



THE HI-TECH GEARS LTD.

CIN - L29130HR1986PLC081555

Corporate Office : Millennium Plaza, Tower-B, Sushant Lok-1, Sector-27, Gurugram -122009,
Haryana, INDIA Tel. : +91(124) 4715100

Date: February 07, 2020

The Manager,
Listing Department,
National Stock Exchange of India Ltd,
"Exchange Plaza", C-1, Block – G
Bandra – Kurla Complex, Bandra (E)
Mumbai – 400051, India

The Manager,
Listing Department,
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400001, India

Symbol: HITECHGEAR

Scrip Code: 522073

Subject: Outcome of the Board Meeting held on February 07, 2020

Dear Sir/Madam

Pursuant to Regulation 30, 33 and any other applicable regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we wish to inform you that the Board of Directors of the Company in its meeting held today, i.e. February 07, 2020, have considered and approved, inter alia, the following matters:

1. The unaudited standalone & consolidated financial results of the company for the 3rd quarter and nine months ended on December 31, 2019. A copy of prescribed format as approved by the Board and signed by the Executive Chairman and Limited Review Report is annexed for your ready reference.
2. The Board of Directors have declared an interim dividend on equity shares @ 15% i.e. Rs.1.50/- (One Rupee Fifty Paise Only) per share on the paid up share capital of the company for the year 2019-20.
3. The Board of Directors have fixed February 22, 2020, as the Record date for the purpose of determining the list of members/ shareholders entitled to interim dividend.

The Results will be published in the Newspaper in terms of Regulation 47(1) (b) of SEBI (LODR) Regulations, 2015 in due course and same shall be placed on the Website of the Company.

The Meeting of the Board of Directors commenced at 04:15 P.M. and concluded at 06:15 P.M

You are kindly requested to take the above information on record and oblige.

Thanking You,

Yours Faithfully,
For The Hi-Tech Gears Limited


Naveen Jain
Company Secretary
M. No: A15237



Encl: as above

www.thehitechgears.com

Works I : A-589, Industrial Complex, Bhiwadi - 301 019 Rajasthan INDIA Tel. : +91(1493) 265000

Regd. Office & Works-II : Plot No. 24 - 26 Sector-7, IMT Manesar - 122 050 Gurugram, Haryana INDIA Tel.: +91 (124) 4715200

Works-III : Plot No. SP-146A, Industrial Complex, Bhiwadi - 301019-Rajasthan INDIA

Head Office : C-41/B, Kalkaji, New Delhi - 110019 INDIA

Subsidiaries : The Hi-Tech Gears Canada. Inc. 361, Speedvale Ave W. Guelph, ON N1H 1C7, CANADA

Teutech LLC. 227, Barton St. Emporium. PA 15834, USA

**THE HI-TECH GEARS LIMITED**

Regd. Office: Plot No. 24 - 26, IMT Manesar, Sector-7, Gurugram-122050, Haryana
 Corporate Office : Millennium Plaza, Tower B, Sushant Lok-I, Sector-27 Gurugram-122009, Haryana
 CIN L29130HR1986PLC081555; Website : www.thehitechgears.com; e-mail id: secreta@thehitechgears.com;
 Ph No. 0124-4715100 Fax: 0124-2806085

Statement of Un-audited (Standalone and Consolidated) Financial Results for the quarter and nine months ended December 31, 2019

(Rs. in million, except per share data)

Particulars	Standalone Results						Consolidated Results					
	Quarter ended		Nine months Ended			Year ended	Quarter ended		Nine months Ended			Year ended
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income												
a) Revenue from operations	1,123.66	1,295.61	1,467.89	3,880.87	4,699.20	6,257.07	1,592.49	1,770.55	1,956.54	5,489.61	6,543.11	8,896.50
b) Other operating revenues	30.79	40.41	48.17	116.36	163.72	215.08	33.78	42.27	53.98	125.45	185.57	240.72
c) Other income	10.36	17.97	71.11	45.53	147.66	162.37	18.12	22.69	78.01	69.12	160.57	169.59
Total Income	1,164.81	1,353.99	1,586.97	4,042.76	5,010.58	6,634.52	1,644.39	1,835.51	2,088.53	5,684.18	6,889.25	9,306.81
2 Expenses												
a) Cost of material consumed	468.87	608.40	785.75	1,788.68	2,457.81	3,234.03	658.97	770.76	1,009.06	2,382.73	3,208.45	4,334.60
b) Purchases of stock-in-trade	45.50	92.16	60.96	198.72	230.59	318.20	45.50	92.16	60.95	198.72	230.59	323.72
c) Changes in inventories of finished goods and work in progress	42.84	(10.93)	(20.99)	41.39	(42.99)	(90.46)	2.11	(11.50)	(81.46)	19.25	(105.37)	(165.71)
d) Employee benefits expense	214.52	257.43	252.63	762.49	719.07	1,005.41	387.99	459.55	453.29	1,380.36	1,365.50	1,921.71
e) Finance costs	37.83	60.32	49.78	148.89	137.19	184.10	65.24	87.23	86.49	227.91	230.80	294.81
f) Depreciation and amortisation expense	66.51	66.35	68.15	203.98	202.34	270.80	105.81	106.02	103.58	321.89	310.45	421.91
g) Other expenses	222.96	232.38	220.65	736.14	896.23	1,183.22	291.33	311.47	328.87	957.91	1,219.81	1,590.50
Total expenses	1,099.03	1,306.11	1,416.93	3,878.29	4,602.24	6,103.30	1,556.95	1,815.69	1,960.78	5,488.77	6,480.23	8,721.54
3 Profit before tax (1-2)	65.78	47.88	170.04	164.47	408.34	531.22	87.44	19.82	127.75	195.41	409.02	585.27
4 Tax expense												
a) Current tax	20.71	15.22	19.70	54.01	143.30	166.00	26.26	12.60	21.65	64.97	169.67	176.56
b) Deferred tax credit	6.89	(9.98)	4.10	(1.19)	1.35	10.36	6.94	(14.32)	(3.50)	(1.27)	(14.49)	52.93
c) Earlier years tax adjustments (net)	(2.75)	-	-	(2.75)	-	-	(2.75)	-	-	(2.75)	-	-
Total tax expense	24.65	5.24	23.80	50.07	144.65	176.38	30.45	(1.72)	18.15	60.95	155.18	229.49
5 Profit for the period (3-4)	41.13	42.64	146.24	114.40	263.69	354.84	56.99	21.54	109.60	134.46	253.84	355.78
6 Other comprehensive income												
(i) Items that will not be reclassified to profit or loss	0.76	0.44	1.21	1.91	3.54	2.66	0.76	0.44	1.21	1.91	3.54	2.66
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.16)	(0.10)	(0.40)	(0.48)	(1.20)	(0.88)	(0.15)	(0.10)	(0.40)	(0.47)	(1.20)	(0.88)
(iii) Items that will be reclassified to profit or loss	(9.56)	2.85	-	(72.57)	-	-	15.67	16.41	(123.78)	(7.29)	35.17	35.70
(iv) Income tax relating to items that will be reclassified to profit or loss	2.41	(7.71)	-	18.27	-	-	2.22	(7.22)	(5.00)	18.27	(9.60)	(5.06)
Total other comprehensive income	(6.55)	(4.52)	0.81	(52.87)	2.34	1.78	18.50	9.53	(127.97)	12.42	27.91	32.42
7 Total comprehensive income for the period (5+6)	34.58	38.12	147.05	61.53	266.03	356.62	75.49	31.07	(18.37)	146.88	281.75	388.20
8 Reserves/other equity as shown in the Audited Balance Sheet of the previous year						2,494.11						2,529.70
9 Paid-up equity share capital (Face value of Rs 10/- per equity share)	187.68	187.68	187.68	187.68	187.68	187.68	187.68	187.68	187.68	187.68	187.68	187.68
10 Earnings per equity share (Face value of Rs. 10/- per equity share)												
(a) Basic (in Rs.)	2.19	2.27	7.79	6.10	14.05	18.91	3.04	1.15	5.84	7.16	13.53	18.96
(b) Diluted (in Rs.)	2.19	2.27	7.79	6.10	14.05	18.91	3.04	1.15	5.84	7.16	13.53	18.96



Notes:

- 1 The above Un-audited (Standalone and Consolidated) Financial Results have been reviewed by the Audit Committee at their meeting held on February 07,2020 and thereafter approved by the Board of Directors in their meeting held on February 07,2020.
- 2 The Limited Review has been carried out by the Statutory Auditors of the Company.
- 3 The Board of Directors have approved an Interim Dividend of Rs. 1.50/- (Rupees One and Fifty Paise Only) per equity share of Rs 10/- (Rupees Ten Only) each on the paid-up share capital of the Company. In this regard, February 22, 2020 is fixed as record date for the purpose of determination of list of shareholders entitled for such dividend.
- 4 The standalone operations of the company falls under manufacturing of gears and transmissions, which is considered to be the only reportable segment by the management. For consolidated operations, the Group has three operating segments (India, Canada and Others), which have been determined on geographical basis.
- 5 The figure in the consolidated financial results for the corresponding quarter and nine months ended December 31,2018 has been approved by the company's board of directors, but have not been subjected to audit or review.
- 6 Effective 1 April 2019, the Group adopted Ind AS :16 "Leases" applied to all contracts having lease components existing on 1 April 2019 using the modified retrospective method. Accordingly, the Group has not restated comparative information. The Group has measured the lease liability at present value of remaining lease payments discounted using the incremental borrowing rate as the date of initial application and Right of Use asset is measured at an amount equal to lease liability. On the date of initial application, the adoption of new standard resulted in recognition of right of use INR 87.04 Mn and a lease liability of INR 87.04 Mn. In respect of leases that were classified as finance leases, applying Ind AS 17, an amount of INR 49.41 Mn has been reclassified from property, plant and equipment to right-of-use assets. An amount of INR 2.04 Mn has been reclassified from other current financial liabilities to lease liability – current and an amount of INR 17.81 Mn has been reclassified from borrowings – non-current to lease liability – non-current.
- 7 Pursuant to the taxation laws (Amendment) Ordinance, 2019 issued on September 20, 2019, corporate tax rates have been given an option to apply a lower income tax rate with effect from April 01, 2019, subject to certain conditions specified therein. The Tax expenses for the quarter and nine months ended December 31, 2019 have been provided for at reduced tax rates.
- 8 Figures of the previous periods have been re-grouped/ re-arranged, wherever considered necessary, to correspond with the current period's grouping.

For and on behalf of Board of Directors
The Hi-Tech Gears Limited



A handwritten signature in blue ink, appearing to read "Deep Kapuria".

Deep Kapuria
Executive Chairman

Place : New Delhi
Date : February 07,2020

**THE HI-TECH GEARS LIMITED**

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CIN L29130HR1986PLC081555. Website www.thehitechgears.com, e-mail id secretarial@thehitechgears.com,
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Segment wise revenue and results for the quarter and nine months ended Dec 31, 2019

Particulars	Consolidated Results					
	Quarter ended			Nine months Ended		Year ended
	31 December, 2019	30 September, 2019	31 December, 2018	31 December, 2019	31 December, 2018	31 March, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Segment Revenue						
a) India	1,154.45	1,336.03	1,515.87	3,997.23	4,862.92	6,472.15
b) Canada	421.94	419.44	473.26	1,465.81	1,769.07	2,516.54
c) Others	66.03	76.82	52.64	207.10	167.42	226.08
Less: Intercompany segment revenue	(16.15)	(19.48)	(31.25)	(55.08)	(70.73)	(77.55)
Total Revenue	1,628.27	1,812.81	2,010.52	5,615.06	6,728.68	9,137.22
2 Segment Results						
a) India	99.28	107.44	149.09	300.16	474.80	637.76
b) Canada	36.18	(25.36)	58.89	74.27	124.41	222.94
c) Others	17.22	24.97	6.26	48.89	40.61	19.38
Total	152.88	107.05	214.24	423.31	639.82	880.08
Less:						
Finance costs	65.24	87.23	86.49	227.91	230.80	294.81
Exceptional items	-	-	-	-	-	-
Other unallocable expenditure	-	-	-	-	-	-
Total profit before tax	87.44	19.82	127.75	195.40	409.02	585.27
Segment Asset						
a) India	4,410.66	4,709.66	4,587.53	4,410.66	4,587.53	4,772.32
b) Canada	3,397.35	3,126.48	3,480.89	3,397.35	3,480.89	3,336.20
c) Other	231.32	587.79	239.40	231.32	239.40	567.50
Total	8,039.33	8,423.93	8,307.82	8,039.33	8,307.82	8,676.02
Segment liability						
a) India	3,261.58	3,549.88	3,511.38	3,261.58	3,511.38	3,643.58
b) Canada	1,922.93	1,733.95	2,121.76	1,922.93	2,121.76	1,954.01
c) Other	35.83	351.34	29.83	35.83	29.83	361.05
Total	5,220.34	5,635.17	5,662.97	5,220.34	5,662.97	5,958.64



O.P. DADU & CO.

CHARTERED ACCOUNTANTS

24/4834, ANSARI ROAD, DARYA GANJ,
NEW DELHI-110002 PH. : 23275482, 23253645

Independent Auditors' Review Report on Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Review Report to
The Board of Directors of
The Hi-Tech Gears Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of The Hi-Tech Gears Limited ("the Company") for the quarter and nine months ended 31st December, 2019 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results, prepared in accordance with applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For O.P. DADU & CO.
Chartered Accountants
FRN.001201N



Amit Gupta
(Amit Gupta)
Partner
M. No. 094202

Place: New Delhi
Dated: 7th February, 2020

UDIN: 20094202AAAAAN3180

Independent Auditors' Review Report on Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Review Report to
The Board of Directors of
The Hi-Tech Gears Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of The Hi-Tech Gears Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies (The Holding Company and its subsidiary companies together referred to as "the Group") for the quarter and nine months ended 31st December, 2019 ("the Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 31st December, 2018 and the corresponding period from 1st April, 2018 to 31st December, 2018 as reported in these financial results have been approved by the Holding Company's Board of Directors, but have not been subjected to review since there was no mandatory requirement to submit quarterly consolidated financial results prior to 1st April, 2019.
2. This statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



4. The statement includes the results of the following entities:

S. No.	Name of the Entity	Relationship
1	2545887 Ontario Inc., Canada	Wholly Owned Subsidiary
2	Neo-Tech Smart Solutions Inc., Canada	Wholly Owned Subsidiary
3	Neo-Tech Auto Systemz Inc., USA	Wholly Owned Subsidiary
4	The Hi-Tech Gears Canada Inc.	Step Down Subsidiary
5	2504584 Ontario Inc., Canada	Step Down Subsidiary
6	2323532 Ontario Inc., Canada	Step Down Subsidiary
7	Teutech Holding Corp., USA	Step Down Subsidiary
8	Teutech Leasing Corp., USA	Step Down Subsidiary
9	Teutech LLC, USA	Step Down Subsidiary

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the interim financial statement/ financial information/ financial result as furnished to us by the management referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The unaudited consolidated financial results include the interim financial result and other financial information of three wholly owned subsidiary companies and six step down subsidiary companies whose interim financial result and other financial information reflects total revenue of Rs.473.80 million and Rs. 1674.56 million for the quarter and nine months ended 31stDecember, 2019 respectively, total net profit after tax of Rs.16.18 million and Rs.20.05 million for the quarter and nine months ended 31stDecember, 2019 respectively and total comprehensive income of Rs. 41.23 million and Rs. 85.34 million for the quarter and nine months ended 31stDecember, 2019 respectively, as considered in the statement. These interim financial result and other financial information have been furnished to us by the management of the Holding Company and our conclusion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited interim financial result and other financial information.

Our conclusion on the Statement is not modified in respect of the above matter.

For O.P. DADU & CO.
Chartered Accountants
FRN.001201N



Place: New Delhi
Dated: 7thFebruary, 2020

UDIN: 20094202AAAAO1543


(Amit Gupta)
Partner
M No. 094202