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

Dated: June 27, 2020

To
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

Subject: Updates on Filing of Audited Financial Results for the year ended March 31, 2020

Dear Sir/Ma'am,

This is with reference to filling of Financial Results for the quarter and year ended March 31, 2020 under applicable Regulations of SEBI (LODR) Regulations, 2015 on June 26, 2020.

In this regard, we have submitted the outcome and quick financial results both on BSE electronic platform & NSE electronic platform. However, we observed that BSE is showing complete set of documents and may be due to some technical reasons NSE website is showing only one page. Subsequently, we also received the acknowledgements from both NSE & BSE.

To avoid any confusion, we are submitting herewith complete set of financial results for publication on NSE website.

Thanking You,

Yours faithfully,
For The Hi-Tech Gears Limited

Naveen Jain
Company Secretary
Membership No. A15237

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 26, 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

Symbol: HITECHGEAR

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

Scrip Code: 522073

Subject: Outcome of the Board Meeting held on June 26, 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 at its meeting held today, i.e. June 26, 2020, have considered and approved, inter alia, the following matters:

1. The Audited (Standalone & Consolidated) Financial Results for the 4th quarter & year ended March 31, 2020. A copy of the same in prescribed format as approved by the Board and signed by the Executive Chairman along with Auditor's Report is annexed for your ready reference.

2. 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, 2020.

3. Omnibus Approval for the year 2020-21, for the transactions which may be regarded as Related Party Transaction.

4. The Board of Directors have decided unanimously not to declare the final dividend for the financial year 2019-20 to conserve resources for the working of the company.

The Meeting of the Board of Directors commenced at 04:15 P.M and concluded at 06:30 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

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: secretarial@thehitechgears.com;
Ph No. 0124-4715100 Fax: 0124-2806085

Statement of Audited (Standalone and Consolidated) Financial Results for the Quarter and Year ended March 31, 2020

(Rs. in million, except per share data)

Particulars	Standalone Results					Consolidated Results				
	Quarter ended			Year ended		Quarter ended			Year ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	Audited Ref Note. 2	Unaudited	Audited Ref Note. 2	Audited	Audited	Audited Ref Note. 2	Unaudited	Unaudited	Audited	Audited
1 **Income**										
a) Revenue from operations	1,061.00	1,123.66	1,557.87	4,941.86	6,257.07	1,567.70	1,592.49	2,353.39	7,057.31	8,896.50
b) Other operating revenues	35.02	30.79	51.36	151.39	215.08	37.42	33.78	55.15	162.87	240.72
c) Other income	16.50	10.36	14.72	62.03	162.37	45.64	18.12	9.03	114.76	169.59
Total Income	**1,112.52**	**1,164.81**	**1,623.95**	**5,155.28**	**6,634.52**	**1,650.76**	**1,644.39**	**2,417.57**	**7,334.94**	**9,306.81**
2 **Expenses**										
a) Cost of material consumed	557.65	468.87	776.22	2,346.33	3,234.03	691.57	658.97	1,124.11	3,074.30	4,334.60
b) Purchases of stock-in-trade	53.72	45.50	85.61	252.45	316.20	53.73	45.50	93.12	252.45	323.72
c) Changes in inventories of finished goods and work in progress	(38.98)	42.84	(47.48)	2.41	(90.46)	25.77	2.11	(58.50)	45.02	(165.71)
d) Employee benefits expense	194.47	214.52	286.35	956.96	1,005.41	389.37	387.99	536.21	1,769.74	1,921.71
e) Finance costs	69.08	37.83	46.91	215.97	184.10	103.38	65.24	64.01	331.29	294.81
f) Depreciation and amortisation expense	70.54	66.51	68.46	274.53	270.80	108.45	105.81	111.11	430.34	421.91
g) Other expenses	217.47	222.96	285.00	953.61	1,183.22	284.06	291.33	370.70	1,241.98	1,590.50
Total expenses	**1,123.95**	**1,099.03**	**1,501.07**	**5,002.26**	**6,103.30**	**1,656.33**	**1,556.95**	**2,240.76**	**7,145.12**	**8,721.54**
3 **Profit/(Loss) before tax (1-2)**	**(11.43)**	**65.78**	**122.88**	**153.02**	**531.22**	**(5.57)**	**87.44**	**176.81**	**189.82**	**585.27**
4 **Tax expense**										
a) Current tax	(9.73)	20.71	22.70	44.28	166.00	0.46	26.26	6.89	65.44	176.56
b) Deferred tax	35.25	6.69	9.03	34.07	10.38	45.64	6.94	67.41	44.37	52.93
c) Earlier years tax adjustments (net)	-	(2.75)	-	(2.75)	-	-	(2.75)	-	(2.75)	-
Total tax expense	**25.52**	**24.65**	**31.73**	**75.60**	**176.38**	**46.10**	**30.45**	**74.30**	**107.06**	**229.49**
5 **Profit/(Loss) for the period/year (3-4)**	**(36.95)**	**41.13**	**91.15**	**77.42**	**354.84**	**(51.67)**	**56.99**	**102.51**	**82.76**	**355.78**
6 **Other comprehensive income/(loss)**										
(i) Items that will not be reclassified to profit or loss	54.96	0.76	(0.87)	56.87	2.66	54.96	0.76	(0.88)	56.87	2.66
(ii) Income tax relating to items that will not be reclassified to profit or loss	(19.49)	(0.16)	0.32	(19.96)	(0.88)	(19.49)	(0.15)	0.32	(19.96)	(0.88)
(iii) Items that will be reclassified to profit or loss	(4.76)	(9.56)	-	(77.33)	-	(15.31)	15.67	0.34	(22.60)	35.70
(iv) Income tax relating to items that will be reclassified to profit and loss	8.76	2.41	-	27.02	-	8.76	2.22	(4.30)	27.02	(5.06)
Total other comprehensive income/(loss)	**39.47**	**(6.55)**	**(0.55)**	**(13.40)**	**1.78**	**28.92**	**18.50**	**(4.52)**	**41.33**	**32.42**
7 **Total comprehensive income/(loss) for the period/year (5+6)**	**2.52**	**34.58**	**90.60**	**64.02**	**356.62**	**(22.75)**	**75.49**	**97.99**	**124.09**	**388.20**
8 **Other equity as per statement of assets and liabilities**	**-**	**-**	**-**	**2,478.94**	**2,494.11**	**-**	**-**	**-**	**2,574.60**	**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**
10 **Earnings per equity share (Face value of Rs. 10/- per equity share)**										
(a) Basic (in Rs.)	(1.97)	2.19	4.86	4.13	18.91	(2.75)	3.04	5.46	4.41	18.96
(b) Diluted (in Rs.)	(1.97)	2.19	4.86	4.13	18.91	(2.75)	3.04	5.46	4.41	18.96

Notes:

1. The above Financial Results (Standalone and Consolidated) have been reviewed by the Audit Committee at their meeting held on June 26, 2020 & thereafter approved by the Board of Directors in their meeting held on June 26, 2020. These results have been audited by the Statutory Auditors of the Company.

2. Figures for the quarter/ period ended 31 March, 2020 and 2019 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. During the quarter ended March 31, 2020, the Board of Directors has declared an interim dividend of Rs.1.50/- per equity share (i.e. @15% on paid-up share capital of the company) at its meeting held on February 07, 2020 and the same was paid to eligible shareholders on March 04, 2020. The interim dividend has been considered as final dividend for the year ended 31 March 2020.

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. Effective April 01,2019, the Group adopted Ind AS 116 "Leases", applied to all contracts having lease components existing on April 01,2019 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 Rs. 87.04 Mn and a lease liability of Rs. 87.04 Mn. In respect of leases that were classified as finance leases, applying Ind AS 17, an amount of Rs. 49.77 Mn has been reclassified from property, plant and equipment to right-of-use assets. An amount of Rs. Nil has been reclassified from other current financial liabilities to lease liability – current and an amount of Rs. Nil has been reclassified from borrowings – non-current to lease liability – non-current.

6. Pursuant to the taxation laws (Amendment) Ordinance, 2019 issued on September 20, 2019, corporate assesse 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 nine months ended December 31, 2019 have been provided for at reduced tax rate, finally the company has decided not to opt the option available under section 115BAA of Income Tax Act for F Y 2019-20.

7. Provision for taxation is made at the effective Income Tax rates.

8. Figures of the previous period/ year have been re-grouped/ re-arranged/ re-cast, wherever considered necessary, to correspond with the current period's grouping.

9. The outbreak of COVID-19 pandemic globally and in India has severely 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

Place : New Delhi
Date : June 26, 2020

Deep Kapuria
Executive Chairman

10. Statement of Audited (Standalone and Consolidated) Assets and Liabilities **(Rs. in million)**

Particulars	Standalone		Consolidated	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
	Audited	Audited	Audited	Audited
Assets				
Non-current assets				
Property, plant and equipment	1,860.23	1,740.67	3,244.00	3,334.44
Capital work-in-progress	115.94	138.04	339.05	194.23
Right-of-use asset	108.42	-	108.42	-
Goodwill	-	-	491.83	472.88
Other intangible assets	13.46	9.76	614.20	633.92
Financial assets				
Investments	1,631.42	1,584.65	82.45	35.68
Loans	44.59	33.29	44.59	35.07
Other financial assets	0.08	5.22	0.08	5.21
Deferred tax assets (net)	-	-	-	2.41
Other non-current assets	172.44	324.40	172.44	324.40
Total non-current assets	**3,946.58**	**3,836.03**	**5,097.06**	**5,038.24**
Current assets				
Inventories	561.95	739.73	851.38	1,070.25
Financial assets				
Trade receivables	589.95	1,090.31	912.10	1,692.91
Cash and cash equivalents	145.90	293.69	396.17	469.55
Other bank balances	300.51	124.11	300.51	124.11
Loans	7.46	10.46	9.13	10.46
Other financial assets	62.95	66.34	63.37	66.34
Current tax assets (net)	37.69	19.71	39.21	22.97
Other current assets	127.67	144.99	223.16	181.19
Total current assets	**1,834.08**	**2,489.34**	**2,795.03**	**3,637.78**
Total assets	**5,780.66**	**6,325.37**	**7,892.09**	**8,676.02**
Equity and liabilities				
Equity				
Equity share capital	187.68	187.68	187.68	187.68
Other equity	2,478.94	2,494.11	2,574.60	2,529.70
Total equity	**2,666.62**	**2,681.79**	**2,762.28**	**2,717.38**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	1,596.90	1,641.25	3,003.05	3,093.81
Provisions	39.12	46.32	39.12	46.32
Deferred tax liabilities (net)	28.07	13.70	120.14	94.21
Other non-current liabilities	17.51	23.13	17.51	23.13
Total non-current liabilities	**1,681.60**	**1,724.40**	**3,179.82**	**3,257.47**
Current liabilities				
Financial liabilities				
Borrowings	2.03	715.59	2.03	927.44
Trade payables				
- total outstanding dues of micro enterprises and small enterprises	29.83	35.81	29.83	35.81
- total outstanding dues of creditors other than micro enterprises and small enterprises	653.42	594.78	908.38	934.82
Other financial liabilities	632.28	459.25	877.95	683.90
Other current liabilities	77.55	77.96	94.47	83.41
Provisions	37.33	35.79	37.33	35.79
Total current liabilities	**1,432.44**	**1,919.18**	**1,949.99**	**2,701.17**
Total equity and liabilities	**5,780.66**	**6,325.37**	**7,892.09**	**8,676.02**

11. Statement of Audited (Standalone and Consolidated) Cash Flow **(Rs. in million)**

Particulars	Standalone		Consolidated	
	For the year ended		For the year ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	Audited	Audited	Audited	Audited
A Cash flow from operating activities				
Profit before tax	153.02	531.22	189.82	585.27
Adjustments for:				
Depreciation and amortisation expense	274.53	270.80	430.34	421.91
Gain on disposal of property, plant and equipment (net)	(13.21)	(91.42)	(0.57)	(91.42)
Interest income classified as investing cash flows	(26.49)	(35.11)	(29.80)	(36.27)
Income recognised on account of government assistance	(5.61)	(13.62)	(5.61)	(13.62)
Provisions written back	(16.71)	(21.87)	(7.43)	(21.87)
Provision for doubtful debts	-	6.72	(9.28)	6.72
Unrealised (profit)/loss on foreign exchange fluctuation (net)	26.28	16.01	24.34	(67.71)
Unrealised profit on mark to market of forward contracts	4.21	-	2.95	3.80
Finance costs	215.97	184.10	331.29	294.81
Operating profit before working capital changes	**611.99**	**846.83**	**926.05**	**1,081.62**
Movement in working capital				
Movement in inventories	177.78	(282.68)	218.87	(400.62)
Movement in other financial assets	3.39	4.08	0.02	0.31
Movement in trade receivables	513.35	(112.71)	809.99	(53.37)
Movement in other non-current assets	151.96	(0.61)	(6.06)	(0.61)
Movement in other current assets	17.32	(40.08)	(41.97)	(37.71)
Movement in other financial liability	(32.51)	20.84	(20.99)	(206.42)
Movement in other current liability	(2.41)	(12.47)	9.06	(17.14)
Movement in provision	21.17	38.63	66.61	74.32
Movement in trade and other payables	52.06	74.67	(37.98)	171.55
Cash flow from operating activities post working capital changes	**1,514.10**	**536.50**	**1,923.60**	**611.91**
Income tax paid (net)	(72.18)	(165.46)	(87.90)	(140.31)
Net cash flows from operating activities (A)	**1,441.92**	**371.04**	**1,835.70**	**471.62**
B Cash flows from investing activities				
Payment for acquisition of subsidiary, net of cash acquired	-	(35.01)	-	-
Purchase of non-current investments	-	(13.78)	-	(35.01)
Payments for property, plant and equipment and capital work-in-progress	(441.59)	(957.06)	(613.23)	(1,183.40)
Proceeds from sale of property, plant and equipment	56.55	320.16	337.31	320.16
Payment/received for margin money and bank deposits	(145.25)	44.40	(145.25)	36.66
Repayment loans and advances	(8.31)	(18.49)	(8.19)	(19.81)
Interest received	26.49	27.36	29.80	36.27
Net cash used in investing activities (B)	**(512.11)**	**(632.42)**	**(399.56)**	**(845.13)**
C Cash flows from financing activities				
Finance cost paid	(176.36)	(150.74)	(283.60)	(261.44)
Proceeds from borrowings	111.11	768.37	211.14	1,201.54
Repayment of borrowings	(912.32)	(58.57)	(1,337.03)	(263.19)
Repayment of principal portion of lease liability	(20.84)	-	(20.84)	-
Dividends paid (including tax)	(79.19)	(79.19)	(79.19)	(79.19)
Net cash flow from/used in financing activities (C)	**(1,077.60)**	**479.87**	**(1,509.52)**	**597.72**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(147.79)	218.49	(73.38)	224.21
Cash and cash equivalents at the beginning of the year	293.69	75.20	469.55	245.34
Cash and cash equivalents at the end of the year	**145.90**	**293.69**	**396.17**	**469.55**

12. Consolidated Segment wise revenue and results for the quarter and financial year ended March 31, 2020

(Rs. in million, except per share data)

Particulars	Quarter ended			Year ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	Audited	unaudited	unaudited	Audited	Audited
1 **Segment Revenue**					
a) India	1,096.01	1,154.45	1,609.23	5,093.25	6,472.15
b) Canada	440.95	421.94	747.48	1,906.76	2,516.54
c) Others	82.77	66.03	58.66	289.86	226.08
Less: Intercompany segment revenue	(14.61)	(16.15)	(6.83)	(69.69)	(77.55)
Total Revenue	**1,605.12**	**1,626.27**	**2,408.54**	**7,220.18**	**9,137.22**
2 **Segment Results**					
a) India	56.34	99.28	162.96	356.50	637.76
b) Canada	52.90	36.18	66.47	127.16	222.94
c) Others	(11.43)	17.22	11.39	37.45	19.38
Total	**97.81**	**152.68**	**240.82**	**521.11**	**880.08**
Less:					
Finance costs	103.38	65.24	64.01	331.29	294.81
Exceptional items	-	-	-	-	-
Other unallocable expenditure	-	-	-	-	-
Total profit/(loss) before tax	**(5.57)**	**87.44**	**176.81**	**189.82**	**585.27**
3 **Segment Asset**					
a) India	4,231.69	4,410.66	4,772.32	4,231.69	4,772.32
b) Canada	3,406.66	3,397.35	3,336.20	3,406.66	3,336.20
c) Other	253.74	231.32	567.50	253.74	567.50
Total	**7,892.09**	**8,039.33**	**8,676.02**	**7,892.09**	**8,676.02**
4 **Segment liability**					
a) India	3,114.04	3,261.58	3,643.58	3,114.04	3,643.58
b) Canada	1,967.62	1,922.93	1,954.01	1,967.62	1,954.01
c) Other	48.14	35.83	361.05	48.14	361.05
Total	**5,129.80**	**5,220.34**	**5,958.64**	**5,129.80**	**5,958.64**

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

The Hi-Tech Gears Limited Gurgaon

Deep Kapuria
Executive Chairman

Place: New Delhi
Date: June 26, 2020

O.P. DADU & CO.
CHARTERED ACCOUNTANTS
24/4834, ANSARI ROAD, DARYA GANJ,
NEW DELHI-110002 PH. : 23275482, 23253645

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

Report on the audit of the Consolidated Financial Results

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, 2020 and for the year ended 31 March 2020, 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, 2020 and consolidated net profit, other comprehensive income and other financial information of the Group for the year ended 31 March 2020.

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

O.P. DADU & CO. NEW DELHI CHARTERED ACCOUNTANTS

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 9 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 and Board of Directors' 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. 3682.25 million as at 31 March 2020, as well as the total revenue of Rs. 565.83 million and Rs. 2240.39 million, total net profit/(loss) after tax of Rs.(15.13) million and Rs. 4.75 million, total comprehensive income/(loss) of Rs. (25.68) million and Rs. 59.48 million for the quarter and year ended on that date respectively and net cash inflow Rs. 74.41 million for the year ended 31 March 2020, 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 2020 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

O.P. DADU & CO. NEW DELHI CHARTERED ACCOUNTANTS

(AMIT GUPTA)
PARTNER
M.NO. 094202

PLACE : NEW DELHI
DATED : 26TH JUNE, 2020
UDIN : 20094202AAAAAW5079

O.P. DADU & CO.
CHARTERED ACCOUNTANTS
24/4834, ANSARI ROAD, DARYA GANJ,
NEW DELHI-110002 PH. : 23275482, 23253645

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

Report on the audit of the Standalone Financial Results

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 2020 and for the year ended 31 March 2020, 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, 2020 and net profit, other comprehensive loss and other financial information for the year ended 31 March 2020.

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 9 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 and Board of Directors' 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.

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- 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 2020 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

O.P. DADU & CO. ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

(AMIT GUPTA)
PARTNER
M.NO. 094202

PLACE : NEW DELHI
DATED: 26TH JUNE, 2020
UDIN: 20094202AAAAAV3415

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 26, 2020

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 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, 2020.

Yours Faithfully
For The Hi-Tech Gears Limited

Vijay Mathur
Chief Financial Officer