnet Infoways Ltd.

Membership of Committees of other Public Companies (Audit Committee / Nomination Remuneration	NIL
---	-----

Committee/Stakeholders Relationship Committee)	
No. of Shares held in the company (Shareholding)	NIL
Date of Original Appointment on the Board	30.09.2019
No. of board meetings attended during Financial Year 2018-19	NIL
Remuneration sought to be paid	NIL
Remuneration last paid	Not Applicable
Relationship with other Director, Manager &KMP	No relationship with other Directors or KMP of the Company

**ITEM NO. 3:**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 31<sup>st</sup> August, 2020 had appointed Mrs. Varsha Shah (DIN: 008856197), as an Additional Director (Independent) of the Company to hold office for a period of five consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting("AGM").

In respect of the appointment of Mrs. Varsha Shah, a notice in writing in the prescribed manner, as required under section 160 of the Companies Act, 2013 and Rules made there under, has been received by the Company, regarding his candidature for the office of director.

As an Additional Director, Mrs. Varsha Shah(DIN: 08856197), holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has received a declaration from Mrs. Varsha Shah (DIN: 08856197), confirming that she meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mrs. Varsha Shah (DIN: 08856197), is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company. In the opinion of the Board, Mrs. Varsha Shah (DIN: 08856197), fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Regulations and she is independent of the management.

Pursuant to provisions of SEBI (LODR) Regulations 2015 and Secretarial Standards on General Meetings issued by Institute of Company Secretaries of India, relevant particulars of Directors seeking re-appointment at this AGM are given here below:

<b><u>Particulars</u></b>	<b><u>Details</u></b>
Name	Mrs. Varsha Shah
DIN	08856197



Date of Birth / Age	31.12.1960/ 60 years
Designation	Non-Executive Independent Director

Experience in functional area	She has vast experience of 15 years in the field of Human resource and office administration.
Qualification	HSC in Arts.
Terms and Condition of Appointment & re-appointment along with Remuneration sought to be paid and last drawn Remuneration	As per Terms & Condition set out in Appointment Letter
Directorship in other Companies (Public Limited Companies)	NIL
Membership of Committees of other Public Companies (Audit Committee / Nomination Remuneration Committee / Stakeholders Relationship Committee)	NIL
No. of Shares held in the company (Shareholding)	NIL
Date of Original Appointment on the Board	31.08.2020
No. of board meetings attended during Financial Year 2018-19	NIL
Remuneration sought to be paid	NIL
Remuneration last paid	Not Applicable
Relationship with other Director, Manager & KMP	No relationship with other Directors or KMP of the Company

None of the Directors / Key Managerial Personnel of the Company / their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.2 of the Notice.

By Order of the Board  
For Hit Kit Global Solutions Limited  
sd/-  
Kamal Agrawal  
Managing Director

Registered Office:  
55, Tirupati Plaza, 1st Floor,  
Tirupati Shopping Centre Premises  
Co-Op. Society Ltd., S.V. Road,  
Santacruz (W), Mumbai-400054.

Place: Mumbai,  
Date: August 31, 2020.

## Directors Report

### To The Members

### Hit Kit Global Solutions Limited,

Yours Company's Directors are pleased to present 32<sup>nd</sup> Annual Report of the Company, along with Audited Accounts, for the financial year ended March 31<sup>st</sup>, 2020.

#### 1. Financial Performance

- a) The salient features of the Company's financial performance for the year under review are as follows:

Particulars	(Rs. In Lakhs)	
	31.03.2020	31.03.2019
<b>Gross Revenue</b>	35.79	31.64
Operating Profit before Interest, Depreciation and Amortization and Tax Interest	1.01	(2.29)
Depreciation	-	-
Profit before tax (PBT)	0.18	0.18
Provision for Taxation	1.02	(2.29)
Profit after tax (PAT)	-	-
	1.02	(2.29)

#### b) Operations & Performance of the Company

During the year under the review, the Company has recorded gross revenue of Rs. 35.79 lakhs as against Rs. 31.64 lakhs in the previous year. After offsetting the expenses the company made a profit after tax of Rs.1.02 lakhs against Loss of Rs. 2.29 lakhs in the previous year.

The Earning per Share (EPS) for the year was Rs. 0.0028 as against Rs. (0.0062) for previous year.

#### 2. Deposits:

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

#### 3. Particulars of Loans, Guarantees or Investments:

Pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time (including any amendment thereto or re-enactment thereof for the time being in force), Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to Accounts of the Financial Statements provided in this Annual Report.

#### 4. Related Party Transactions:

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the form AOC-2:

Your Company has historically adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length as part of its philosophy of adhering to highest ethical standards, transparency and accountability. In line with the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has approved a policy on related party transactions. The policy on RPTs as approved by Board is uploaded on the Company's website <https://www.hitkitglobal.com/img/pdf/Related%20Party.pdf>

In view of above, All Related Party Transactions (RPTs) which were entered into during the Financial Year 2019-20 were on an arm's length basis and were in the ordinary course of business and did not attract provisions of section 188 of the Companies Act, 2013 and were also not material RPTs under regulation 23 of the SEBI Listing Regulations, 2015. During the year 2019-20, as required under section 177 of the Companies Act, 2013 and regulation 23 of the SEBI Listing Regulations, 2015, all RPTs were placed before the Audit Committee for approval.

A statement showing the disclosure of transactions with related parties including the transaction if any with any person or entity belonging to the promoter / promoter group which hold(s) 10% or more shareholding in the listed entity as required under Accounting Standard 18 is set out separately in Notes to accounts of Financial Statements annexed to this Annual Report.

There were no material transactions entered into with related parties, during the period under review, which may have had any potential conflict with the interests of the Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in **Form AOC-2** is not applicable.

## **5. Dividend**

In order to conserve resources for future growth, your Directors do not recommend any dividend for the year 2019-20

## **6. Transfer to Reserves**

The Board of Directors has not appropriated and transferred any amount to any Reserve and has decided to retain the entire amount in profit and Loss account.

## **7. Unpaid Dividend & IEPF:**

The Company is not required to transfer any amount to the Investor Education & Protection Fund (IEPF) and does not have unclaimed dividend which remains to be transferred to Investor Education & Protection Fund (IEPF).

## **8. Changes in Share Capital**

During the year, Company has not made any allotment of Equity or preference Shares.

## **9. Disclosure Relating To Equity Shares with Differential Rights**

The Company has not issued any equity shares with differential rights during the year under review and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

## **10. Disclosure Relating To Sweat Equity Shares**

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

**11. Disclosures In Respect Of Voting Rights Not Directly Exercised By Employees**

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

**12. Disclosure Under Section 67 (3) of the Companies Act,2013:**

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

**13. Report on performance of Subsidiaries, Associates and Joint Venture Companies:****a. Subsidiaries:**

The Company has no Holding or Subsidiary Or Associates Company as on 31st March, 2020.

**b. Joint Venture:**

The Company has entered into a Joint Venture (A.O.P.) to be known in the name of 'ENGINEERS INDIA ASSOCIATES' for the construction and development of resort project near Lonavala, Dist. Pune.

Statement containing salient features of financial statements of Joint Venture pursuant to section 129 of the Companies Act, 2013 (Act) read with Rule 5 of the Companies (Accounts) Rules, 2014 is annexed to this Report in the prescribed Form AOC -1, as **"Annexure 2"**.

The Company has not consolidated its Accounts with regards to Section 129 (3) as it has not started its operations yet.

**14. Adequacy of Internal Financial Controls**

Internal financial controls with reference to the financial statements were adequate and operating effectively

The details pertaining to adequacy of internal financial controls with reference to the Financial Statements pursuant to Rule 8 (5) (viii) of the Companies (Accounts) Rules, 2014 are included in Management Discussion & Analysis, which forms part of this report.

**15. Board & Committee Meetings****a) Board Meeting**

During the financial year 2019-20, total Five (5) Board Meetings were held on 29<sup>th</sup> May, 2019; 13<sup>th</sup> August, 2019; 28<sup>th</sup> September, 2019; 11<sup>th</sup> November, 2019; 13<sup>th</sup> February, 2020. The intervening gap between the Meetings was within the period prescribed under the Companies Act,2013.

**Attendance:**

Name of the Director	Category	Number of Board Meeting Attended	Attended Last AGM
Mrs. Premlata Purohit	Non executive Chairman, Independent Director	5	Yes
Mr. Kamal Agarwal	Managing Director and CEO	5	Yes
Mr. A.B. Sharma	Independent Director	3	Yes
Mr. Ramamurthy Shetty Guruvai *	Non-Executive Director	2	Not Applicable
Mr. Gopal Vyas**	Additional Non-Executive Independent Director	3	Absent

\* Mr. Ramamurthy Shetty appointed w.e.f. 28.09.2019

\*\* Mr. Gopal Vyas has ceased to become the directors as his not regularized in AGM

**b) Audit Committee Meeting:**

During the financial year 2019-20, total Five (5) Board Meetings were held on 29<sup>th</sup> May, 2019; 13<sup>th</sup> August, 2019; 28<sup>th</sup> September, 2019; 11<sup>th</sup> November, 2019; 13<sup>th</sup> February, 2020.

The Board has well-qualified Audit Committee with majority of Independent Directors including

Chairman. They possess sound knowledge on Accounts, Audit, Finance, Taxation, Internal Controls etc. The details of the Composition of the Audit Committee during the financial year 2019-2020 are as follows:

**Chairman: Premlata Purohit**

**Members: A.B. Sharma**

**Ramamurthy Shetty w.e.f. 28 09.2019**

**Attendance:**

Name of the Director	Category	Number of Board Meeting Attended	Attended Last AGM
Mrs. Premlata Purohit	Independent Director	2	Yes
Mr. A.B. Sharma	Independent Director	2	Yes
Mr. Kamal Agarwal	Non-Executive Director	4	Yes
Mr. Gopal Vyas*	Additional Non- Executive Independent Director	2	Absent

\* Mr. Gopal Vyas has ceased to be the director due to non regularization in AGM w.e.f. 28.09.2019

**(a) TERMS OF REFERENCE:**

The terms of reference of the Audit Committee inter alia include the following:

The recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.

i. Review and monitor the Auditors Independence and performance, and effectiveness of Audit process.

ii. Examination of the financial statement and Auditors Report thereon.

iii. Approval or any subsequent modification of transaction of the Company with related parties.

Provided that the Audit Committee may make Omnibus Approval for related party transactions proposed to be entered into by the Company subject to such consultations as may be prescribed.

iv. Scrutiny of Corporate Loans and Investments.

v. Valuation of undertakings or assets of the Company wherever it is necessary.

vi. Evaluation of internal financial controls and risk management system.

vii. Monitoring the end use of funds raised through public offers and related matters.

viii. Calling for the Comments of the Auditors about internal control system, the scope of Audit, including the observations of the Auditors and review of Financial Statements before their submission to the Board and may also discuss any related issues with the Internal and Statutory Auditors and Management of the Company. Authority to investigate into any matter in relation to the item specified from (i) to (ix) above or referred to it by the Board

**(b) FUNCTION:**

The Audit Committee, while reviewing the Annual Financial Statement also review the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standard as applicable to the Company has been ensured in the preparation of the Financial Statement for the year ended 31st March, 2020. Besides the above Chairman and Managing Director, Whole-Time Director, Chief Financial Officer, Business heads of the Company divisions and the representatives of the Statutory Auditors are permanent invitees of the Audit Committee Meetings.

The Audit Committee also oversees and reviews the functioning of Vigil Mechanism (implemented in the Company as a Risk Management Policy and Whistle Blower Policy) and review the finding of investigation in the cases of material nature and the action taken in respect thereof.

**c) Nomination & Remuneration Committee Meeting:**

During the Financial Year 2019-20, total two (1) Nomination & Remuneration Committee Meeting was held on 28th September 2019 and 11<sup>th</sup> November, 2019

The Company has constituted Nomination & Remuneration Committee. The details of the Composition of the Nomination & Remuneration Committee are as follows:

**Chairman: Mr. Ramamurthy Shetty Guruvai**

**Members: Mr. A.B.Sharma  
Mrs. Premlata Purohit**

**Attendance:**

<b>Name of the Director</b>	<b>Category</b>	<b>Number of Board Meeting Attended</b>	<b>Attended Last AGM</b>
Mr. Ramamurthy Shetty Guruvai*	Non-Executive Director	1	N.A.
Mr. A.B. Sharma	Independent Director	1	Yes
Mrs. Premlata Purohit	Independent Director	2	Yes
Mr. Gopal Vyas**	Additional Non	1	Yes

- **\*Mr. Ramamurthy Shetty Gurvai W.e.f.28.09.2019**
- **\*\* Mr. Gopal Vyas has ceased to be the director as his candidature was not proposed for regularization in AGM w.e.f. 28.09.2020.**
- **\* Premlata purohit resigned as chairman of NRC w.e.f. 1.04.2019 and appointed as member of committee.**

**(a) TERMS OF REFERENCE:**

The Committees composition meets with requirements of Section 178 of the Companies Act, 2013.

The terms of reference of the Committee inter alia, includes the following:

1. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria let down and to recommend to the Board their appointment and removal and shall carry out evaluation of every Directors performance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Directors and recommend to the Board a Policy relating to the remuneration for the Directors, Key Managerial Personnel and other Employees.
3. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retained motivate Directors of the quality required to run the Company successfully.
4. To ensure that relationship of remuneration to performance is clear and meets appropriate Performance benchmark.
5. To ensure that remuneration to Directors, Key Managerial Personnel and Senior Management involves balance between fixed and incentive pay reflecting short term and long term performance objectives appropriate to the working of the Company and its goals.



**(d)STAKEHOLDERS RELATIONSHIP COMMITTEE:**

In pursuant to the provisions of Section 178 (5), the Stakeholders' Relationship Committee has been formed by the Company comprises of three Directors, Mr. Ramamurthy Shetty being the Chairman of the Committee. During the Financial Year 2019-20, total two (1) Nomination & Remuneration Committee Meeting was held on 29th May 2019 and 11<sup>th</sup> November, 2019.

**Terms of Reference:**

- a) looking into the Investors complaints on transfer and transmission of shares,
- b) issue of duplicate share certificates,
- c) non receipt of Balance Sheet, etc.
- d) to ensure expeditious share transfer process.
- e) Review of measures taken for effective exercise of voting rights by shareholders;
- f) Review of adherence to the service standards adopted in respect of various services being rendered by Registrar & Share Transfer Agents;
- g) Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company and
- h) Such other functions/duties as may be entrusted by the Board from time to time.

M/s. Adroit Corporate Service Pvt. Limited is the Registrar and Transfer Agent of the Company and the committee oversees the performance of the Registrar and Transfer Agent and recommends major for overall improvement in the quality of investor services.

**Composition and Attendance**

**Chairman : Ramamurthy Shetty Guruvai w.e.f. 28.09.2019**

**Members : Arvind Sharma**

**Premlata Purohit**

<b>Name of the Director</b>	<b>Category</b>	<b>Number of Board Meeting Attended</b>	<b>Attended Last AGM</b>
Mr. Ramamurthy Shetty Guruvai*	Non-Executive Director	1	N.A.
Mr. A.B. Sharma	Independent Director	1	Yes
Mrs. Premlata Purohit	Independent Director	2	Yes
Mr. Gopal Vyas**	Additional Non-Executive Director	1	Yes

Chairman of the Stakeholders Relationship Committee is Non-Executive Director. Continuous efforts are made to ensure that grievances, if any, are more expeditiously redressed to the complete satisfaction of the investors.

The Committee specifically look into the redressal of grievances of Shareholders. The committee

considers and resolves the grievances of the Share holders of the Company including complaints related to Transfer of shares, Non -receipt of Annual Reports, issue of duplicate share certificates, transmission of shares and other shareholder related queries, complaints, etc. No application for share transfers was pending as on 31 st March, 2019.

In addition to above, this Committee is also empowered to oversee administrative matters like opening / closure of Company's Bank accounts, grant and revocation of general, specific and banking powers of attorney and other administrative matters as delegated by Board from time to time.

#### **Name and Designation of Compliance Officer:**

Mrs. Ishita Sanghavi, Company Secretary, has been appointed as the Compliance Officer, as required under Regulation 6 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). She has been entrusted the task of overseeing the Share Transfer work done by the Registrars and Share Transfer Agents and attending to grievances of the Shareholders and Investors intimated to the Company directly or through SEBI and Stock Exchanges. All complaints / grievances have been duly intimated to exchange under Regulation 13 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company attends to the Investor's grievances / correspondence expeditiously except in the case that are constrained by dispute or legal impediments.

a.	No. of Shareholders complaints received during the year	01
b.	No. of complaints not resolved to the satisfaction of the shareholders.	01
c.	No. of pending share transfers as on March 31, 2020	0

## **16. Matters Related To Directors and Key Managerial Personnel**

### **a. Board of Directors**

- During the year 2019-20, Board of Directors met Five Times viz. on 29<sup>th</sup> May, 2019; 13<sup>th</sup> August, 2019; 28<sup>th</sup> September, 2019; 11<sup>th</sup> November, 2019; 13<sup>th</sup> February, 2020. The intervening gap between any two Meetings was within the period prescribed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- Mr. Gopal Vyas (DIN 06553107) was appointed as Additional Director in terms of section 161 of the Companies Act. w.e.f 13<sup>th</sup> November, 2018 and was to hold office up to date of Annual General Meeting held on 28<sup>th</sup> September, 2019, since his candidature was not proposed for regularization, accordingly, Mr. Gopal Vyas, ceased to be the Director of the Company with effect from conclusion of AGM held on 28<sup>th</sup> September, 2019.

Further note that any of the Directors or Company Secretary be and are hereby severally authorized to sign the requisite forms/documents and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to given effect.

- Mr. Ramamurthy Shetty Guruvai has been appointed as the additional Directors (Non- Executive) with effect from 28<sup>th</sup> September, 2019. The appointment is for a period of 5 years subject to approval of Shareholders, which is being included in the notice of the Annual General Meeting.
- Mr. Arvind Sharma, an Independent Director of the Company on account of his professional commitments has tendered his resignation with effect

from<sup>31st</sup>August,2019.

The Board places on record its appreciation for the invaluable services rendered by Mr. Arvind Sharma to the Board and Company during his tenure as member of the Board/Committees of the Board

- Mrs. Varsha Shah (DIN: 08856197) and has been appointed as the additional Independent Directors with effect from 31<sup>st</sup> August, 2020. The appointment is for a period of 5 years subject to approval of Shareholders, which is being included in the notice of the Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed both under the Act and SEBI (LODR), 2015 and there has been no change in the circumstances which may affect their status as Independent Directors during the year.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive director. The same was discussed in the Board meeting held subsequently to the meeting of the independent directors on 13<sup>th</sup> August, 2019, at which the performance of the Board, its Committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees for attending meetings of Board/Committee of the Company.

Independent Directors are familiarized with their roles, rights and responsibilities in the Company through induction programmes at the time of their appointment as Directors and through presentations made to them from time to time. The details of familiarization programmes conducted have been hosted on the website of the Company and can be accessed at [www.hitkitglobal.com](http://www.hitkitglobal.com)

## **b. Key Managerial Personnel:**

### **i. Appointment:**

There were no Appointments throughout the Year 2019-20.

### **ii. Resignation:**

Mrs. Ishita Shah, Company Secretary of the Company on account of his professional commitments has tendered her resignation with effect from 03<sup>th</sup> August, 2019.

The Board places on record its appreciation for the invaluable services rendered by Mrs. Ishita Shah to the Board and Company during his tenure as Company Secretary and Compliance Officer of the Company

## **17. Material changes and commitments affecting the financial position of the Company**

During the financial year 2019-20, there was no any significant material change or

commitment affecting the financial position of the Company.

## **18. Directors' Responsibility Statement**

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

- a. in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2020 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2020 and of the profit and loss of the company for that period
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis.
- e. the directors, had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively.
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **19. Audit Committee**

The Audit Committee of the Board pursuant to Section 177(2) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 consist of Three Directors and all are Independent Directors and constitutes majority.

## **20. Nomination and Remuneration Committee**

The Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and recommend to the Board of a policy, relating to the remuneration for the directors, key managerial personnel and other employees has been attached as Annexure 4 to this report

## **21. Presentation of Financial Results**

The financial results of the Company for the year ended 31<sup>st</sup> March, 2020 have been disclosed as per Schedule III to the Companies Act, 2013.

## **22. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo**

As your company is not engaged in manufacturing activities, the reporting requirement on these matters is not applicable and Foreign exchange earning & outgo during the year is NIL

**23. Secretarial Standard of ICSI**

Pursuant to the approval given on 10 April 2015 by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from 1 July 2015. The Company is in compliance with the same.

**24. Risk Management Policy:**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors.

**25. Corporate Social Responsibility:**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

**26. Board Evaluation**

- i. Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR), 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually, as well as, the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders Relationship Committees.
- ii. The performance of the Board was evaluated by the Board after seeking feedback from all the Directors on the basis of the parameters/criteria, such as, degree of fulfillment of key responsibility by the Board, Board Structures and Composition, establishment and delineation of responsibilities to the Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics and quality of relationship between the Board and the Management.
- iii. The performance of the committees viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility and Stakeholders Relationship Committee was evaluated by the Board after seeking feedback from Committee members on the basis of parameters/criteria such as degree of fulfillment of key responsibilities, adequacy of committee composition, effectiveness of meetings, committee dynamics and, quality of relationship of the committee with the Board and the Management.
- iv. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of self- assessment questionnaire and feedback/inputs from other Directors (without the concerned director being present).
- v. In a separate meeting of Independent Directors, the performance of Non-Independent Directors of the Board as a whole and the performance of the Chairman were evaluated.

**27. Policies of the Company**

Your Company has posted the following documents on its website [www.hitkitglobal.com](http://www.hitkitglobal.com).

- i. Code of Conduct and Ethics
- ii. Whistle Blower Policy (Vigil Mechanism)
- iii. Related Party Transaction Policy
- iv. Familiarization Programme for the benefit of the Independent Directors
- v. Nomination and Remuneration Policy
- vi. Policy for determining materiality of events
- vii. Policy for determining “material subsidiary” of the company

## 28. Significant and Material Orders Passed by Regulators or Courts or Tribunals:

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

## 29. Auditors of the Company

### a. Statutory Auditor

Pursuant to the provisions of Section 139 of the Companies Act, 2013, at 30th Annual General Meeting held on 29th September, 2018 the Members approved appointment of M/s. B.M. Gattani & Co., Chartered Accountants, (FRN:-113536W) as Statutory Auditors of the Company to hold office until the conclusion of the 35th Annual General Meeting,

There are no qualifications, reservations or adverse remarks made by the statutory auditors in their audit reports on the financial statements for the year ended March 31, 2020.

### b. Secretarial Auditor

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Rules made thereunder the Company has appointed, M/s. Monika Thanvi & Associates (membership number: 31494) Practicing Company Secretary, to undertake the secretarial audit of the Company. Secretarial Audit Report for the year 2019-20 given by Mrs. Monika Thanvi in the prescribed form MR-3 as **ANNEXURE-1** to this Report.

There are qualifications, reservations or adverse remarks or disclaimers made by M/s. Monika Thanvi & Associates, Company Secretary in Practice, in secretarial audit report and compliance report are replied below:

Observation	Reply by management
<ul style="list-style-type: none"> <li>Mr. Arvind B Sharma, Independent Director of the Company has not complied with Rule 12A of Companies (Appointment and Qualification of Directors) Amendment Rules, 2018 and his DIN stands deactivated due to non filing of web KYC w.e.f. 30.9.2019.</li> </ul>	<p>Due to his old age and health issues he was intending to resign the Company and thereafter resigned w.e.f. 31.08.2020</p>
<ul style="list-style-type: none"> <li>Regarding Lease Agreement for Monsoon Lake is</li> </ul>	<p>The Monsoon Lake was</p>

<p>yet to be registered with Sub Registrar of Assurances in terms of the Registration Act, 1908 and Transfer of Property act, 1882.</p>	<p>scheduled for commencement of operations in the forthcoming monsoon season beginning from June 2020, but due to outbreak of pandemic COVID 19 in the month of March 2020, the Trial Run of the Monsoon Lake was not feasible under the lockdown restrictions. Consequently as per the Term Sheet, the Company has charged penal interest @ 20%p.a for the delay and earned Other Income of Rs.17.99 Lakhs.</p>
<ul style="list-style-type: none"> <li>The Company has missed to file information of change in directorate on BSE within 24 hours of happening of material information in terms of LODR 30 for appointment of Premlata Purohit as Designated Non Executive Chairman of the Company w.e.f. 1.04.2019.</li> </ul>	<p>Inadvertent Delay</p>
<ul style="list-style-type: none"> <li>Company has delayed in filing Shareholding pattern under LODR 31, Statement of Investor complaints under LODR 13(3) , Compliance certificate under LODR 7(3) and Certificate under LODR 40(9) for Quarter and half year ended 31.03.2020 respectively.</li> <li>The Company has delayed in filing Regulation 76 under SEBI (Depositories and participants) Regulations, 2018.</li> </ul>	<p>Due to Covid-19 Pandemic and non availability of staff, Company made inadvertent delays in filing.</p>
<ul style="list-style-type: none"> <li>The Company has delayed in publishing of Advertisement in newspaper for the notice of AGM to be held on 28.09.2019 and Board meetings dated 13.08.19 ,11.11.2019 and 13.02.2020 for approval of quarterly accounts and were not published simultaneously with the intimation made to the exchange as per LODR 47(3).</li> <li>The Company has made delay in System Driven Disclosures to the depositories as per circular SEBI/HO/CFD/DCR1/CIR/P/2018/85 dated May 28, 2018.</li> </ul>	<p>Inadvertent delay</p>

**c. Internal Auditor**

Pursuant to Section 138 of Companies Act, 2019 and on the recommendation of Audit Committee, the Board of Directors in its meeting held on 30<sup>th</sup> March, 2019 appointed M/s. Motilal & Associates, Chartered Accountants as Internal Auditor of the Company for conducting internal audit for the year 2019-20 and lay down report in meeting of Audit Committee and Board of Directors at such interval as committee or Board deems fit as the case may be.

**26. Details in respect of frauds reported by auditors under section 143(12):**

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

**27. Extract of Annual Return**

The Extract of Annual Return in Form MGT-9 pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached as **ANNEXURE-1** to this Report.

**28. Corporate Governance Report**

Clause 49 of the erstwhile Listing agreement and Regulations 17 to 27 and Clauses (b) to (i) of sub regulation (2) of regulation 46 and paras C, D and E of Schedule V of the SEBI (LODR) Regulations, 2015 are not applicable to the Company as the paid up Share Capital of the Company is less than 10 Crores and its Net Worth does not exceed 25 Crores as on 31st March, 2020. Hence, the Corporate Governance Report is not included in this Report.

**29. Prevention of Sexual Harassment of Women at Workplace:**

The Company has in place the “Policy on Prevention of Sexual Harassment at the Workplace” in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaints were received by the Committee for Redressal.

**30. Management’s Discussion and Analysis Statement**

The Management Discussion and Analysis for the year 2019-20, as required under SEBI (LODR) Regulations, 2015, are given in separate section forming part of the Annual Report.

**31. Statutory Disclosures**

Details as required under the provisions of section 197(12) of the Companies Act, 2013, read with rule 5(1), rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as “**ANNEXURE 3**” to this Report.

Remuneration paid to all the employees including key managerial personal are paid as per the remuneration policy formulated by the company and approved by the Board.

**32. Green Initiatives**

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the notice of 32<sup>nd</sup> Annual General Meeting of



the Company are sent to all members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their email addresses physical copies are sent through the permitted mode.

### **33.Cautionary Statement**

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply, input costs, availability, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

### **34.Acknowledgements**

The Board of directors' places on record its sincere appreciation for the dedicated efforts put in by all employees, their commitment and contribution at all levels, in most difficult and challenging environment during the year. Your Directors would like to record their sincere appreciation for the support and co-operation that your Company received from business associate and other strategic partners of the company.

Your Directors wish to place on record their sincere appreciation and thanks for the valuable co-operation and support received from the Registrar of Companies, Maharashtra, Regional Director, Western Region, Ministry of Company Affairs, Stakeholders, Company's bankers, financial institutions, Regulatory Authorities, Stock Exchanges and shareholders at large and look forward to the same in greater measure in the coming year.

On behalf of the Board

Place: Mumbai,

Date: August 31, 2020

For Hit Kit Global Solutions Limited

sd/-

Kamal Agrawal  
Managing Director

sd/-

Premlata Purohit  
Non -Executive Chairman

**Annexure-1**

**FORM NO. MR - 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2020**

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

**To,**  
**The Members,**  
**M/S. HIT KIT GLOBAL SOLUTIONS LTD.**

55, Tirupati Plaza, 1st Floor, S V Road, Santacruz (W),  
Tirupati Shopping Centre Premises Co-Op Soc. Ltd.,  
Mumbai: 400054

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hit Kit Global Solutions 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, minute books, forms and returns filed 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 complied with the statutory provisions of the applicable acts 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
2. 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. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. 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;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the audit period)**

- e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the audit period)**
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the company during the audit period)**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)**and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the audit period)**

The management has identified and confirmed the following laws as specifically applicable to the Company:

1. Income Tax Act,1961.
2. The Equal Remuneration Act,1976.
3. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act,2013.
4. The Bombay Shops & Establishment Act,1948.
5. The Professional Tax Act,1975.
6. The Negotiable Instrument Act,1881
7. The Information Technology Act,2000
8. The Indian Contract Act,1872
9. The Sale of Goods Act,1930.
- 10.The Registration Act,1908
- 11.Transfer of Property act,1882

Apart from the general Laws, there were no specific Laws applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards notified by The Institute of Company Secretaries of India;
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

**During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations/Qualifications :-**

- *Mr. Arvind B Sharma, Independent Director of the Company has not complied with Rule 12A of Companies(Appointment and Qualification of Directors) Amendment Rules, 2018 and his DIN stands deactivated due to non filing of web KYC w.e.f. 30.9.2019.*
- *Regarding Lease Agreement of Monsoon Lake with M/s Aambey Valley Mountains Private Limited dated 27th October, 2018 is not registered till date with Sub Registrar of Assurances in terms of the Registration Act, 1908 and Transfer of Property act,1882.*
- *Pursuant to the Final Order From the SEBI dated 21.05.2018 directing BSE to conduct a Forensic Audit on the Company, Forensic Auditors were appointed by SEBI and the Company has submitted necessary information required by Forensic Auditor on time. No further orders have been received by the Company in the said matter till date.*
- *The Company has not filed the information of change in directorate on BSE within 24 hours of happening of material information in terms of LODR 30 for appointment of Premlata Purohit as Designated Non-Executive Chairman of the Company w.e.f.1.04.2019.*
- *Company has delayed in filing Shareholding pattern under LODR 31, Statement of Investor complaints under LODR 13(3) ,compliance certificate under LODR 7(3) and Certificate under LODR 40(9) for Quarter and half year ended 31.03.2020 respectively.*
- *The Company has delayed in filing Regulation 76 under SEBI (Depositories and participants) Regulations,2018.*
- *The Company has delayed in publishing in Newspaper, the notice of AGM to be held on 28.09.2019 and Board meetings dated 13.08.19 ,11.11.2019 and 13.02.2020 for approval of accounts of June, September and December quarters respectively, were not published simultaneously with the intimation made to the BSE as per LODR47(3).*
- *The Company has made delay in System Driven Disclosures to the depositories as per circular SEBI/HO/CFD/DCR1/CIR/P/2018/85 dated May 28,2018.*

*Further In terms of of Rule 2(A) of Companies (Significant Beneficial Owner) Amendment Rules, 2019, the Company has received the information from the probable Significant Beneficial Owners in revert of BEN 4 issued, that they are not the SBO of the Company in any manner. Wherever received the declaration in Ben 1, the Company has filed the same in E-Form Ben 2 with MCA within the given timelines.*

#### **I Further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors, Independent Directors and a Woman Director. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions are carried out unanimously at Board Meetings and Committee Meetings and recorded in the minutes of the meeting of the Board of Directors or Committees of the Board, as the case maybe.

I further 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.

I further report that during the year under report, the company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above.

**Place: Mumbai**  
**Date:31.08.2020**

**For Monika Thanvi & Associates**  
**Company Secretaries**

**Sd/-**

**CS Monika Thanvi**  
**Proprietor**

**M. No. ACS 31494**

**C. P. No.11567**

**UDIN : A031494B000618575**

**ANNEXURE**

**To,  
The Members,  
M/S. HIT KIT GLOBAL SOLUTIONS LTD.**

55, Tirupati Plaza, 1st Floor, S V Road, Santacruz (W),  
Tirupati Shopping Centre Premises Co-Op Soc. Ltd.,  
Mumbai: 400054

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. 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 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.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. 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 Monika Thanvi & Associates  
Company Secretaries**

**Sd/-**

**Place: Mumbai  
Date: 31<sup>st</sup> August, 2020**

**CS Monika Thanvi  
Proprietor  
M. No. ACS31494  
C. P. No.11567**

## Annexure to the Directors Report

**Annexure 2**

## Form AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "A": Subsidiaries-

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	Detail
1	No Subsidiary	N.A.

## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Joint Venture which is yet to commence operations:

Name of Joint Venture	Engineers India Associates (A.O.P)
1. Latest audited Balance Sheet Date	31.03.2020 (Un-audited)
2. Shares of Joint Venture held by the company on the year end	It is an A.O.P thus Not Applicable
Amount of Investment in Joint Venture	Rs. 3.92 cr.
Extent of Holding%	40%
3. Description of how there is significant Influence	Having 40% stake in Joint Venture
4. Reason why the joint venture is not consolidated	As Company exercises Joint Control as per Ind AS 111 in Joint Venture. Joint Venture has not commenced its Operations
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 3.92 cr.
6. Profit/Loss for the year	
i. Considered in Consolidation	Nil

On behalf of the Board  
For Hit Kit Global Solutions Limited

Place: Mumbai,  
Date: August 31, 2020.

sd/-  
Kamal Agrawal  
Managing Director

sd/-  
Premlata Purohit  
Non Executive Chairman

## Annexure 3

**PARTICULARS OF EMPLOYEES**

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules ,2014 are given below:

a. The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year :

Non Executive Director	Ratio to Median Remuneration
Not applicable as company has not paid any remuneration to any Director	

Executive Director	Ratio to Median Remuneration
Not applicable as company has not paid any remuneration to any Director	

c. The percentage increase in the median remuneration of employees in the financial year: NIL

d. The number of permanent employees on the role of Company three (3) as on 31.03.2020.

e. Justification of increase in managerial remuneration with that increase in remuneration of employees: There is no increase managerial remuneration

f. Remuneration paid to all the employees including key managerial personal are paid as per the remuneration policy formulated by the company and approved by the Board.

I, Kamal Agawal , Director of the Company hereby affirm that all the employees including Key Managerial Personnel are paid remuneration as per the remuneration policy of the company and approved by the Board.

The statement containing particulars of employees as required under section 197 (12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules ,2014: Not Applicable

By Order of the Board  
For Hit Kit Global Solutions Limited  
sd/-  
Kamal Agrawal  
Managing Director

Place: Mumbai,  
Date: August 31, 2020



## Annexure 4

**NOMINATION AND REMUNERATION POLICY**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (LODR) Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

**Definitions:**

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him/her and includes perquisites as defined under the Income - tax Act, 1961;

“Key Managerial Personnel” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

**Objective:**

The objective of the policy is to ensure that;

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long - term performance objectives appropriate to the working of the company and its goals.

**Role of the Committee:**

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size, Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

## APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he /she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole- time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

## TERM / TENURE

- a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re appointment shall be made earlier than one year before the expiry of term.

- b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re -appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

## EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

## REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

## RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **POLICY FOR REMUNERATION TO DIRECTORS / KMP / SENIOR MANAGEMENT PERSONNEL**

### 1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole -time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration t o Managing Director / Whole-time Directors.

### 2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 20 13. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013 shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case maybe.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i) The Services are rendered by such Director in his capacity as the professional;and
  - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

### 3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay may include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time totime.

d) The Incentive pay may be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

#### IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

## Annexure 5

**The Extract of the Annual Return in form MGT-9**

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	L70100MH1988PLC049929
Registration Date	06th December, 1988
Name of the Company	Hit Kit Global Solutions Ltd.
Category/Sub-category of the Company	Company Limited by shares Indian Non-Government Company
Address of the Registered office & contact details	55, Tirupati Plaza, 1st Floor, Tirupati Shopping Centre Premises Co-Op. Society Ltd., S V Road, Santacruz (W), Mumbai 400 054
Contact details	Tel no. 91-22- 6561 4984, Fax : 91-22- 2600 2894 E-mail address: <a href="mailto:info@hitkitglobal.com">info@hitkitglobal.com</a> Website: <a href="http://www.hitkitglobal.com">www.hitkitglobal.com</a>
Whether listed Company	Yes, Listed on BSE Ltd
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Adroit Corporate Service Pvt. Limited 19, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai – 400 059.

**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)**

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Retail sale of fresh Vegetables	5220	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1	-	-	-

**IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

Category of shareholder s	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoter									

<b>s</b>									
<b>(1) Indian</b>									
a) Individual /H UF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	44,14,184	-	44,14,184	11.93	44,14,184	-	44,14,184	11.93	
e) Banks / FI	-	-	-	-	-	-	-	-	
f) Any Other....	-	-	-	-	-	-	-	-	
<b>Sub-total (A) (1)</b>	<b>44,14,184</b>	<b>-</b>	<b>44,14,184</b>	<b>11.93</b>	<b>44,14,184</b>	<b>-</b>	<b>44,14,184</b>	<b>11.93</b>	
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)/(1)+(A)/(2)</b>	<b>44,14,184</b>	<b>-</b>	<b>44,14,184</b>	<b>11.93</b>	<b>44,14,184</b>	<b>-</b>	<b>44,14,184</b>	<b>11.93</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	2000	-	2000	0.01	2000	-	2000	0.01	0.00

c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	<b>2000</b>	-	<b>2000</b>	<b>0.01</b>	<b>0.01</b>
<b>2. Non-Institutions</b>									
Bodies Corporate									
i) Indian	72,58,910	-	72,58,910	19.62	71,37,413	-	71,37,413	19.29	-0.33
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	154,96,049	21,252	155,17,301	41.94	155,45,616	21,252	155,66,868	42.07	0.13
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	95,24,938	-	95,24,938	25.74	95,96,918	-	95,96,918	25.94	0.19
c) Others (specify)									

Clearing Member	50	-	50	-	-	-	-	-	-
Non Resident Indians	2,82,617	-	2,82,617	0.76	2,82,617	-	2,82,617	0.76	0.00
<b>Sub-total (B)(2):</b>	<b>3,25,62,564</b>	<b>21,252</b>	<b>3,25,83,816</b>	<b>88.06</b>	<b>3,25,62,564</b>	<b>21,252</b>	<b>3,25,83,816</b>	<b>88.06</b>	0.00
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>3,25,64,564</b>	<b>21,252</b>	<b>3,25,85,816</b>	<b>88.07</b>	<b>3,25,64,564</b>	<b>21,252</b>	<b>3,25,85,816</b>	<b>88.07</b>	0.01
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>3,69,78,748</b>	<b>21,252</b>	<b>3,70,00,000</b>	<b>100.00</b>	<b>3,69,78,748</b>	<b>21,252</b>	<b>3,70,00,000</b>	<b>100.00</b>	-

## (i) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the year			% Change in share holding during the year
	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	
WebnetInfoways Ltd	44,14,184	11.93	0	44,14,184	11.93	0	0.00

## ii) Change in Promoters' Shareholding (please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
WebnetInfoways Ltd	44,14,184	11.93	44,14,184	11.93
No Change During the year	-	-	-	-
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change During the year			
At the End of the year	44,14,184	11.93	44,14,184	11.93



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

	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1. Vora Constructions Ltd</b>				
At the beginning of the year	39,30,706	10.62	39,30,706	10.62
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
<b>At the End of the year</b>			39,30,706	10.62
<b>2. Glimmer Enterprises Pvt. Ltd.</b>				
At the beginning of the year	19,92,300	5.38	19,92,300	5.38
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year			19,92,300	5.38
<b>3. Prakash Bhoorchand Shah</b>				
At the beginning of the year	16,47,477	4.45	16,47,477	4.45
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year			16,47,477	4.45
<b>4. Rahul Jagannath Joshi</b>				
At the beginning of the year	11,08,992	3.00	11,08,992	3.00
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year			11,08,992	3.00
<b>5. Santosh S Goenka</b>				
At the beginning of the year	10,83,318	2.93	10,83,318	2.93
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year			10,83,318	2.93
<b>6. Rahul Jagannath Joshi (HUF)</b>				
At the beginning of the year	8,34,005	2.25	8,34,005	2.25

Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year			8,34,005	2.25
<b>7. Supriya Punit Agarwal</b>				
At the beginning of the year	7,01,727	1.90	7,01,727	1.90
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year			7,01,727	1.90
<b>8. Sunita Santosh Goenka</b>				
At the beginning of the year	4,87,254	1.32	4,87,254	1.32
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year			4,87,254	1.32
<b>9. Harmesh Rahul Joshi</b>				
At the beginning of the year	4,55,457	1.23	4,55,457	1.23
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year			4,55,457	1.23
<b>10. New Market Advisory Limited</b>				
At the beginning of the year	3,40,734	0.92	3,40,734	0.92
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year			3,40,734	0.92

(v) **Shareholding of Directors and Key Managerial Personnel:**

	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Mr. Kamal Agrawal (MD)</b>				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer	No Change During the year			

/bonus/ sweat equity etc):				
At the End of the year	0	0	0	0
<b>Mr. Arvind Sharma</b>				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	0	0	0	0
<b>Mr. Ramamurthy Shetty<sup>1</sup></b>				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	0	0	0	0
<b>Mrs. Premlata Purohit</b>				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	0	0	0	0
<b>Mrs. Varsha Shah<sup>2</sup></b>				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer	No Change During the year			

1. Appointed w.e.f. 28/09/2019

2. Appointed w.e.f. 31/08/2020

## V. Indebtedness:

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	-	-	-	-

<b>Change in Indebtedness during the financial year</b> • Addition • Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b> i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

## VI. Remuneration of Directors and Key Managerial Personnel

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Particulars of Remuneration	Mr. Kamal Agrawal	Total Amount
<b>Gross salary</b>	-	-
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
Stock Option	-	-
Sweat Equity	-	-
<b>Commission</b>	-	-
- as % of profit	-	-
- others	-	-
Others	-	-
Total (A)	-	-
Ceiling as per the Act	-	-

### B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors			
	Mr. Amit Khandelwal	Mr. Arvind Sharma	Mrs. Premlata Purohit*	Mr. Gopal Vyas*
• Independent Directors				
• Fee for attending board / • committee meetings	-	-	8000	-
• Commission	-	-	-	-
• Others	-	-	-	-
<b>Total (1)</b>	-	-	-	-
<b>Other Non-Executive Directors</b>				
• Fee for attending board / committee meetings	-	-	-	-
• Commission	-	-	-	-
• Others	-	-	-	-
<b>Total (2)</b>	-	-	-	-
<b>Total (B)=(1+2)</b>	-	-	-	-

<b>Total Managerial Remuneration</b>	-	-	-	-
<b>Overall Ceiling as per the Act</b>	-	-	-	-

### C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD

Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rs.)
	Company Secretary	Chief Financial Officer		
	Mrs. Ishita Sanghavi	Mr. Jeetendra Chanda		
Gross salary				
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,80,000	3,00,000		4,80,000
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-		-
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-		-
Stock Option	-	-		-
Sweat Equity	-	-		-
Commission	-	-		-
- as % of profit				
- others				
Others	-	-		-
Total				

### VII. Penalties / Punishment/ Compounding of Offences:

During the year there were no penalties, punishment, compounding charges paid by the Company

<b>Type</b>	<b>Section of the Companies Act</b>	<b>Brief Description</b>	<b>DetailsofPenalty/ Punishment/ Compounding fees imposed</b>	<b>Authority [RD/NCLT/ Court]</b>	<b>Appeal made, if any (give details)</b>
<b>A. Company</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. Directors</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. Other Officers in Default</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

## Management Discussion and Analysis ReportAnnexure 6

### Pursuant to Schedule V of the SEBI (LODR) Regulations, 2015

The communication straight from the management to the shareholders of the company giving them insights into the present business conditions of the company and its future potential and to give a bird's eye view about the entire business ecosystem of the company.

#### A. Industry structure and developments

##### Introduction:

Almost everything we use in our daily lives and the things we need for our house and for ourselves that are brought from the retail stores. Retailing in India is one of the important pillar of its economy and accounts for about 15 percent of its Gross Domestic Product. The Indian retail industry is the fifth largest in the world.

##### Meaning of "Retailing":

The word Retailing is defined as "The set of business activities that adds value to the products and services sold to consumers for their personal or family use". Retailing can be referred to all activities involved in marketing and distribution of goods and services.

Structure of the retail sale of vegetables and consumables in India:Three distinct types of retailing are carried on in India:

- 1.Sale by vegetable vendors – where vendors directly sell vegetables to the consumers catering to their locality which is falling under unorganized sector.
2. House to house selling - in which vegetable hawkers go to the homes of consumers.

Company has developed a concept of vegetable supply chain by procuring in bulk on daily basis the vegetables from APMC wholesale market, Vashi and selling them in smaller lots to vegetable vendors who directly sell vegetables to the consumers by catering to their locality across Mumbai. Company has a USP of a *unique supply chain of vegetables* in the unorganized sector.

- 3.E-Commerce – mail order selling in which various vegetables and consumables through internet marketing and home delivery to the consumers.

##### Economic outlook of Retail & Tourism

Looking at the economic growth of the Tourism Industry, the company continued to scale down the business operations of vegetable retail supply chain by consolidating the operations and are engaged in the development of Resort Project near Lonavala under the Joint Venture, having 40% stake, and the Joint Venture is making pursuit to obtain required permissions from forest department and Land Use approval for the resort project.

The Monsoon Lake was scheduled for commencement of operations in the forthcoming monsoon season beginning from June 2020, but due to outbreak of pandemic COVID 19 in the month of March 2020, the Trial Run of the Monsoon Lake was not feasible under the lockdown restrictions. Consequently as per the Term Sheet, the Company has charged penal interest @ 20%p.a for the delay and earned Other Income of Rs.17.99 Lakhs.

The ongoing pandemic, travel restrictions, and the country wide lockdown have brought the entire tourism industry to a standstill, and unlike other sectors, tourism will take longer to recover, especially leisure tourism.

## B. Future outlook postCovid-19

Covid-19 has been humanity's biggest disruptor of life and businesses is an understatement. In the context where the online and multi-channel impact were being seen across the world on physical retails including malls, the corona scare might become a game changer with regard to retail across the world. In short, the future is not easy to predict, even though a lot of reports about retail are doing the rounds.

**Supply chain and inventory impact:** While some of the categories would be affected by the inventory pile-up due to the lockdown, several other categories might end up running into severe supply issues and therefore stock out situations, as manufacturing is almost at a standstill for various categories.

**Working capital impact:** Retail is essentially about the fast rotation of working capital, which is inventory. Clearly the inventory status is going to affect this in a significant manner.

**Consumers behaviour effect:** Panic buying has been seen for essential products. However, essential products have various categories and the consumption of these is not uniform. Some of them might even see a spurt in sales while many categories might witness muted sales.

Tourism, which contributes 5.06 per cent in India's GDP is one such industry which has been ignored in this recovery. The sector also has strong forward and backward linkages to other sectors such as agriculture, transport, handloom, and FMCG to name a few. Disruptions in tourism sector will render many people in unemployed. The food and hospitality sector is already reeling under pressure from high fixed costs and no footfalls. FAITH, a policy federation of associations of tourism and hospitality industry has estimated a loss of Rs 10 lakh crore for the industry due to COVID-19. This will also impact inflow of foreign tourists, which means a drastic fall in foreign exchange earnings which was close to Rs 2,10,981 crore in Q1-Q3 2019. India is yet to address the concerns of the tourism sector.

## C. Financial Performance with respect to operational performance

The Company has prepared financial statements for the year ended March 31, 2020 in accordance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended till date) together with the comparative period data as at and for the year ended March 31, 2019.

### Revenue from Operation:

During the financial year 2019-20 the company earned Gross Revenue from operation of Rs. 17.79 Lakhs as against Gross Revenue from operation of Rs. 20.81 Lakhs during the financial year 2018-19.

### Other Income:

During the financial year under discussion the company earned Gross other income of Rs. 17.99 Lakhs as against Gross other income of Rs. 10.83 Lakhs during the financial year 2018-19.

### Expenditure:

Company has incurred total expenses of Rs. 34.78 Lakhs as against Rs. 33.94 Lakhs in the previous year.

**Total Comprehensive Income:**

The total comprehensive income of the company for the financial year under review was Rs. 1.02 Lakh as against Rs. (2.30) Lakhs during the previous financial year 2018-19.

**Shareholder's Fund**

Details Pertaining to the shareholder's fund of the Company are as follows:

Shareholder's Fund As on 31.09.2020 (INR)	Shareholder's Fund As on 31.09.2019 (INR)
INR 9,68,46,412	INR 9,67,44,125

**D. Opportunities and Threats**

An increasing number of Indian consumers are ascending the economic pyramid to form an emerging customer base. A large young working population with median age of 24 years, nuclear families in urban areas, along with increasing workingwomen population and emerging opportunities in the services sector are going to be the key factors in the growth of the organized Retail sector in India. The growth pattern in organized retailing and in the consumption made by the Indian population will follow a rising graph helping the newer businessmen to enter the India Retail Industry.

Lack of the infrastructure and guaranteed supply chain that most big retailers require, such as storage, transportation, warehousing and information systems, they have to build it themselves. This is a vulnerable area for retailers and there are many ways in which suppliers and distributors can abuse retailers.

The ongoing pandemic, travel restrictions, and the country wide lockdown have brought the entire tourism industry to a standstill, and unlike other sectors, tourism will take longer to recover, especially leisure tourism.

**E. Risk and Concern**

The decline in consumer spending is the greatest danger facing retail stores, as it has a material impact on cash flows, which in turn affects the day-to-day operations.

any shortcomings in consumer satisfaction may quickly impact reputation and hence its revenue.

Lack of goods to display is a sensitive issue for day-to-day operations and can result from a failure in the supply chain.

The ongoing pandemic, travel restrictions, and the country wide lockdown have brought the entire tourism industry to a standstill, and unlike other sectors, tourism will take longer to recover, especially leisure tourism.

**F. Internal Financial Control Systems and Adequacy**

Adequate internal controls, systems, and checks are in place, commensurate with the size of the Company and the nature of its business. The management exercises financial control on the Company's operations through monitoring and standard operating procedures.

**G. Cautionary Statement**

The above Management Discussion and Analysis contains certain forward looking statements within the meaning of applicable security laws and regulations. These pertain to the Company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating



to these statements include, but are not limited to, risks and uncertainties, regarding a fluctuations in earnings, our ability to manage growth, competition, economic growth in India, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, government policies and actions with respect to investments, fiscal deficits, regulation etc. In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward looking statements made from time to time on behalf of the Company.

## INDEPENDENT AUDITOR'S REPORT

To the Members of **HIT KIT GLOBAL SOLUTIONS LIMITED**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **HIT KIT GLOBAL SOLUTIONS LIMITED** ("the Company"), which comprises the balance sheet as at 31st March 2020, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit/loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 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 that there are no key audit matters to be communicated in the Auditor's Report.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the

assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 Matter**

The Company has not assessed and disclosed the economic and social consequences the entity is facing as a result of the pandemic COVID-19 on its operations, liquidity, etc. in the financial statements. SEBI vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 had issued an advisory on disclosure of material impact of COVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which is not complied with.

Our opinion 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 Companies Act, 2013, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015.

- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 over financial reporting 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 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 tous:
  - i. The Company does not have any pending litigations which would impact its financialposition.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B M Gattani & Co**  
**Chartered Accountants**  
Firm’s Registration No. 113536W

Sd/-

**Balmukund Gattani**  
**Proprietor**  
Membership No. 047066

**Place:** Mumbai  
**Date:**29<sup>th</sup> June.2020  
**UDIN:**20047066AAAACN6215

**ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT**

(Referred to in paragraph 1 under ‘ Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **HIT KIT GLOBAL SOLUTIONS LIMITED** of even date)

- (i) In respect of the Company’s fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification that, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds comprising all the immovable properties of land and buildings that are freehold, are held in the name of the Company as at the balance sheet date.
- (ii)
  - a) As explained to us the inventories have been physically verified by the management during the year at reasonable intervals.
  - b) On the basis of our examination, the Company has maintained proper records of inventories and no material discrepancies were noticed on physical verification and Records maintained by the Company. There is no inventory as on the Balance sheet date.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, clause (iii) of paragraph 3 of the Order is not applicable to the Company.
- (iv) In our opinion and according to information and explanations given to us, the Company has not advanced loans to Directors/Company in which the director is interested to which the provisions of Section 185 of the Companies Act, 2013 apply and hence not commented upon. Also, in our opinion and according to the information and explanation given to us, the Company has not made investment and given guarantee/provided security which falls under the purview of section 186 of the Companies Act, 2013 and hence not commented upon.
- (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 31st March, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

(vi) As per the information and explanation given to us, the maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company and hence not commented upon.

- a) The Company has generally been regular in depositing undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Sales-tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Sales tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues in arrears, as at March 31, 2020 for a period of more than six months from the date they became payable, except the following:

Name of the Statute	Nature of Dues	Period to which demand relates	Amount (in Rs.)	Remark
Income Tax Act, 1961	TDS Short Payment	FY 2018-19	116	Unpaid till date
	TDS Short Deduction	FY 2019-20	10,000	Unpaid till date
	TDS Interest on payment default u/s 201	Prior Years	8,673	Unpaid till date
	TDS Interest on payment default u/s 201	FY 2018-19	140	Unpaid till date
	TDS Interest on payment default u/s 201	FY 2019-20	862	Unpaid till date
	TDS Interest on deduction default u/s 201	FY 2019-20	1,100	Unpaid till date
	TDS Late filing fees u/s 234E	Prior Years	400	Unpaid till date
	TDS Late filing fees u/s 234E	FY 2017-18	200	Unpaid till date
	TDS Late filing fees u/s 234E	FY 2019-20	12,960	Unpaid till date
	TDS Interest u/s 220(2)	FY 2019-20	112	Unpaid till date
	Non Payment of TDS u/s 194C	AY 2015-16	7	Unpaid till date
	Non Payment of TDS u/s 194C	AY 2019-20	3,200	Unpaid till date
	Non Payment of TDS u/s 194J	AY 2018-19	4,000	Unpaid till date
	Non Payment of TDS u/s 194J	AY 2016-17	1	Unpaid till date
	Non Payment of TDS u/s 194J	AY 2015-16	3	Unpaid till date

	Outstanding Demands	AY 2006-07	70,525	AO notice u/s 143(1) dated 23/01/2008
	Outstanding Demand`s	AY 2007-08	240	CPC notice u/s 220(2) dated 31/01/2014
	Outstanding Demands	AY 2009-10	39,240	CPC notice u/s 143(1)(a) dated 29/12/2010
	Outstanding Demands	AY 2012-13	5,830	CPC notice u/s 143(1)(a) dated 31/05/2013
Professional Tax Act, 1975	Non Payment of Professional Tax	FY 2017-18	22,700	Unpaid till date
	Non Payment of Professional Tax	FY 2018-19	8,200	Unpaid till date

- b) There were no dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2020 on account of dispute.
- (vii) According to the information and explanations given to us, the Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- (viii) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company and hence, not commented upon.
- (ix) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (x) In our opinion and according to the information and explanations given to us, the Company has provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xi) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Consequently, provisions of clause 3(xii) of the Order are not applicable to the Company and hence, not commented upon.
- (xii) In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of related party



transactions have been disclosed in the Financial Statements, as required by the applicable accounting standards.

- (xiii) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting under clause 3 (xiv) are not applicable to the Company and hence, not commented upon.
- (xiv) According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B M Gattani & Co**  
**Chartered Accountants**  
(FRN: 113536W)

**Sd/-**

**Balmukund Gattani**  
**Proprietor**  
(M. No. 047066)

**Place :** Mumbai  
**Date :** 29<sup>th</sup> June, 2020

## **ANNEXURE“B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2(f) under Report on Other Legal and Regulatory Requirements section of our report to the members of **HIT KIT GLOBAL SOLUTIONS LIMITED** of even date)

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **HIT KIT GLOBAL SOLUTIONS 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B M Gattani & Co**  
**Chartered Accountants**  
(Firm Registration No. 113536W)

Sd/-

**Balmukund Gattani**  
**Proprietor**  
(M. No. 047066)

**Place :** Mumbai  
**Date :** 29<sup>th</sup> June, 2020

**HIT KIT GLOBAL SOLUTIONS LTD**  
**Balance Sheet for the year ended 31 March 2020**

(Amount in Rs.)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property, Plant and Equipment</b>	<b>1</b>	<b>4,93,10,080</b>	<b>4,93,28,460</b>
<b>Financial Assets</b>			
<b>i Investments</b>	<b>2</b>	<b>3,92,40,000</b>	<b>3,92,40,000</b>
<b>Deferred tax assets (net)</b>	<b>3</b>	<b>2,965</b>	<b>1,368</b>
<b>Other non-current assets</b>	<b>4</b>	<b>1,00,54,845</b>	<b>1,01,01,090</b>
<b>Current assets</b>			
<b>Financial Assets</b>			
<b>i Tradereceivables</b>	<b>5</b>	<b>27,50,000</b>	<b>10,00,000</b>
<b>ii Cash and cashequivalents</b>	<b>6</b>	<b>6,536</b>	<b>11,837</b>
<b>Other Current Assets</b>	<b>7</b>	<b>3,570</b>	<b>-</b>
<b>Total ASSETS</b>		<b>10,13,67,995</b>	<b>9,96,82,755</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Equity Share capital</b>	<b>8</b>	<b>7,40,00,000</b>	<b>7,40,00,000</b>
<b>Other Equity</b>	<b>9</b>	<b>2,28,46,412</b>	<b>2,27,44,125</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
<b>Other Non Current Liabilities</b>	<b>10</b>	<b>57,500</b>	<b>-</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
<b>i Tradepayables</b>	<b>11</b>	<b>23,60,276</b>	<b>17,10,030</b>
<b>Other current liabilities</b>	<b>12</b>	<b>20,97,810</b>	<b>10,04,504</b>
<b>Provisions</b>	<b>13</b>	<b>5,996</b>	<b>2,24,096</b>
<b>Total EQUITY AND LIABILITIES</b>		<b>10,13,67,995</b>	<b>9,96,82,755</b>
<div><div><div><b>For B. M. Gattani &amp; Co</b> <b>Chartered Accountants</b> <b>Firm Regn No. 113536W</b>  <b>sd/-</b> <b>Balmukund Gattani</b> <b>Proprietor</b> <b>Membership No. 047066</b>  <b>Date :29-06-2020</b> <b>Place:Mumbai</b></div><div><b>sd/</b> <b>(KamalAgrawal)</b> <b>ManagingDirector</b> <b>DIN:07646000</b></div><div><b>sd/-</b> <b>(Premlata Purohit)</b> <b>Non-executive Chairman</b> <b>DIN:07846020</b></div></div><div><div><b>sd/-</b> <b>(JeetendraChanda)</b> <b>ChiefFinancial Officer</b></div><div><b>sd/-</b> <b>(IshitaSanghavi)</b> <b>Company Secretary</b></div></div></div>			

**HIT KIT GLOBAL SOLUTIONS LTD****Statement of Profit and Loss for the year ended 31 March 2020****(Amount in Rs.)**

<b>Particulars</b>	<b>Note No</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
<b>I Revenue From Operations</b>	<b>14</b>	<b>7,79,129</b>	<b>20,81,441</b>
<b>II Other Income</b>	<b>15</b>	<b>17,99,940</b>	<b>10,83,000</b>
<b>III Total Income(I+II)</b>		<b>5,79,069</b>	<b>31,64,441</b>
<b>IV EXPENSES</b>			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade	<b>16</b>	<b>12,75,885</b>	<b>14,12,721</b>
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		-	-
Employee benefits expense	<b>17</b>	<b>6,04,600</b>	<b>4,10,000</b>
Finance costs	<b>18</b>	<b>8,337</b>	<b>6,478</b>
Depreciation and amortization expense	<b>1</b>	<b>18,380</b>	<b>18,380</b>
Other expenses	<b>19</b>	<b>5,71,175</b>	<b>15,46,597</b>
Total expenses (IV)		<b>4,78,377</b>	<b>33,94,176</b>
<b>V Profit/(loss) before exceptional items and tax(III-IV)</b>		<b>1,00,692</b>	<b>(2,29,735)</b>
<b>VI Exceptional Items</b>		<b>-</b>	<b>-</b>
<b>VII Profit/(loss) before tax(V-VI)</b>		<b>1,00,692</b>	<b>(2,29,735)</b>
<b>VIII Tax expense:</b>	<b>20</b>	<b>1,596</b>	<b>192</b>
(1) Current tax		-	-
(2) Deferred tax		<b>1,596</b>	<b>192</b>
(3) Excess/Short provision of tax		-	-
<b>IX Profit (Loss) for the period from continuing operations(VII-VIII)</b>		<b>1,02,288</b>	<b>2,29,543)</b>
<b>X Profit/(loss) from discontinued operations</b>		<b>-</b>	<b>-</b>
<b>XI Tax expense of discontinued operations</b>		<b>-</b>	<b>-</b>
<b>XII Profit/(loss) from Discontinued operations (after tax)(X-XI)</b>		<b>-</b>	<b>-</b>
<b>XIII Profit/(loss) for the period(IX+XII)</b>		<b>1,02,288</b>	<b>(2,29,543)</b>
<b>XIV Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>XV Total Comprehensive Income for the period(XIII+XIV)</b>		<b>1,02,288</b>	<b>(2,29,543)</b>
<b>(Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>			
<b>XVI Earnings per equity share (for continuing operation):</b>			
(1) Basic		<b>0.0028</b>	<b>(0.0062)</b>
(2) Diluted		<b>0.0028</b>	<b>(0.0062)</b>
<b>XVII Earnings per equity share (for discontinued operation):</b>			
(1) Basic		<b>-</b>	<b>-</b>
(2) Diluted		<b>-</b>	<b>-</b>
<b>XVIII Earnings per equity share(for discontinued&amp;continuing operations)</b>			
(1) Basic		<b>0.0028</b>	<b>{0.0062)</b>
(2) Diluted		<b>0.0028</b>	<b>(0.0062)</b>

**For B. M. Gattani&Co**  
**Chartered Accountants**

**Firm RegnNo.113536W**

**sd/-**

**BalmukundGattani**

**Proprietor**

**MembershipNo.047066**

**Date:29/06/2020**

**Place :Mumbai**

**On Behalf of the Board**  
**For HIT KIT GLOBAL SOLUTIONSLTD**

**(CINL70100MH1988PLC049929)**

**sd/-**

**(KamalAgrawal)**

**ManagingDirector**

**DIN:07646000**

**sd/-**

**(Jeetendra Chanda)**

**Chief Financial Officer**

**sd/-**

**(Premlata Purohit)**

**Non-executive Chairman**

**DIN: 07846020**

**sd/-**

**(IshitaSanghavi)**

**Company Secretary**

**HIT KIT GLOBAL SOLUTIONS LTD**  
**Cash Flow Statement for the year ended 31 March 2020**

<b>PARTICULARS</b>	<b>AS AT 31/03/2020</b>	<b>AS AT 31/03/2019</b>
<b>Cash flows from Operating Activities</b>		
Profit for the Year	1,00,692	(2,29,735)
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and Amortization	18,380	18,380
Interest Income	17,50,000	(10,00,000)
Finance costs	8,337	6,478
Operating profit / (loss) before working capital changes	(16,22,591)	12,04,877
Changes in assets and liabilities:		
Trade Receivables	17,50,000	10,00,000
Trade Payables	6,50,246	
Other non current Liabilities	57,500	
Other non current assets	46,245	(440)
Short term Provisions	(2,18,100)	2,21,840
Other Current Assets	(3,570)	
Other Current liabilities	10,93,306	2,596
Net Cash Generated From/ (Used in) operations	(17,46,964)	(19,80,881)
Tax paid (net of refunds)	-	-
Net Cash From/(Used in ) Operating Activities (A)	(17,46,964)	(19,80,881)
<b>Cash Flows from Investing Activities</b>		
Proceeds from disposal of fixed assets		
Purchase of Fixed Assets	-	
Investments	-	8,55,000
Interest Income	17,50,000	10,00,000
Net cash from/(Used in) Investing Activities (B)	17,50,000	18,55,000
<b>Cash flows from Financing Activities</b>		
Finance cost	(8,337)	(6,478)
Net cash from/(Used in) Financing Activities (C)	(8,337)	(6,478)
Increase in Cash and Cash Equivalents during the year (A+B+C)	(5,301)	(1,32,359)
Cash and Cash Equivalents at the beginning of the year	11,837	1,44,196
Cash and Cash Equivalents at the end of the year	6,536	11,837

**Note:**

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

**For B. M. Gattani & Co**  
**Chartered Accountants**  
**Firm Regn No. 113536W**  
**sd/-**

**Balmukund Gattani**  
**Partner**  
**Membership No. 047066**  
**Date : 29/06/2020**  
**Place: Mumbai**

**On Behalf of the Board**  
**For Hit Kit Global Solutions Limited**  
**(CIN: L70100MH1988PLC049929)**  
**sd/-**

**(Kamal Agrawal)**  
**DIN: 07646000**  
**Managing Director**  
**sd/-**  
**(Jeetendra Chanda)**  
**Chief Financial Officer**

**(Premlata Purohit)**  
**DIN: 07846020**  
**Non Executive Chairman**  
**sd/-**  
**(Ishita Sanghavi)**  
**Company Secretary**

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

### **A. Company Overview:**

Hit Kit Global Solutions Ltd. (the 'Company') is a company limited by share, incorporated and domiciled in India with its registered office located at 5, Tirupati Plaza, 1st Floor, S V Road, Santacruz (W), Tirupati Shopping Centre Premises Co-Op Soc. Ltd. Mumbai 400054. The Company is engaged in the business of Retail Trading.

### **B. Basis Of Preparation & Measurement:**

These financial statements have been prepared in accordance with Indian Accounting standards ('Ind AS') notified by the Ministry of Corporate Affairs under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the relevant provisions of the Act.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss for the year ended 31 March 2020, the Statement of Cash Flows for the year ended 31 March 2020 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'financial statements').

These Financial Statements were approved by the Board of Directors and authorised for issue on 29<sup>th</sup> June, 2020.

The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest rupee, unless otherwise stated.

The financial statements have been prepared on an accrual system, based on the principle of going concern and under the historical cost convention, unless otherwise stated. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### **C. Accounting Estimates and Judgments:**

The preparation of financial statements in accordance with Ind AS requires management to make certain judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates, with the differences between the same being recognized in the period in which the results are known or materialize. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about areas involving a higher degree of judgment or complexity or critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities are included in the following notes:

The areas involving critical estimates or judgements are

- a. Impairment of Financial Assets such as Trade Receivable.
- b. Impairment of Non-Financial Assets.
- c. Estimates of Tax Expenses and Liability.
- d. Revenue recognitions.

Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

**D. Significant Accounting Policies:****1 Property Plant & Equipment:****(a) Initial Measurement & Recognition**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the assets to its working condition for its intended use with any trade discounts or rebates being deducted in arriving at purchase price. Cost of the assets also includes interest on borrowings attributable to acquisition, if any, of qualifying fixed assets incurred up to the date the asset is ready for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of Property, plant and equipment.

Cost of Property, plant and equipment not ready for intended use as on the balance sheet date, is disclosed as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under Other non-current Assets.

Any gain or loss on disposal of an item of property plant and equipment is recognized in statement of profit and loss.

**(b) Subsequent expenditure**

Subsequent costs are included in the asset's carrying recognized 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 repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

**(c) Depreciation:**

Depreciation is provided on the straight-line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 Depreciation on assets added/disposed off during the year is provided on pro-rata basis from the date of addition or up to the date of disposal, as applicable.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

**2 Cash and Cash Equivalents**

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

**3 Impairment of Non-Financial Assets:**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset maybe impaired. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the



present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Assessment is also done at each Balance Sheet date as to 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. An impairment loss recognised for goodwill is not reversed in subsequent periods.

#### **4 Financial Instruments:**

##### **(A) Financial Assets**

##### **Recognition and measurement**

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognized at fair value, in case of financial assets which are recognized at fair value through profit and loss (FVTPL), its transaction cost is recognized in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- Amortised cost
- Fair value through profit and loss(FVTPL)
- Fair value through other comprehensive income(FVOCI)

- (a) Measured at amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any, is recognized in the Statement of Profit and Loss.
- (b) Measured at fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.
- (c) Measured at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

##### **Trade Receivables and Loans:**

Trade receivables and loans are initially recognized at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

##### **Equity Instruments:**

Investments in equity instruments, if any, are classified under financial assets are initially measured at fair value.

### **Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

### **Impairment of Financial Assets**

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measure date an amount equal to life time expected losses i.e. expected cash short fall. The impairment losses and reversals are recognized in Statement of Profit and Loss, if any.

### **(B) Financial Liabilities:**

#### **Initial recognition and measurement**

**Financial liabilities are recognized 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 recognized at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest 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 is measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

### **Derecognition**

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

## **5 Revenue Recognition**

### **Sale of goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. In case of export sales, revenue is recognized as on the date of bill of lading, being the effective date of dispatch. Revenue from the sale of goods is measured at the value of the consideration received or receivable, net of returns and discounts and net of all taxes

## **6 Taxation:**

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest income/ expenses and penalties, if any, related to income tax are included in current tax expense.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is recognized using the tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

## **7 Provisions and Contingent Liabilities**

Provisions are recognized when the Company

- (a) has a present obligation (legal or constructive) as a result of a past event,
- (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and
- (c) a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## **8 Employee benefits/ Retirement Benefits:**

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

### **SHORT-TERM OBLIGATION:**

Short-term employee benefits like salaries, wages, bonus and welfare expenses payable wholly within twelve months of rendering the services are accrued in the year in which the associated services are rendered by the employees and are measured at the amounts expected to be paid when the liabilities are settled.

### **LONG-TERM OBLIGATION**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

### **DEFINED CONTRIBUTION PLANS**

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

## 9 Earnings PerShare

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, if any, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### **E. Other Notes To Accounts:**

- 1) In the opinion of the management, the current assets, loans and advances have the values on realization in the ordinary course of business at least equal to the amounts at which they are stated in the balance sheet, except for trade receivables and loans and advances which are covered under the management's policy in respect of bad and doubtful debts as taken in the previous years, if any.
- 2) Debit and Credit balances are subject to confirmation and reconciliation.
- 3) There are no dues to Micro, Small & Medium Enterprises as at Balance Sheet date and no interest has been paid to any such parties. This is based on the information on such parties identified on the basis of information available with the Company and relied upon by the auditors.

#### 4) Related Parties Disclosures

i. Promoters: Webnet Infoways Limited

ii. Joint Venture of the Company :  
Engineers India Associates

iii. Key Managerial Personnel:(KMP)

- Arvind Sharma (Re-appointed Independent Director as on28-09-2019)
- Mr. Ramamurthy Shetty (Appointed as Additional Non-Executive Non- Independent Director on28-09-2019)
- Mrs. Premlata Narendra Purohit (Additional Independent Woman Director) (appointed w.e.f. 13/11/2018)
- Gopal Vyas (Resigned on28-09-2019)
- Kamal Agarwal (Chief Executive Officer -CEO)
- Jitendra Chanda (Chief Financial Officer - CFO) (appointed w.e.f. 30/03/2019)
- Mrs. Ishita Shah (Company Secretary) appointed w.e.f 21st November 2018)

### **Details of Transactions with Related Parties:**

#### 1. Key Management Personnel Compensation

	Jitendra Chanda (CFO)	Mrs. Ishita Shah (CS)
Short-Term Employee Benefits	3,00,000 (NIL)	1,82,500 (NIL)
Post-Employment Benefits	Nil (Nil)	Nil (Nil)
Other Long-Term Benefits	Nil (Nil)	Nil (Nil)
Termination Benefits	Nil (Nil)	Nil (Nil)
Share-Based Payment	Nil (Nil)	Nil (Nil)
Total	3,00,000 (NIL)	1,82,500 (NIL)
Balance outstanding at the year end	1,23,900 (NIL)	75,000(NIL)

## 2. Details of Transactions with Related Parties:

Webnet Infoways Limited Promoter

Reimbursement of Expenses: Rs. 49,005/-  
 Amount Repaid: Rs.2,200/-  
 Outstanding Balance: Rs. 46,805/-

Engineers India Associates Joint Venture

Trade Payable: Rs. 79,000/-  
 Outstanding Balance: Rs.79,000/-

- 5) The Company has a Joint Venture under the name Engineers India Associates which is not operational as on 31<sup>st</sup> March, 2020. Hence, the Company has not prepared Consolidated Financial Statements.
- 6) The previous year figures have been regrouped /reclassified wherever considered necessary.

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

FORB.M.GATTANI&CO  
 Chartered Accountants  
 LIMITED  
 Registration No.:113536W  
 Sd/-  
 Balmukund Gattani  
 Partner  
 M.No.047066

Place: Mumbai  
 Date : 29<sup>th</sup> June, 2020

ON BEHALF OF BOARD  
 FOR HIT KIT GLOBALSOLUTIONS

(CIN:L70100MH1988PLC049929)  
 sd/- sd/-  
 PREMLATA PUROHIT KAMALAGARWAL  
 Non-executive Chairman Managing Director  
 DIN:07846020 DIN :07646000  
 Sd/- sd/-  
 JEETENDRACHANDA ISHITASANGHAVI  
 Chief Financial Officer Company Secretary

**Notes to Accounts:**

<b>Note 1: Property, Plant &amp; Equipment</b>							
<b>Particulars</b>	<b>Land</b>	<b>Air Condition</b>	<b>EPBAX</b>	<b>Furniture &amp; Fixtures</b>	<b>HP Laser</b>	<b>Computers</b>	<b>Total</b>
<b>Gross Carrying Amount March 31, 2020</b>							-
<b>Opening Gross Carrying Amount</b>	<b>4,92,95,000</b>	<b>22,500</b>	<b>8,875</b>	<b>16,100</b>	<b>17,850</b>	<b>24,000</b>	<b>4,93,84,325</b>
<b>Additions</b>	-	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>4,92,95,000</b>	<b>22,500</b>	<b>8,875</b>	<b>16,100</b>	<b>17,850</b>	<b>24,000</b>	<b>4,93,84,325</b>
							-
<b>Accumulated Depreciation</b>							-
<b>Opening Accumulated Depreciation</b>	-	<b>17,348</b>	<b>6,841</b>	<b>6,358</b>	<b>13,596</b>	<b>11,722</b>	<b>55,865</b>
<b>Depreciation charged during the year</b>	-	<b>4,276</b>	<b>1,688</b>	<b>1,528</b>	<b>3,392</b>	<b>7,496</b>	<b>18,380</b>
<b>Closing Accumulated Depreciation</b>	-	<b>21,624</b>	<b>8,529</b>	<b>7,886</b>	<b>16,988</b>	<b>19,218</b>	<b>74,245</b>
							-
<b>Net carrying amount March 31, 2020</b>	<b>4,92,95,000</b>	<b>876</b>	<b>346</b>	<b>8,214</b>	<b>862</b>	<b>4,782</b>	<b>4,93,10,080</b>
<b>Net carrying amount March 31, 2019</b>	<b>4,92,95,000</b>	<b>5,152</b>	<b>2,034</b>	<b>9,742</b>	<b>4,254</b>	<b>12,278</b>	<b>4,93,28,460</b>

<b>Note No</b>	<b>Particulars</b>	<b>As at 31 March, 2020</b>	As at 31 March, 2019
<b>2</b>	Non Current Investments		
	Investments in Joint Venture		
	Engineers India Associates	<b>3,92,40,000</b>	3,92,40,000
	Total	<b>3,92,40,000</b>	3,92,40,000
	Aggregate amount of quoted investments	-	-
	Aggregate amount of unquoted investments	<b>3,92,40,000</b>	3,92,40,000
	Aggregate amount of impairment in value of investments	-	-
<b>3</b>	Deferred tax assets (net)		
	Deferred tax assets		
	Property, plant and equipment	<b>2,965</b>	1,368
	Total	<b>2,965</b>	1,368
	Opening Balance	<b>1,368</b>	1,176
	Less: Deferred Tax Expenses	<b>1,596</b>	192
		<b>2,965</b>	1,368
<b>4</b>	Other non-current assets		
	Capital Advances	<b>1,00,00,000</b>	1,00,00,000
	Advances other than capital advances	-	-
	Security Deposits	<b>54,845</b>	1,01,090
	Total	<b>1,00,54,845</b>	1,01,01,090
<b>5</b>	Trade Receivables		
	Unsecured Considered Good	<b>27,50,000</b>	10,00,000
	Total	<b>27,50,000</b>	10,00,000

<b>6</b>	Cash and Cash Equivalents		
	Balances With Banks	<b>6,154</b>	8,948
	Cash on hand	<b>382</b>	2,889
	Total	<b>6,536</b>	11,837
<b>7</b>	Other Current Assets		
	Prepaid Expenses	<b>3,570</b>	-
	Total	<b>3,570</b>	-
<b>9</b>	Other Equity		
	Securities Premium Account		
	Opening Balance	<b>59,76,900</b>	59,76,900
	Add: Additions	-	-
		<b>59,76,900</b>	59,76,900
	General Reserve		
	As per last Balance Sheet	<b>1,24,90,859</b>	1,24,90,859
	Add: Additions	-	-
		<b>1,24,90,859</b>	1,24,90,859
	Surplus		
	As per last Balance Sheet	<b>42,76,365</b>	45,05,908
	Add: Net Profit / (Loss)	<b>1,02,288</b>	(2,29,543)
		<b>43,78,653</b>	42,76,365
	Total	<b>2,28,46,412</b>	2,27,44,124
	Nature and Purpose of Reserves		
	(a) Securities Premium Account: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.		
	(b) General Reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required.		
	(c) Retained Earnings / Surplus: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.		



<b>10</b>	Other Non Current Liabilities		
	Other Non Current Liabilities	<b>57,500</b>	-
	Total	<b>57,500</b>	-
<b>11</b>	Trade payables		
	Unsecured Considered Good	<b>23,60,276</b>	17,10,030
	Total	<b>23,60,276</b>	17,10,030
<b>12</b>	Other current liabilities		
	Expenses Payable	<b>20,15,950</b>	9,36,117
	Professional Tax Payable	<b>40,500</b>	28,800
	TDS Payable	<b>41,360</b>	39,587
	Total	<b>20,97,810</b>	10,04,504
<b>13</b>	Current Provisions		
	Others		
	Provisions for Taxation	<b>5,996</b>	5,996
	Provision for PT	-	2,100
	Provision for audit fees	-	2,16,000
	Total	<b>5,996</b>	2,24,096

<b>Note No</b>	<b>Particulars</b>	<b>As at 31 March , 2020</b>	<b>As at 31 March, 2019</b>
<b>14</b>	Revenue From Operations		
	Sale of products	<b>17,79,129</b>	20,81,441
	Total	<b>17,79,129</b>	20,81,441
<b>15</b>	Other Income		
	Interest Income	<b>17,50,000</b>	10,00,000
	Other non-operating income	<b>49,940</b>	83,000
	Total	<b>17,99,940</b>	10,83,000
<b>16</b>	Purchases of Stock-in-Trade		
	Purchases of Stock-in-Trade	<b>12,75,885</b>	14,12,721
	Total	<b>12,75,885</b>	14,12,721

<b>17</b>	Employee benefits expense		
	Salaries and wages	<b>6,04,600</b>	4,10,000
	Staff welfare expense	-	-
	Total	<b>6,04,600</b>	4,10,000
<b>18</b>	Finance costs		
	Other Borrowing Cost	<b>8,337</b>	6,478
	Total	<b>8,337</b>	6,478
<b>19</b>	Other expenses		
	Payments to the auditor		
	Auditor	<b>1,18,000</b>	1,18,000
	For internal audit	-	1,18,000
		<b>1,18,000</b>	2,36,000
	Adroit Corporate Services	<b>93,529</b>	-
	Advertisement Expenses	<b>61,372</b>	-
	AGM expenses	<b>46,805</b>	-
	BSE Listing Fees	<b>3,54,000</b>	2,98,350
	Central Depository Services	<b>52,272</b>	57,948
	Electricity Expenses	<b>13,580</b>	32,660
	Interest onTDS	<b>1,412</b>	227
	Interest on BSE Listing Fees	<b>13,300</b>	21,650
	Late TDS Filing Fees	<b>1,705</b>	5,194
	MTNL	<b>20,204</b>	26,027
	Office Expenses	-	1,00,000
	Physical and Demat Service Charges	-	1,26,282
	Printing & Stationery	-	20,180
	Professional Fees Paid	<b>2,83,680</b>	3,86,840
	Professional Tax (Companies)	<b>2,500</b>	2,500
	Provision for Profession Tax	-	2,100
	Rent Charges	<b>1,80,000</b>	1,80,000

	Repairs & maintenance	<b>6,000</b>	-
	Repairs & maintenance Computers	<b>4,200</b>	-
	Advertising Agency	<b>14,237</b>	42,557
	Site Security Charges	<b>2,86,000</b>	-
	Phone Expenses	-	294
	Professional Fees	<b>14,160</b>	-
	Website Expenses	<b>4,218</b>	7,788
	Total	<b>15,71,175</b>	15,46,597

20	INCOME TAX EXPENSE	As at 31 March 2020	As at 31 March 2019
A.	Components of Income Tax Expense		
	Tax Expense recognised in the Statement of Profit and Loss		
	Current Tax		
	Current Tax on the profits for the year	-	-
	Adjustments for current tax of prior periods	-	-
	Total a	-	-
	Deferred Tax		
	Origination and Reversal of Temporary Differences	1,596	192
	Total b	1,596	192
	Total (a+b)	1,596	192
B.	Reconciliation of Tax Expense and the Accounting profit multiplied by India's Tax rate		
	Profit/(loss) for the period	1,00,692	(2,29,735)
	Tax at the Indian Tax rate of 26%	26,180	-
	Tax effects of amounts which are not deductible (taxable) in computing taxable income	-	-
	Adjustments of current tax of prior periods	-	-
	Tax Effect of losses for which no Deferred income tax was recognized	(26,180)	-
	Income exempt from income tax	-	-

	Incremental Deferred Tax Asset on Property Plant & Equipment	1,596	192
	Income Tax Expense	1,596	192

21	Fair value measurements								
	<u>Financial instruments by category:</u>								
	31-Mar-20								
		Carrying Value				Fair Value hierarchy			
	Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
	Financial Assets								
	(i) Non Current Investments	-	-	3,92,40,000	3,92,40,000	-	-	-	-
	(ii) Trade Receivable	-	-	27,50,000	27,50,000	-	-	-	-
	(iii) Cash and Cash Equivalents	-	-	6,536	6,536	-	-	-	-
	TOTAL	-	-	4,19,96,536	4,19,96,536	-	-	-	-
	Financial Liabilities								
	(i) Trade Payables	-	-	23,60,276	23,60,276	-	-	-	-
	TOTAL	-	-	23,60,276	23,60,276	-	-	-	-
	31-Mar-19								
		Carrying Value				Fair Value hierarchy			
	Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
	Financial Assets								
	(i) Non Current Investments	-	-	3,92,40,000	3,92,40,000				
	(ii) Trade Receivable	-	-	10,00,000	10,00,000	-	-	-	-
	(iii) Cash and Cash Equivalents	-	-	11,837	11,837	-	-	-	-
	TOTAL	-	-	4,02,51,837	4,02,51,837	-	-	-	-
	Financial Liabilities								

	(i) Trade Payables	-	-	93,82,230	93,82,230	-	-	-	-
	TOTAL	-	-	93,82,230	93,82,230	-	-	-	-
	The carrying amounts of trade receivables, cash and bank balances, investments, and trade payables are considered to be approximately equal to the fair value.								
	I. Fair value hierarchy								
	<p>The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.</p> <p>This section explains the judgements and estimates made in determining the fair values of the financial instruments that are</p> <p>(a) recognised and measured at fair value and,</p> <p>(b) measured at amortised cost and for which fair values are disclosed in the financial statements.</p> <p>To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian accounting standard. An explanation of each level is as follows:</p>								
	Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.								
	Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.								
	Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.								
	II. Valuation techniques used to determine fair value								
	<p>Significant valuation techniques used to value financial instruments include:</p> <ul style="list-style-type: none"> <li>the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.</li> </ul>								
	o Use of quoted market price or dealer quotes for similar instruments								
	o Using discounted cash flow analysis.								
	The fair values computed above for assets measured at amortised cost are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of unobservable inputs.								

## 22 Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk ; and
- Market risk

### A. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities (deposits with banks and other financial instruments).

#### Credit risk management

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company's maximum exposure to credit risk as at 31st March, 2020 and 2019 is the carrying value of each class of financial assets.

#### i Trade and other receivables

Credit risk on trade receivables is limited based on past experience and management's estimate.

Ageing of trade and other receivables that were not impaired was as follows.

Carrying amount	31-Mar-20	31-Mar-19
Neither Past due nor impaired		5,00,000
	10,00,000	
Past due 1 year but not impaired	10,00,000	-
Past due more than 180 days		5,00,000
	7,50,000	
TOTAL		10,00,000
	27,50,000	

ii Cash and Cash Equivalents

The Company held cash and bank balance with credit worthy banks of Rs.6,536 at March 31, 2020 (March 31, 2019: ₹ 11,837). The credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks where credit risk is largely perceived to be extremely insignificant.

B. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – trade payables.

Liquidity risk management

The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence. The Company maintained a cautious funding strategy, with a positive cash balance throughout the year ended 31st March, 2020 and 31st March, 2019. This was the result of cash delivery from the business. Cash flow from operating activities provides the funds to service the financing of financial liabilities on a day-to-day basis. The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, are retained as cash and cash equivalents (to the extent required).

**Maturities of non – derivative financial liabilities**

(Amount in Rs.)

Particular	As at 31 March 2020		As at 31 March 2019	
	Less than 1 year	Less than 1 year	Less than 1 year	More than 1 year
Financial Liabilities - Current				
i. Trade payables	23,60,276	-	17,10,030	-
Total	23,60,276	-	17,10,030	-

### C. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments. The Company is exposed to market risk primarily related to interest rate risk and the market value of the investments.

#### i Currency Risk

The functional currency of the Company is Indian Rupee. Currency risk is not material, as the Company does not have any exposure in foreign currency.

#### \*ii Interest Rate Risk

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.

### Exposure to interest rate risk

According to the Company interest rate risk exposure is only for floating rate borrowings. Company does not have any floating rate borrowings on any of the Balance Sheet date disclosed in this financial statements.

#### ii Price Risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in quoted instruments.

#### a Fair value sensitivity analysis for fixed rate Instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through Profit or Loss. Therefore, a change in interest rates at the reporting date would not affect Profit or Loss.

#### b Cash flow sensitivity analysis for variable rate Instruments

The company does not have any variable rate instrument in Financial Assets or Financial Liabilities.



## **23 Capital Management**

The company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.