



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: June 29, 2021

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 June 29, 2021

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 at its meeting held today, i.e. June 29, 2021, have considered and approved, inter alia, the following matters:

1. The Audited (Standalone & Consolidated) Financial Results for the 4th quarter & year ended March 31, 2021 along with Auditor's Report. A copy of the same is enclosed herewith.
2. Recommended the Final Dividend @ 20% i.e. Rs 2.00/- per equity share of Rs. 10.00/- each for the financial year ended March 31, 2021 subject to the approval of the Shareholders at the ensuing Annual General Meeting of the Company.
3. Declaration pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 in respect of Audit Report with unmodified opinion on Audited Financial Results for the quarter and year ended March 31, 2021. A copy of the same is enclosed herewith.
4. Resignation of Mr. Prosad Dasgupta (DIN: 00243254) Non- Executive Independent Director from the Board of the Company w.e.f June 29, 2021.

The Meeting of the Board of Directors commenced at 05:45 P.M and concluded at 08:00 P.M

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

Thanking You,

For The Hi-Tech Gears Limited



Naveen Jain
Company Secretary
Membership No A 15237

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 - 122050 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-122002, Haryana
CIN: L29130HR1986PLC081555; Website : www.thehitechgears.com; e-mail id: secretarial@thehitechgears.com;
Ph No. 0124-4715100 Fax: 0124-2806085

Statement of (Standalone and Consolidated) Financial Results for the Quarter and Year ended March 31, 2021

(Rs. in million, except per share data)										
Particulars	Standalone					Consolidated				
	Quarter ended		Year ended			Quarter ended		Year ended		
	March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
	Audited Ref Note. 2	Unaudited	Audited Ref Note. 2	Audited	Audited	Audited Ref Note. 2	Unaudited	Audited Ref Note. 2	Audited	Audited
1 Income										
a) Revenue from operations	1,642.25	1,505.49	1,061.00	5,066.45	4,941.86	2,438.20	2,179.37	1,567.70	7,275.52	7,057.31
b) Other operating revenues	45.69	51.70	35.02	157.34	151.39	57.90	58.61	37.42	179.90	162.87
c) Other income	8.08	27.85	16.50	102.59	62.03	2.30	31.65	45.64	104.91	114.76
Total Income	1,696.02	1,585.04	1,112.52	5,326.38	5,155.28	2,498.40	2,269.63	1,650.76	7,560.33	7,334.94
2 Expenses										
a) Cost of material consumed	855.63	806.49	557.65	2,512.39	2,346.33	1,141.39	1,182.68	691.57	3,462.26	3,074.30
b) Purchases of stock-in-trade	54.06	54.08	53.72	187.31	252.45	54.06	54.08	53.73	187.31	252.45
c) Changes in inventories of finished goods and work in progress	(7.34)	(62.14)	(38.98)	(2.38)	2.41	0.21	(95.98)	25.77	22.05	45.02
d) Employee benefits expense	209.26	234.81	194.47	800.64	956.96	491.84	511.20	389.37	1,599.33	1,769.74
e) Finance costs	39.78	46.32	69.08	178.94	215.97	23.22	69.66	103.38	232.80	331.29
f) Depreciation and amortisation expense	66.47	68.39	70.54	251.52	274.53	113.49	114.99	108.45	430.77	430.34
g) Other expenses	288.28	239.20	217.47	901.56	953.61	394.42	342.79	284.06	1,285.68	1,241.98
Total expenses	1,506.14	1,387.15	1,123.95	4,829.98	5,002.26	2,218.63	2,179.42	1,656.33	7,220.20	7,145.12
3 Profit before tax (1-2)	189.88	197.89	(11.43)	496.40	153.02	279.77	90.21	(5.57)	340.13	189.82
4 Tax expense										
a) Current tax	56.89	45.07	(9.73)	129.95	44.28	59.21	45.19	0.46	135.96	65.44
b) Deferred tax	(12.01)	0.63	35.25	(29.68)	34.07	(68.14)	3.79	45.64	(95.81)	44.37
c) Earlier years tax adjustments (net)	12.50	-	-	23.25	(2.75)	1.45	(0.09)	-	12.11	(2.75)
Total tax expense	57.38	45.70	25.52	123.52	75.60	(7.48)	48.89	46.10	52.26	107.06
5 Profit for the quarter/year (3-4)	132.50	152.19	(36.95)	372.88	77.42	287.25	41.32	(51.67)	287.87	82.76
6 Other comprehensive income										
(i) Items that will not be reclassified to profit or loss	13.53	2.72	54.96	21.27	56.87	13.53	2.72	54.96	21.27	56.87
(ii) Income tax relating to items that will not be reclassified to profit or loss	1.24	(0.64)	(19.49)	(0.67)	(19.96)	1.24	(0.64)	(19.49)	(0.67)	(19.96)
(iii) Items that will be reclassified to profit or loss	38.79	(14.24)	(4.76)	36.38	(77.33)	69.13	35.73	(15.31)	155.66	(22.60)
(iv) Income tax relating to items that will be reclassified to profit and loss	(10.25)	4.51	8.76	(19.04)	27.02	(10.25)	4.51	8.76	(19.04)	27.02
Total other comprehensive income	43.31	(7.65)	39.47	37.94	(13.40)	73.65	42.32	28.92	157.22	41.33
7 Total comprehensive income for the quarter/year	175.81	144.54	2.52	410.82	64.02	360.90	83.64	(22.75)	445.09	124.09
8 Other equity as per statement of assets and liabilities				2,889.76	2,478.94				3,019.68	2,574.60
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
Earnings per equity share (Face value of Rs. 10/- per equity share)										
(a) Basic (in Rs.)	7.06	8.11	(1.97)	19.87	4.13	15.31	2.20	(2.75)	15.34	4.41
(b) Diluted (in Rs.)	7.06	8.11	(1.97)	19.87	4.13	15.31	2.20	(2.75)	15.34	4.41

Notes:

- 1 The above Financial Results (Standalone and Consolidated) have been reviewed by the Audit Committee at their meeting held on 29 June, 2021 & thereafter approved by the Board of Directors in their meeting held on 29 June, 2021. These results have been audited by the Statutory Auditors of the Company.
- 2 Figures for the quarter/year ended 31 March, 2021 and 31 March, 2020 represents the balancing figures between the audited figures for the full financial year and the published year to date reviewed figures upto the third quarter of the respective financial year.
- 3 The Board of Directors have recommended a final dividend of Rs. 2 (Rupees Two Only) per equity shares of Rs.10/- (Rupees Ten only) each, i.e. 20% on the paid up share capital of the Company subject to the approval of the members at their Annual General Meeting.
- 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 Provision for taxation is made at the effective Income Tax rates. Pursuant to Taxation Laws (Amendment) Act, 2019 corporate assesseees have been given an option to apply a lower corporate tax rate w.e.f. 01 April, 2020 i.e (AY 2020-21) subject to certain conditions. The tax expense provided for the year ended 31 March, 2021 is at reduced rate of corporate tax by opting the option available under section 115BAA of the Income Tax Act, 1961.
- 6 Figures of the previous quarter/year have been re-grouped/ re-arranged, wherever considered necessary, to correspond with the current quarter/year grouping.
- 7 The outbreak of COVID-19 pandemic globally and in India has impacted businesses and economies. There has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic. The Company's plants, warehouses and offices were shut post announcement of lockdown. The operations have resumed post lifting of the lockdown but due to the dynamic nature of these circumstances, the duration of business disruption & the related financial impact can not be reasonably estimated at this time.

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

DEEP
KAPURIA

**Deep Kapuria
Executive Chairman**

**Place : New Delhi
Date : June 29, 2021**

Statement of Audited (Standalone and Consolidated) Assets and Liabilities				(Rs. in million)	
Particulars	Standalone		Consolidated		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	
	Audited	Audited	Audited	Audited	
Assets					
Non-current assets					
Property, plant and equipment	1,736.69	1,860.23	3,235.73	3,244.00	
Capital work-in-progress	245.10	115.94	710.85	339.05	
Right-of-use asset	303.17	108.42	303.18	108.42	
Goodwill	-	-	534.48	491.83	
Other intangible assets	9.73	13.46	610.07	614.20	
Financial assets					
Investments	1,643.98	1,631.42	95.01	82.45	
Loans	39.66	44.59	39.66	44.59	
Other financial assets	1.07	0.08	1.07	0.08	
Other non-current assets	164.59	172.44	164.59	172.44	
Total non-current assets	4,143.99	3,946.58	5,694.64	5,097.06	
Current assets					
Inventories	569.58	561.95	911.17	851.38	
Financial assets					
Trade receivables	824.71	589.95	1,487.19	912.10	
Cash and cash equivalents	336.82	145.90	512.11	396.17	
Other bank balances	258.85	300.51	258.85	300.51	
Loans	11.11	7.46	13.37	9.13	
Other financial assets	97.48	62.95	129.49	63.37	
Current tax assets (net)	21.28	37.69	23.26	39.21	
Other current assets	144.07	127.67	192.21	223.16	
Total current assets	2,263.90	1,834.08	3,527.65	2,795.03	
Total assets	6,407.89	5,780.66	9,222.29	7,892.09	
Equity and liabilities					
Equity					
Equity share capital	187.68	187.68	187.68	187.68	
Other equity	2,889.76	2,478.94	3,019.68	2,574.60	
Total equity	3,077.44	2,666.62	3,207.36	2,762.28	
Liabilities					
Non-current liabilities					
Financial liabilities					
Borrowings	1,451.17	1,596.90	3,314.09	3,003.05	
Provisions	35.32	39.12	35.32	39.12	
Deferred tax liabilities (net)	10.01	28.07	41.49	120.14	
Other non-current liabilities	15.09	17.51	15.09	17.51	
Total non-current liabilities	1,511.59	1,681.60	3,405.99	3,179.82	
Current liabilities					
Financial liabilities					
Borrowings	51.18	2.03	406.79	2.03	
Trade payables					
- total outstanding dues of micro enterprises and small enterprises	58.72	29.83	58.72	29.83	
- total outstanding dues of creditors other than micro enterprises and small enterprises	701.31	653.42	1,066.18	908.38	
Other financial liabilities	857.83	632.28	917.89	877.95	
Other current liabilities	76.96	77.55	86.50	94.47	
Provisions	72.86	37.33	72.86	37.33	
Total current liabilities	1,818.86	1,432.44	2,608.94	1,949.99	
Total equity and liabilities	6,407.89	5,780.66	9,222.29	7,892.09	

Statement of Audited (Standalone and Consolidated) Cash Flow		(Rs. in million)			
		Standalone		Consolidated	
Particulars	For the year ended		For the year ended		
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
	Audited	Audited	Audited	Audited	
A Cash flow from operating activities					
Profit before tax	496.40	153.02	340.13	189.82	
Adjustments for:					
Depreciation and amortisation expense	251.52	274.53	430.77	430.34	
Gain on disposal of property, plant and equipment (net)	(0.13)	(13.21)	(0.13)	(0.57)	
Interest income classified as investing cash flows	(32.76)	(26.49)	(33.42)	(29.80)	
Income recognised on account of government assistance	(2.42)	(5.61)	(2.42)	(5.61)	
Provisions written back	(0.47)	(16.71)	(0.47)	(7.43)	
Provision for doubtful debts	12.65	-	12.65	(9.28)	
Unrealised (profit)/loss on foreign exchange fluctuation (net)	(33.69)	26.28	(39.07)	24.34	
Unrealised profit on mark to market of forward contracts	(4.96)	4.21	-	2.95	
Finance costs	178.94	215.97	232.80	331.29	
Operating profit before working capital changes	865.08	611.99	940.84	926.05	
Movement in working capital					
Movement in inventories	(7.63)	177.78	(59.78)	218.87	
Movement in other financial assets	(34.53)	3.39	(66.12)	0.02	
Movement in trade receivables	(245.77)	513.35	(578.75)	809.99	
Movement in other non-current assets	7.85	151.96	2.33	(6.06)	
Movement in other current assets	(16.40)	17.32	30.95	(41.97)	
Movement in other financial liability	34.64	(32.51)	43.59	(20.99)	
Movement in other current liability	(0.59)	(2.41)	(7.97)	9.06	
Movement in provision	40.93	21.17	18.06	66.61	
Movement in trade and other payables	76.42	52.06	184.50	(37.98)	
Cash flow from operating activities post working capital changes	720.00	1,514.10	507.65	1,923.60	
Income tax paid (net)	(144.85)	(72.18)	(134.67)	(87.90)	
Net cash flows from operating activities (A)	575.15	1,441.92	372.98	1,835.70	
B Cash flows from investing activities					
Payments for property, plant and equipment and capital work-in-progress	(230.98)	(441.59)	(587.03)	(613.23)	
Proceeds from sale of property, plant and equipment	3.57	56.55	3.56	337.31	
(Payment)/received for margin money and bank deposits	40.86	(145.25)	40.68	(145.25)	
Proceeds/(Repayment) loans and advances	1.28	(8.31)	0.70	(8.19)	
Interest received	32.74	26.49	33.42	29.80	
Net cash used in investing activities (B)	(152.53)	(512.11)	(508.67)	(399.56)	
C Cash flows from financing activities					
Finance cost paid	(160.92)	(176.36)	(198.58)	(283.60)	
Proceeds from borrowings	249.15	111.11	790.42	211.14	
Repayment of borrowings	(304.06)	(912.32)	(324.34)	(1,337.03)	
Repayment of principal portion of lease liability	(15.87)	(20.84)	(15.87)	(20.84)	
Dividends paid (including tax)	-	(79.19)	-	(79.19)	
Net cash flow from/used in financing activities (C)	(231.70)	(1,077.60)	251.64	(1,509.52)	
Net increase/(decrease) in cash and cash equivalents (A+B+C)	190.92	(147.79)	115.94	(73.38)	
Cash and cash equivalents at the beginning of the year	145.90	293.69	396.17	469.55	
Cash and cash equivalents at the end of the year	336.82	145.90	512.11	396.17	

**THE HI-TECH GEARS LIMITED**

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Corporate Office : Millennium Plaza, Tower-B, Sushant Lok-I, Sector-27 Gurgaon-122002, Haryana
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Ph No. 0124-4715100 Fax: 0124-2806085

Consolidated segment wise revenue and results for the quarter and year ended March 31, 2021

Particulars	(Rs. in million, except per share data)				
	Quarter ended			Year ended	
	March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
	Audited	Unaudited	Audited	Audited	Audited
1 Segment Revenue					
a) India	1,687.95	1,557.19	1,096.01	5,223.80	5,093.25
b) Canada	783.91	659.28	440.95	2,138.62	1,906.76
c) Others	65.40	51.79	82.77	203.18	289.86
Less: Intercompany segment revenue	(41.16)	(30.28)	(14.61)	(110.18)	(69.69)
Total Revenue	2,496.10	2,237.98	1,605.12	7,455.42	7,220.18
2 Segment Results					
Profit(+)/ Loss(-) before tax & interest of each segment					
a) India	167.54	224.37	56.34	566.80	356.50
b) Canada	128.91	(54.51)	52.90	(4.07)	127.16
c) Others	6.54	(9.99)	(11.43)	10.20	37.45
3 Total	302.99	159.87	97.81	572.93	521.11
Less:					
Finance costs	23.22	69.66	103.38	232.80	331.29
Exceptional items	-	-	-	-	-
Other unallocable expenditure	-	-	-	-	-
Total profit/(loss) before tax	279.77	90.21	(5.57)	340.13	189.82
Segment Asset					
a) India	4,858.94	4,715.02	4,231.69	4,858.94	4,231.69
b) Canada	4,092.52	3,525.99	3,406.66	4,092.52	3,406.66
c) Other	270.83	600.04	253.74	270.83	253.74
Total	9,222.29	8,841.05	7,892.09	9,222.29	7,892.09
Segment liability					
a) India	3,330.44	3,362.37	3,114.04	3,330.44	3,114.04
b) Canada	2,667.31	2,303.43	1,967.62	2,667.31	1,967.62
c) Other	17.18	328.80	48.14	17.18	48.14
Total	6,014.93	5,994.60	5,129.80	6,014.93	5,129.80

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

DEEP
KAPURIA

Place: New Delhi
Date: June 29, 2021

Deep Kapuria
Executive Chairman

Independent Auditors' Report on the Quarterly and Year to Date Standalone Financial Results of The Hi-Tech Gears Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
The Hi-Tech Gears Limited**

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of The Hi-Tech Gears Limited (hereinafter referred to as the "Company") for the quarter ended 31 March 2021 and for the year ended 31 March 2021, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss, other comprehensive income and other financial information for the quarter ended 31 March, 2021 and net profit, other comprehensive loss and other financial information for the year ended 31 March 2021.

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 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* 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 Act, and the Rules there under, 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 on the standalone financial results.

Emphasis of matter

We draw attention to Note 7 to the standalone financial results, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management.

Our opinion is not modified in respect of the above matter.



Management's Responsibilities for the Standalone Financial Results

These standalone financial results have been prepared on the basis of the standalone financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net profit/loss and other comprehensive income/loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process

Auditors' Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 standalone financial results.

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 standalone financial results, 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 Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 standalone financial results 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 standalone financial results, including the disclosures, and whether the standalone financial results 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.

Other Matters

The standalone financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

FOR O. P. DADU & CO.
CHARTERED ACCOUNTANTS
FRN. 001201N



(Signature)
(AMIT GUPTA)
PARTNER
M.NO. 094202

PLACE : NEW DELHI
DATED: 29TH JUNE, 2021
UDIN: 21094202AAAAAS9899

Independent Auditors' Report on the Quarterly and Year to Date Consolidated Financial Results of The Hi-Tech Gears Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
The Hi-Tech Gears Limited**

Opinion

We have audited the accompanying statement of quarterly and year to date consolidated financial results of The Hi-Tech Gears Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended 31 March, 2021 and for the year ended 31 March 2021, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial results of the subsidiaries, the aforesaid consolidated financial results:

- a. include the financial 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 Systems 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

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net loss, other comprehensive income and other financial information of the Group for the quarter ended 31 March, 2021 and consolidated net profit, other comprehensive income and other financial information of the Group for the year ended 31 March 2021.

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 ("the Act"). Our responsibilities under those SAs are



further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group, 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 Act, and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial results.

Emphasis of matter

We draw attention to Note 7 to the consolidated financial results, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Group's financial performance as assessed by the management.

Our opinion is not modified in respect of the above matter.

Management's Responsibilities for the Consolidated Financial Results

These consolidated financial results have been prepared on the basis of the consolidated financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the consolidated net profit/loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.



Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 consolidated financial results.

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 consolidated financial results, 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 Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 consolidated financial results 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the

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consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company 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.

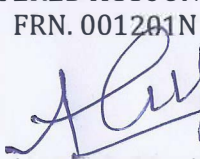
We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- a. The consolidated financial statements of one subsidiary (and its six step down subsidiaries) and financial statements of other two subsidiary are included in the consolidated financial results, whose annual financial statements reflect total assets of Rs. 4384.34 million as at 31 March 2021, as well as the total revenue of Rs. 869.43 million and Rs.2351.47 million, total net profit/(loss) after tax of Rs.148.25 million and Rs.(109.53) million, total comprehensive income of Rs. 178.50 million and Rs. 9.75 million for the quarter and year ended on that date respectively and net cash inflow Rs.(74.98) million for the year ended 31 March 2021, which have not been audited by us. These financial statements/ financial information have been audited by other auditors whose report has been furnished to us by Management of the Company, and our opinion on the consolidated financial results, to the extent they have been derived from such annual financial statements is based solely on the report of such other auditors. Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.
- b. The consolidated financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

FOR O.P.DADU & CO.
CHARTERED ACCOUNTANTS
FRN. 001201N




(AMIT GUPTA)
PARTNER
M.NO. 094202

PLACE : NEW DELHI
DATED : 29TH JUNE, 2021
UDIN : 21094202AAAAAT1134



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

June 29, 2021

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

**The Manager,
Listing Department,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400001
Scrip code – 522073**

Sub:- Declaration in respect of Audit Report with unmodified opinion pursuant to Regulation 33(3) (d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir, Ma'am,

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, this is hereby declared that the Statutory Auditors of the Company, M/s O.P Dadu & Co., Chartered Accountants, (Firm Registration No. 001201N), have issued an unmodified opinion in their Audit Report on the Standalone and Consolidated financial results of the Company for the quarter and year ended on March 31, 2021.

Yours Faithfully

For The Hi-Tech Gears Limited

**Vijay Mathur
Chief Financial Officer**



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

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

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