

passion to succeed



passion | innovation | technology



THE HI-TECH GEARS LTD.

39th ANNUAL REPORT 2024-2025

ENGINEERING
CONVERGENCE
SOLUTIONS FOR
A LEAN WORLD

ENGINEERING
MANUFACTURING
ROBOTICS



Vision

Be a global footprint Company and a benchmark for world class manufacturing systems

Mission

We will be the preferred partner in delivering engineering products and design solution through lean philosophy with a focus on:

- Building a customer centric Organization
- Rapid development of products and innovative solutions
- Ensuring cost effectiveness
- Developing competent and committed people

Forward Looking Statement & Disclaimer

In our report we have disclosed forward looking information so that investor can better understand the company's future prospects and make informed decisions. This Annual report and other written and oral statements that we make from time to time contain such forward looking statements that set out anticipated results based on management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'projects' 'intends', 'plans', 'believes', and words and terms of similar substance in connection with any discussion of future operating or financial performance. We cannot guarantee that any forward looking statement will be realized, although we believe we have been prudent in our plans and assumptions. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind as they consider forward-looking statements. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

The financial statements have the figures in millions unless specifically mentioned. The Messages, Management Discussion Analysis, Board's Report together with its Annexures are the statement of the financial figures, hence are provided in Rupees in million, unless specifically mentioned.

Source of information: we have consulted RBI, SIAM, ACMA, industry associations, fellow industry members, Industry journals, various ministries sites for the information set in this Report and some international sources sites such as IMF, World Bank etc. We have tried, wherever possible, to identify and authenticate the such information, however we undertake no obligation for its correctness and its updates.

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Registered Office & Plant II

Plot No. 24, 25, 26
Sector -7, IMT Manesar, Gurugram,
Haryana – 122050,
Tel: (0124) 4715200,

Corporate Office

14th Floor, Tower – B,
Unitech's Millennium Plaza,
Sushant Lok – 1, Sector – 27,
Gurugram,
Haryana - 122002
Tel : (0124) 4715100,
Email : secretarial@thehitechgears.com

Plant I

A-589, Industrial Complex,
Bhiwadi – 301019,
Dist. Alwar, (Rajasthan),
Tel: (01493) 265000/265199

Plant III:

SPL – 146,
Industrial Complex,
Bhiwadi – 301019,
Dist. Alwar, (Rajasthan)

Plants of Subsidiary Companies

The Hi-Tech Gears Canada Inc. (Formerly known as Teutech Industries Inc.)

361, Speedvale Avenue W,
Guelph, ON N1H 1C7, Canada

Teutech LLC

227, Barton Street, Emporium,
PA, 15834, USA

Bankers

Standard Chartered Bank
Citi Bank
ICICI Bank Ltd.
HDFC Bank
The Federal Bank Limited

Registrar & Transfer Agent

M/s MAS Services Limited
T-34, 2nd Floor Okhla Industrial Area,
Phase-II, New Delhi – 110020
Tel : + (011) 26387281, 82, 83
Fax: (011) 26387384

Cost Auditors

M/s Kabra & Associates
Cost Accountants
552/1B, Arjun Street Main Vishwas Road
Vishwas Nagar, Delhi-110032

Board of Directors

Mr. Deep Kapuria - Executive Chairman
Mr. Anant Jaivant Talaular - Vice Chairman
Mr. Pranav Kapuria - Managing Director
Mr. Anuj Kapuria - Executive Director
Mr. Vijay Mathur - Executive Director
Mr. Bidadi Anjani Kumar - Non Executive Director
Mr. Kawal Jain - Non Executive Director
Ms. Suchitra Rajendra - Independent Director
Mr. Rajiv Batra - Independent Director
Mr. Vishal Seth - Independent Director
Mr. Arjun Juneja - Independent Director
Mr. Vikram Rupchand Jaisinghani - Independent Director
Mr. Deval Mahadev Desai - Independent Director
Mr. Ramakrishnan Ramanathan - Independent Director

Key Managerial Personnel

Mr. Kapil Rajora - Chief Financial Officer
Mr. Naveen Jain - GM Legal & Company Secretary

Statutory Auditors

M/s YAPL & Co.
Chartered Accountants
102-Kismat Complex, G.T. Road Millar Ganj,
Ludhiana-141003

Internal Auditors

M/s Grant Thornton Bharat LLP
(Formerly known as Grant Thornton India LLP)
21st Floor, DLF Square Jacaranda Marg,
DLF Phase-II, Gurugram-122002, India

Secretarial Auditors

M/s PG & Associates
Company Secretaries
E-50, Panchsheel Park, New Delhi 110017



THE HI-TECH GEARS LTD.

MILESTONES

1986 ONWARDS...

- 1986 Incorporated as a Public Limited Company
- 1988 Commencement of Production and Company became single source supplier to Hero Honda
- 1989 Product Indigenization
- 1992 Technical Tie-up with Kyush Musashi, a subsidiary of Honda Motors, Japan
- 1993 Backward Integration into Precision Forgings
- 1995 Selected as single source supplier to Honda Power, Tata Cummins Ltd.
- 1996 Technology Agreement with GETRAG, US
- 1996 Certified as ISO 9002, BPR launched
- 1997 Selected as a global source to Cummins, US
- 1998 Certified as QS 9000
- 1999 Separate Division to handle high-end design and CAD Services established, under the name of Hi-Tech ESoft.
- 2002 Launches Initiative of Lean Manufacturing
- 2003 Certified for:-
 - Integrated Quality Management Systems
 - TS 16949 for quality & obtained Environment Certification ISO 4001:
 - Occupational Health & Safety Certification OHSAS 18001:1999
- 2004 Prototyping/Productionsing Precision Components for Robert Bosch, GM, Volvo and Daimler Chrysler
- 2005 State-of-the-art Manufacturing Facility set up at Manesar
- 2007 Hi-Tech eSoft (division of HGL) Certified for ISO 9001:2000
- 2008 ACMA Export Award 2006-07
- 2009 Excellence Award for Manufacturing and Export
- 2010 TPM Excellence Awards Category A & Shingo Silver Medallion
- 2011 New State of Art "ECOFAC" Plant setup in Bhiwadi
- 2012 Award for excellence in Consistent TPM Commitment
- 2013 ACMA Export Award
- 2014 ACMA Export Award (Large Category)
- 2015 Name of the Company changed to "The Hi-Tech Gears Ltd."
- 2017 Acquisition of Teutech Industries INC, Canada and Teutech LLC, USA.
- 2019 Achieved a Turnover of INR 9,000 Million (on consolidated basis)
- 2023 Achieved a Turnover of INR 10,000 Million (on Consolidated Basis)

CUSTOMERS



Daimler India Commercial Vehicles Pvt. Ltd.



BHARATBENZ



TATA MOTORS



Mahindra





CHAIRMAN'S STATEMENT



Dear Shareholders,

It is my privilege to present the Company's performance and key developments for the fiscal year ended March 31, 2025. Despite a turbulent global environment, your Company has remained steadfast—guided by its core values and driven by forward-thinking strategies.

We are living in a world undergoing rapid transformation. Emerging technologies, shifting geopolitical alliances, and an urgent climate agenda are reshaping the way businesses operate, innovate, and compete. In this constantly evolving landscape, our ability to think strategically, act decisively, and adapt swiftly has become critical to ensuring long-term success.

In response to these dynamic challenges, we have reinforced our core business, explored new opportunities, and set ambitious goals aligned with long-term, sustainable growth. We remain focused on driving innovation and integrating sustainability across our operations in a deliberate and strategic manner.

Global and Domestic Economic Affairs

In an era marked by global uncertainty, we have taken bold and decisive steps to confront emerging challenges and harness new opportunities. Our strategy has been anchored in resilience, agility, and a steadfast commitment to delivering consistent value to our stakeholders. As a result, we are well-positioned to thrive amid today's volatile and evolving global economic landscape.

India's growing focus on indigenization and the increasing shift by global Original Equipment Manufacturers (OEMs) toward India for sourcing have reinforced the country's emergence as a global hub for design and manufacturing. As international supply chains undergo reconfiguration due to geopolitical tensions and the risks of overdependence on singular markets, India has become an attractive alternative. The "China+1" strategy—encouraging global manufacturers to diversify beyond China—has opened promising avenues for India's industrial growth, particularly in sectors such as automotive components, electronics, and clean energy technologies.

However, our journey is not without its share of external headwinds. The escalation of the Israel conflict in early 2025 has emerged as a significant geopolitical flashpoint, disrupting key trade routes, driving up global energy prices, and contributing to heightened uncertainty in international markets. These disruptions have been further compounded by the United States' revised trade policy and associated tariff escalations, which have introduced additional volatility to global trade dynamics.

Despite these global disruptions, the Indian economy continues to demonstrate resilience. I am fully confident that Indian economy is on fast track with strong domestic consumption, a well-diversified trade portfolio, and sustained momentum in services exports have kept the nation's economic fundamentals on solid ground.

Indian Automotive Sector – Future Outlook

In FY 2024–25, the automotive component industry demonstrated remarkable resilience and adaptability amidst global uncertainty. The sector is undergoing a profound transformation, shaped by shifting global trends and the accelerated adoption of emerging technologies. Regulatory evolution, growing capital inflows, changing consumer expectations, and rising ESG (Environmental, Social, and Governance) priorities are fundamentally redefining its trajectory.



According to the Morgan Stanley Global Investment Committee (GIC), India is expected to be the fastest-growing major economy globally. The report projects India's real GDP to grow by 5.9% in 2025 and 6.4% in 2026. The IMF and World Bank offer slightly better projections of 6.2% and 6.3%, respectively, citing global trade tensions and geopolitical uncertainties as persistent headwinds. Despite these external pressures, India's automobile industry remains a cornerstone of national economic growth—contributing over 7% to GDP and generating employment for millions. It continues to play a vital role in driving industrial progress and technological innovation.

India's auto ancillary sector is now a focal point of global interest. The two-wheeler segment continues to thrive, propelled by rising aspirations of the middle class and a youthful demographic profile. On the commercial vehicle front, expansion in logistics and infrastructure development has fueled demand for both heavy and light-duty vehicles. By 2030, India is projected to become the third-largest automotive market globally.

India's transition toward sustainability is also accelerating. The country has pledged to achieve net-zero emissions by 2070 and aims to source 50% of its energy needs from renewables by 2030. The electric vehicle (EV) sector stands at the forefront of this green revolution. With an annual growth rate of 45–50%, India's EV market is projected to become a ₹ 20 trillion industry by 2030.

Government-led initiatives such as FAME I and II—and more recently, the ₹ 10,900 crore PM E-Drive Scheme under FAME III—have played a catalytic role in fostering EV adoption. These programs have subsidized more than 1.6 million EV purchases since 2015. The government has set ambitious electrification targets for 2030: 70% of commercial vehicles, 30% of private cars, and 80% of two- and three-wheelers are expected to be electric.

Considering the positive momentum and evolving trends, it is essential that we embrace an optimistic, forward-looking mindset—approaching the future with confidence, determination, and the discipline to fully capitalize on emerging opportunities.

Company Performance and Strategy

This year, the Company maintained a steady performance amidst a dynamic business environment, with growth levels marginally moderated compared to the previous year due to evolving market conditions and global economic factors. Currently, our strategic

focus includes, Optimizing asset utilization, Deepening customer relationships, Enhancing cost-efficiency, Pursuing manufacturing excellence, Upholding top-tier product quality.

These initiatives are not just about growth—they're about building long-term, sustainable value for all stakeholders.

To summarise the financial results for the Financial Year 2024–25, the Company reported a standalone turnover of ₹ 6,576.09 million and a profit after tax (PAT) of ₹ 473.78 million, while on a consolidated basis, including its subsidiaries, it achieved a turnover of ₹ 9,269.64 million and a PAT of ₹ 403.63 million. Export turnover stood at ₹ 2,197.13 million, representing 33.41% of the standalone turnover.

Despite the challenging market conditions and global economic uncertainties impacting its performance in terms of numbers, your Company maintained its focus on operational efficiencies, product quality, and timely delivery. With strong expertise in gears and transmission equipment, your Company continues to tap into new markets and build long-term shareholder value. Reflecting its confidence and commitment to shareholders, your Board of Directors has recommended the consistent final dividend of ₹ 5 per equity share (50%) for FY 2024–25.

As we reflect on the journey of the past year, we do so with a deep sense of purpose and gratitude. At the heart of our organizational culture lies the timeless Indian ethos of “*वसुधैव कुटुम्बकम्*”—*the world is one family*. We firmly believe that our greatest strength stems from our people, our customers, our partners, and the communities we serve. Guided by this inclusive philosophy, we have fostered a workplace built on trust, collaboration, and shared growth. It is this mindset that has kept us resilient and united through times of both challenge and change.

In today's complex environment, optimism must be grounded in preparedness. The road ahead presents uncertainties—ranging from geopolitical tensions to evolving global trade dynamics. Yet, we move forward with conviction. Our ability to adapt, innovate, and remain steadfast in our long-term vision will be the key to sustained success.

We are witnessing a profound global economic transition, and India stands at the heart of this transformation. Let us rise to this moment—with clarity, courage, and compassion—to help build an economy that is not only globally competitive, but also inclusive, resilient, and sustainable.



Before concluding, I would like to place on record my sincere gratitude to every member of The Hi-Tech Family for their dedicated and relentless hard work throughout the past year, which has enabled the Company to achieve success despite all odds. The results we have attained would not have been possible without the collective commitment and perseverance of our entire team. I am also deeply thankful to our valued customers, supply chain partners,

bankers, and my esteemed Board colleagues for their unwavering support and wise guidance at every step. As we move forward, I am confident that our journey together will continue to be both exciting and rewarding.

Deep Kapuria
Chairman





MANAGING DIRECTOR'S STATEMENT



Dear Shareholders,

I am delighted to interact with you, our invaluable shareholders and express my heartfelt gratitude for your unwavering support and confidence in our management's vision and strategies. Your faith has been instrumental in steering the Company through a challenging global economic climate and an environment of tightening liquidity. We are deeply appreciative of your continued trust and look forward to delivering sustainable value in the years ahead.

Despite a modest impact on turnover in FY 2024-25, your company's strengthened balance sheet, disciplined cost management, alignment with a resilient Indian economy and a buoyant auto-components sector, position us for accelerated growth and value creation in the coming years.

The Automotive Sector: A Pillar of India's Economic Growth

India's automotive industry stands as a vital cornerstone of the country's economic transformation and manufacturing excellence. In FY 2024-25, the sector has demonstrated remarkable significance by contributing 7.1% to India's overall GDP and an impressive 49% to the country's manufacturing GDP.

India has emerged as a global leader in specialized commercial-vehicle segments, standing as the world's largest tractor manufacturer, the second-largest bus producer, and the third-largest heavy-truck maker, underscoring its critical role in the global heavy-vehicle market and reflecting the sector's

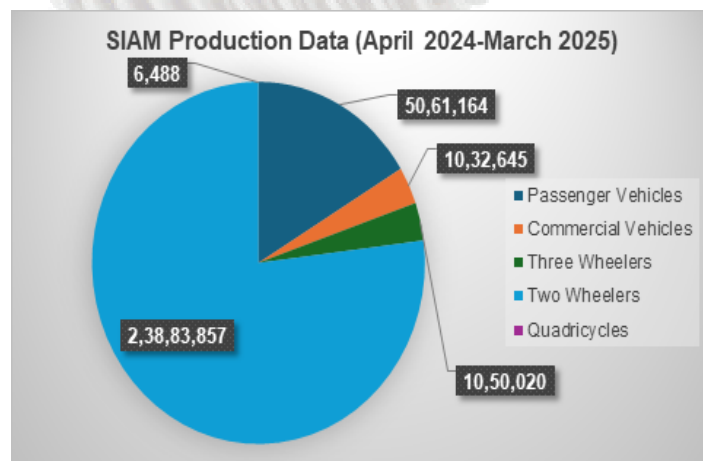
rapid expansion and technological prowess in FY 2024-25. This substantial contribution underscores the automotive industry's pivotal role in driving India toward its ambitious goal of a USD 5 trillion economy.

While India has established itself as a manufacturing powerhouse domestically, our global footprint in the auto component market presents both challenges and opportunities. Currently, India holds approximately 3% of the global auto component trade. This modest share, particularly in high-precision segments like engine, transmission, and steering components (2-4% of global trade), signals tremendous potential for strategic expansion.

According to the statistics by Society of Indian Automobile Manufacturers (SIAM), the Automotive Industry has produced a total of 3,10,34,174 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers, and Quadricycles in the FY 2024-25 as against 2,84,39,036 units in FY 2023-24 showing an overall growth of approximately 9.13% on a YoY basis.

The growth story of Automotive Sector is evident from volumes of last fiscal year, India's automotive sector has demonstrated robust growth in select segments. Utility vehicle sales surged by approximately 13.62%, highlighting rising consumer preference for spacious and versatile models. Two-wheelers also registered a healthy year-on-year growth of 11.25%, with sales climbing from 21,468,527 units in the previous fiscal year to 23,883,857 units, underscoring the continuing demand for affordable personal mobility options. Three-wheeler sales experienced a moderate increase, rising from 996,159 units to 1,050,020 units, indicating renewed confidence in last-mile public and goods transportation. Conversely, commercial vehicle sales saw a slight decline, falling from 1,067,504 to 1,032,645 units compared to the previous year, possibly due to cyclical economic factors or market adjustments following earlier periods of high fleet renewals. Overall, this performance reflects a dynamic market where personal mobility and intra-city transport segments are expanding, supported by strong consumer sentiment and evolving urbanization trends, even as the commercial transport sector experiences a brief pause.

Segment-wise sales are described in the below Table: I

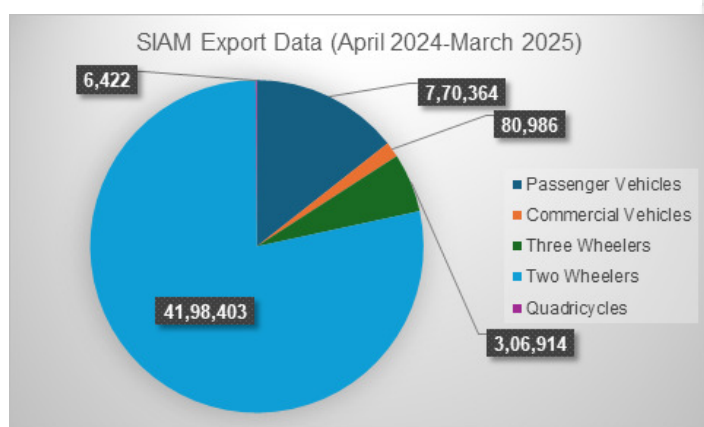




In the face of challenging global economic conditions, India's vehicle exports registered a notable growth in the financial year 2024-25, with total export figures rising by 19.17% over the previous year. Passenger vehicle exports climbed from 672,105 to 770,364 units, reflecting a robust increase of 14.62%. Commercial vehicle exports also experienced a strong upturn, growing by 23.05% from 65,818 to 80,986 units. The three-wheeler segment recorded an increase of 2.31%, with exports rising from 299,977 to 306,914 units. Two-wheeler exports saw impressive momentum, advancing by 21.40% from 3,458,416 to 4,198,403 units. Notably, quadricycle exports surged by 53.71%, growing from 4,178 to 6,422 units during the same period. These figures underscore the resilience and competitiveness of India's automotive sector on the international stage, with strong performances across most major vehicle categories despite external headwinds.

I have a strong belief that India's automotive market continues to adapt to shifting economic and social drivers, positioning itself for future growth across both conventional and evolving vehicle categories.

Segment-wise exports are described in the below Table: II



India's automotive sector has vividly demonstrated its adaptability and resilience amid a rapidly evolving global landscape. The industry's trajectory in FY 2024-25 is shaped by its progressive integration of advanced technology, sustained investment, and an unwavering commitment to clean and sustainable mobility. Strategic policy alignment—through landmark national and state-level incentives, targeted fiscal support, and infrastructure expansion—has empowered both traditional manufacturers and emergent segments like electric vehicles to thrive in a competitive global market. Dynamic growth in utility vehicles, two-wheelers, and three-wheelers reflects shifting consumer preferences and deeper market penetration, while the moderation in commercial vehicle sales signals a period of adjustment as markets recalibrate from recent highs.

In light of the ongoing electrification of the Indian automotive industry, your Company has placed particular emphasis on the electric vehicle (EV) segment, focusing on the adoption of cutting-edge technologies. We have initiated the development of advanced technology components and EV-specific parts, while also strengthening our engineering capabilities to further enhance our design and manufacturing capacities.

I assure you that the entire management team is dedicated to achieving the highest standards of excellence in our products, and we remain committed to steering the Company towards a brighter and more technologically advanced future.

Your Company's performance

The Financial Year 2024-25 highlighted our ability to stay resilient and focused on the face of global disruptions and economic uncertainty. It brings great satisfaction to present the performance of your Company in this 39th Annual Report—a reflection of strategic direction, operational discipline, and collective commitment.

We aspire to build a global presence and set the standard for world-class manufacturing excellence. This ambition continues to fuel our drive for innovation, expansion into high-potential markets, and technological advancement. Amidst the dynamic shifts in the auto industry, we have remained agile—prioritizing the creation of a robust order pipeline, improving operational agility, enhancing cash flow, reducing financial liabilities, and actively investing in next-generation technologies that will define the future of mobility.

The Company demonstrated financial resilience in FY 2024-25, with the standalone total sales turnover stood at Rs. 6,576.09 million. Despite the impact on turnover by Rs. 1,223.75 million compared to FY-2023-24, profitability performance has remained at par. Profit Before Tax (PBT) stood at Rs. 635.69 million, and Profit After Tax (PAT) was Rs. 473.78 million. Basic Earnings per Share (EPS) registered at Rs. 25.23, with diluted EPS at Rs. 25.19—reflecting slight decline from last year.

Key financial ratios indicate notable improvement. The current ratio climbed from 1.53 to 1.89, marking a 22.93% increase, primarily driven by reduced current liabilities through robust borrowing repayments and improved vendor payments. The debt-equity ratio also declined from 0.33 to 0.24, a 29.17% improvement, due to effective debt reduction measures. Operational efficiency, with the EBITDA margin rising from 14.51% to 16.16%, an improvement of 1.65% year-on-year, primarily attributable to cost optimization and disciplined expense management despite lower sales volumes. Net profit margin improved from 6.32% to 7.20%, an increase of 0.89%, underscoring improved profitability from enhanced operational performance and expense management.

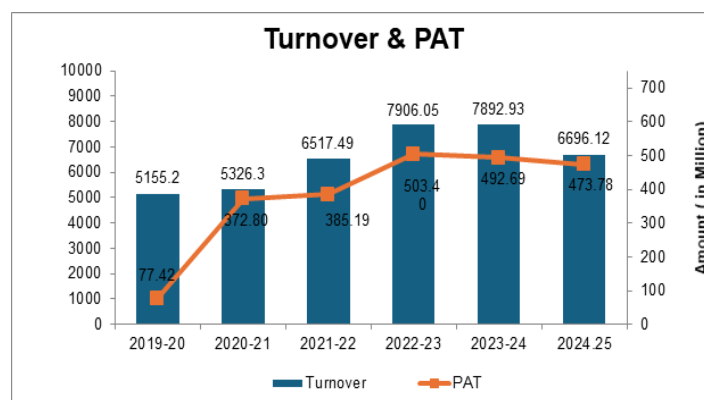


Table-I- On the basis of Standalone Financials



In FY 2024-25, the Company achieved a consolidated turnover of Rs. 9,269.64 million, reflecting financial resilience at the group level. Profit Before Tax (PBT) on a consolidated basis reached Rs. 627.66 million and Profit After Tax (PAT) was Rs. 403.63 million.

Your Company's term loan has been significantly decreased from 486.17 million to 100.00 million, and current liabilities also declined commensurately, reflecting improved working-capital efficiency and deleveraging. Prudent cost-optimization measures—rationalizing overheads, negotiating favorable supplier contracts, and enhancing process automation—have safeguarded EBITDA margins, even as top-line was slightly contracted.

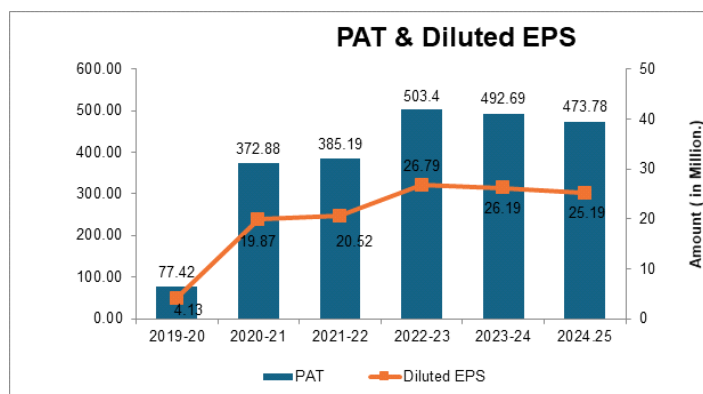


Table – II - On the basis of Standalone Financials

Demonstrating our unwavering commitment to social responsibility growth, The Hi-Tech Gears Limited made a significant contribution of 12.71 million toward Corporate Social Responsibility (CSR) initiatives during FY 2024–25. This investment reflects our dedication to sustainable development, with focused efforts directed at education, healthcare, community welfare, and environmental sustainability.

All CSR activities were conducted in alignment with the Board-adopted CSR Policy, ensuring strategic deployment of resources to maximize positive societal impact. Through these initiatives, we not only fulfill our statutory and ethical responsibilities but also strive to foster tangible improvements in the communities and environments where we operate, reinforcing our role as a responsible and conscientious corporate citizen.

We continue to value strong, long-term supplier partnerships, recognizing their crucial role in upholding the quality, reliability, and innovation inherent in our products. By promoting transparent and cooperative collaboration, we ensure a resilient and agile supply chain that aligns with our commitment to excellence and supports our growth trajectory in an increasingly competitive global marketplace.

As I conclude, I wish to express my heartfelt gratitude to all our esteemed stakeholders—including our bankers, financial institutions, customers, employees, vendors, and shareholders—for their unwavering support and invaluable guidance. Your enduring commitment has been fundamental to our achievements and ongoing progress.

Pranav Kapuria
Managing Director



BOARD'S REPORT (FY 2024-25)

Dear Members,

Your directors are pleased to present the 39th Annual Report of your Company, together with the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2025. Further, the consolidated performance of the Company and its subsidiaries have been referred to wherever required.

HIGHLIGHTS OF THE FINANCIAL PERFORMANCE

The highlights of the Standalone and Consolidated financial performance of the Company are as below:

(₹ in million except EPS)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
1. Income				
a) Revenue from operations	6389.93	7590.33	9068.07	10837.72
b) Other operating revenues	186.16	209.51	201.57	231.33
c) Other income	120.03	93.09	117.17	99.3
Total Income	6696.12	7892.93	9386.81	11168.35
2. Expenses				
a) Cost of material consumed	3316.51	3999.65	4515.73	5486.35
b) Purchases of stock-in-trade	156.36	210.2	156.36	210.20
c) Changes in inventories of finished goods and work in progress	-64.88	-5.62	-50.90	-3.64
d) Employee benefits expense	948.30	1095.69	1635.43	1967.10
e) Finance costs	118.71	181.86	213.71	377.70
f) Depreciation and Amortization expense	327.71	316.14	634.66	611.73
g) Other expenses	1257.72	1447.75	1654.16	1909.66
Total expenses	6060.43	7245.67	8759.15	10559.10
3. Profit/(loss) before exceptional items and tax (1-2)	635.69	647.26	627.66	609.25
4. Income from exceptional items	0	0	0	770.06
5. Profit/(loss) before tax (3+4)	635.69	647.26	627.66	1379.31
6. Total Tax Expense	161.91	154.57	224.03	236.78
7. Net Profit for the Year (5-6)	473.78	492.69	403.63	1142.53
8. Other Comprehensive Income	-111.20	4.23	-142.86	17.96
9. Total Comprehensive Income for The Year (7+8)	362.58	496.92	260.77	1160.49
10. Other equity as per statement of assets and liabilities	4518.01	4242.88	4647.82	4473.75
11. Paid-up equity share capital (Face value of ₹ 10/- per equity share)	187.93	187.78	187.93	187.78
12. Earnings per equity share (Face value of ₹ 10/- per equity share)				
(a) Basic (in ₹)	25.23	26.24	21.49	60.86
(b) Diluted (in ₹)	25.19	26.19	21.49	60.73

GENERAL INFORMATION

Over the years, your Company has been guided by Management's vision of excellence, innovation and commitment to accomplish significant milestones. Our success is built on a foundation of quality, customer satisfaction, and continuous improvement. As we look ahead, we remain committed to strengthening relationships, embracing new technologies, and expanding our global footprint.

The contribution of the automobile sector to the nation's GDP is a major indicator of economic development and is essential to the development of India's industrial structure as well as its long-term success. The "Make in India" initiative launched in 2014, has significantly transformed India's automobile industry. The Indian automotive industry continues to grow rapidly which makes India the 3rd largest country globally in terms of automobile sales and the 4th largest in automobile production. The sector has attracted substantial investments, spurred innovation, and increased localization, contributing to economic growth and sustainability.

Despite considerable external headwinds, the Indian economy achieved a growth rate of 6.5% in 2024-25, supported by robust domestic demand and resilient performance across sectors including manufacturing, construction and services. The automotive industry, which contributes approximately 7% to India's GDP, played a significant role in this growth through increased production and rising vehicle sales.

According to the data released by Society of Indian Automobile Manufacturers ("SIAM") for the Financial Year 2024-25, the automotive industry achieved significant growth. Total vehicle production during April 2024 to March 2025 reached 3,10,34,174 units, marking an increase from 2,84,39,036 units in the previous year (April 2023 to March 2024). The domestic sales for the same period also showed substantial progress, reaching 2,56,07,391 units, compared to 2,38,57,411 units in the previous year. The exports witnessed a growth of 53,63,089 units in the current year, from 45,00,494 units in the previous year.

Notably, the domestic sales of Three Wheelers and Two Wheelers experienced remarkable growth in Financial Year 2024-25. Three Wheelers sales rose from 6,94,801 units to 7,41,420 units, and Two Wheelers sales increased from 1,79,74,365 units to 1,96,07,332 units, compared to the previous year.

Regarding exports, there was a mixed trend. While Passenger Vehicle Exports saw a significant rise from 6,72,105 units to 7,70,364 units in the Financial Year 2024-25. Commercial Vehicle, Three-Wheeler, and Two Wheelers exports increased from 65,818 to 80,986 units from 2,99,977 to 3,06,914 units, and from 34,58,416 to 41,98,403 units respectively, compared to the previous year.

Amidst global uncertainty and economic challenges such as high inflation, your Company demonstrated remarkable agility and foresight by swiftly implementing strategic measures that mitigated risks and preserved its competitive edge. Guided by our core values of Excellence, Integrity, Commitment and Transparency, we strengthened our core business, pursued new opportunities, and set ambitious goals for sustainable long-term growth.

STATE OF COMPANY AFFAIRS

Your Company, recognized as a world-class Indian brand, stands out for its strategic focus on innovation, sustainability, and resilience amid a volatile economic landscape. Beyond cost competitiveness, its success is driven by strict adherence to schedules and high-quality standards. This achievement is made possible by the unwavering commitment of our employees, customers, suppliers, and shareholders.

Detailed information on the operations and on the state of affairs of the Company is majorly covered in the Management Discussion and Analysis Report, forming part of this report. Throughout the financial year, your Company has consistently maintained operational efficiency and stability.

During the Financial Year 2024-25, on a standalone basis, the total revenue stood at ₹ 6,696.12 million, compared to the last Financial Year 2023-24 at ₹ 7,892.93 million. The Profit Before Tax during the year is ₹ 635.69 million. Similarly, the Net Profit After Tax of the Company is ₹ 473.78 million.

On a consolidated basis, the total revenue is ₹ 9,386.81 million in the Financial Year 2024-25, as compared to the last Financial Year 2023-24 ₹ 1,168.35 million. The Net Profit Before Tax ₹ 627.66 million declined this year as compared to ₹ 1379.31 million in the previous Financial Year 2023-24. However, during the previous Financial Year 2023-24 the Net Profit Before Tax i.e. ₹ 1379.31 million includes income from exceptional items of ₹ 770.06 million. Similarly, the Net Profit After Tax of the Company in the Financial year 2024-25 is ₹ 403.63 million in comparison to ₹ 1142.53 million in the previous year.

On the export front, on a standalone basis, the Company recorded an export turnover of ₹ 2,197.13 million as compared to ₹ 2,293.81 million in the previous year. The share of total export turnover stood at 33.41% of the total turnover of the Company.

Your Company is well-positioned to sustain its growth trajectory, supported by its strategic initiatives, operational efficiencies, and continued emphasis on innovation and integrity. Barring any unforeseen developments or adverse macroeconomic conditions, the long-term outlook of the Company remains positive.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Companies Act, 2013 ('Act') and IND AS-110 on Consolidated Financial Statements, read with IND AS-28 on Investments in subsidiaries outside India, the Audited Consolidated Financial Statements for the Financial Year ended March 31, 2025, form part of this report.

THE HI-TECH GEARS LIMITED STOCK INCENTIVE PLAN, 2021 ("THGL SIP 2021"/ "PLAN")

Your Company has implemented an employee stock option plan namely 'The Hi-Tech Gears Limited Stock Incentive Plan, 2021' covering the Employees of the Company and its existing or future Subsidiary Companies. The scheme was approved by the shareholders in the Annual General Meeting of the Company held on Wednesday, September 29, 2021, by

way of Special Resolution.

In line with the Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, a statement giving complete details, as on March 31, 2025, is available on the website of the Company: <https://www.thehitechgears.com/annualreport.php>

During the financial year under report, the Nomination and Remuneration Committee vide its resolution dated February 12, 2025, has allotted 15,031 equity shares of ₹ 10/- each of the Company, pursuant to exercise of stock options by the eligible employees of the Company and its subsidiary companies, under the "The Hi-Tech Gears Limited Stock Incentive Plan, 2021". The equity shares allotted rank pari-passu with the existing share capital of the Company. Except as stated herein, there was no other change in the share capital of the Company.

SHARE CAPITAL

During the financial year under review, the paid-up Equity Share Capital of the Company has been increased from ₹ 18,77,81,860 (comprising of 1,87,78,186 Equity Share of ₹ 10/- each) to ₹ 18,79,32,170 (comprising of 1,87,93,217 Equity Share of ₹ 10/- each) pursuant to allotment of 15,031 equity shares of ₹ 10/- each, to the eligible employees of the Company and its subsidiary companies, under the "The Hi-Tech Gears Limited Stock Incentive Plan, 2021".

DIVIDEND

The Board of Directors, at its meeting held on May 29, 2025, recommended a final dividend @ 50% i.e. ₹ 5.00/- per equity share of ₹ 10/- each amounting to ₹ 93.96 million subject to the approval of the shareholders at the 39th Annual General Meeting.

Pursuant to The Finance Act, 2020 read with Income Tax Act, 1961 dividend declared/recommended and paid by the Company after April 1st, 2020, is taxable in the hands of shareholders and the Company is required to deduct the tax at source ("TDS") on the distribution of dividend income to its shareholders at the prescribed applicable rates. In view of this, the Company will also send the communication to shareholders to inform them of their status, PAN, and other details, so that the Company can comply with the provisions accordingly.

TRANSFER TO RESERVES

During the Financial Year under review, no amount has been transferred to the Reserves of the Company.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of the business of the Company during the Financial Year 2024-25.

COMPLIANCE WITH SECRETARIAL STANDARDS ("SS")

The Company has complied with all the applicable SS issued by the Institute of Company Secretaries of India (ICSI). The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

DIRECTORS RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost, secretarial auditors and external agencies, including audit of internal controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during Financial year 2024-25.

In terms of section 134(3)(c) and 134(5) of the Companies Act, 2013, and to the best of their knowledge and belief, and according to the information and explanations provided to them, your Directors hereby make the following statements:

- that in preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any.



- (b) that such accounting policies have been selected and applied consistently and made judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2025, and of the profit and loss of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities;
- (d) that the annual financial statements have been prepared on going concern basis;
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively, and
- (f) that the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

DETAILS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT

In view of the requirement of the Companies Act, 2013, the Company has successfully documented and implemented its Internal Financial Controls (IFC). This ensures orderly and efficient conduct of its business, including adherence to Company policies, safeguarding of its assets, accuracy, prevention of errors and completeness of the accounting records and the timely preparation of reliable financial information. The Internal Financial Controls with reference to the Financial Statements were adequate and operating effectively.

Further, the Audit Committee monitors the adequacy and effectiveness of your Company's internal financial control framework.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Followings are the Subsidiaries of the Company-

Sr. 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.	Wholly Owned Step-Down Subsidiary
5.	Teutech Holding Corp., USA	Wholly Owned Step-Down Subsidiary
6.	Teutech Leasing Corp., USA	Wholly Owned Step-Down Subsidiary
7.	Teutech LLC, USA	Wholly Owned Step-Down Subsidiary

The Board has duly reviewed the affairs of the subsidiary companies, from time to time wherein, 2545887 Ontario Inc., and The Hi-Tech Gears Canada Inc. are considered to be 'Material Subsidiary' companies, pursuant to provisions of Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") & on the basis of financials for the period ended on March 31, 2025.

Further, there is no material change in the business of subsidiary companies and the Company has taken note of all the significant transactions and arrangements entered into by its subsidiaries. The other financial and vital details related to subsidiaries are provided in attached **AOC-1 form as Annexure-I** (Statement containing salient features of the financial statement of subsidiaries), pursuant to section 129 and section 136 of the Companies Act, 2013 and rules made thereunder.

Pursuant to the provisions of the Companies Act, 2013 and applicable accounting standards, the standalone and consolidated financials together with the reports of Statutory Auditors are provided in the Annual Report.

Further, the Company's policy for determining material subsidiaries in terms of applicable SEBI (LODR) Regulations, 2015 and other applicable laws is available at <https://www.thehitechgears.com/codespolicies.php>

DIRECTORS, KEY MANAGERIAL PERSONNEL'S AND EVALUATION

The Board is duly constituted with proper balance of Executive, Non-Executive Directors and Independent Directors including Independent Woman Director. The composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) Regulations, 2015 read with Section 149 of the Companies Act, 2013.

The changes in the composition of the Board of Directors and Key Managerial Personnel of the Company during the year under review are as under:

a) Appointment/Re-appointment

The Board of Directors ("Board"), on recommendations of the Nomination and Remuneration Committee ('NRC'), have approved the appointment of Mr. Arjun Juneja, Mr. Deval Mahadev Desai, Mr. Vikram Rupchand Jaisinghani, Mr. Sameer Gupta as Non-Executive - Independent Director of the Company and Mr. Girish Narang as Whole Time Director & Key Managerial Personnel designated as Executive Director w.e.f. August 06, 2024.

Further, the Board, on approval and recommendation through resolution by circulation dated February 04, 2025 by the NRC, approved the appointment of Ms. Suchitra Rajendra through resolution by circulation on February 06, 2025, as Non-Executive-Independent Director in the Company with effect from February 11, 2025, as per applicable provisions of the Companies Act, 2013 & the SEBI (LODR) Regulations, 2015.

Subsequently, the approval of members was also obtained in AGM for aforesaid appointments, other than Ms. Suchitra Rajendra.

Further, in the case of the appointment of Ms. Suchitra Rajendra (Non-Executive-Independent Director) the approval of members was obtained via the Postal Ballot.

b) Retirement by Rotation

Pursuant to the provisions of the Companies Act, 2013 and Article of Association of the Company, Mr. Anant Jaivant Talaulicar (DIN-00031051) and Mr. Anuj Kapuria (DIN-00006366) are liable to retire by rotation at the 39th Annual General Meeting and being eligible to offer themselves for re-appointment. A brief profile of Mr. Anant Jaivant Talaulicar (DIN-00031051) and Mr. Anuj Kapuria (DIN-00006366) is provided in the Notice convening the 39th Annual General Meeting.

c) Resignation/Retirement of Director

During the year under review, Mr. Amresh Kumar Verma, Whole Time Director & Key Managerial Personnel designated as Executive Director, took early retirement with effect from the closure of business hours of August 06, 2024, and Mr. Anil Kumar Khanna, Mr. Sandeep Dinodia, Mr. Vinit Taneja and Mr. Krishna Chand Verma (Non-Executive Independent Directors of the Company) were retired with effect from the closure of business hours of September 17, 2024.

Mr. Ramesh Shankarmal Pilani (Non-Executive Independent Director) tendered his resignation from the position Non-Executive Independent Director of the Company, with effect from the closure of business hours of January 27, 2025 due to personal reasons and he also confirmed that there are no material reasons for his resignation other than mentioned above.

Further, the Board of Directors, in their Meeting held on February 13, 2025, took note of the retirement of Ms. Malini Sud from the position of Non-Executive Independent Director of the Company with effect from February 12, 2025.

d) Changes in Key Managerial Personnel

During the Financial Year under review, Mr. Amresh Kumar Verma, Whole Time Director & Key Managerial Personnel designated as Executive Director, took early retirement with effect from the closure of business hours of August 06, 2024. Further, Mr. Girish Narang

was appointed as Whole Time Director & Key Managerial Personnel designated as Executive Director w.e.f. August 06, 2024.

Except as stated above, there were no changes in the Key Managerial Personnel of the Company during the year.

e) Key Managerial Personnel's ("KMP")

Mr. Deep Kapuria (Executive Chairman), Mr. Pranav Kapuria (Managing Director), Mr. Anuj Kapuria (Executive Director), Mr. Girish Narang (Executive Director), Mr. Kapil Rajora (Chief Financial Officer) "C.F.O." and Mr. Naveen Jain (Company Secretary) are designated as KMP, as on March 31, 2025.

f) Independent Directors

The Board has 6 (Six) Independent Directors including (1) one Woman Independent Director as on March 31, 2025, representing diversified fields and expertise. Details are provided in the appropriate section of the Corporate Governance Report.

The Independent Directors have submitted their declaration of independence, pursuant to the provisions of section 149(7) of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of SEBI (LODR) Regulations, 2015, as amended from time to time, stating that they meet the criteria of Independence as provided in section 149(6) of Companies Act, 2013 and applicable provisions the SEBI (LODR) Regulations, 2015.

Over the years, your Company has established a robust familiarization process for Independent Directors, aligned with applicable laws and regulations. This includes an overview of the corporate profile, organizational structure, details of subsidiaries and Board members, relevant codes of conduct, and the mandates of committees to which the Directors are appointed.

Details of the familiarization programme are explained in the Corporate Governance Report and are also available on your Company's website and can be accessed at <https://www.thehitechgears.com/codespolicies.php>.

(g) Meetings of the Board

The Board met 4 (Four) times during the Financial Year 2024-25 to conduct the operations of the Company. The details of the Meetings are given in the Corporate Governance Report, which forms part of this Annual Report. It is confirmed that the gap between two consecutive meetings was not more than (120) One Hundred and Twenty Days as provided in section 173 of the Companies Act, 2013. For further details related to the Committee meetings kindly refer the Corporate Governance Report.

(h) Annual Evaluation of the Board, its committees and of Individual Directors

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Board carried out a formal annual performance evaluation of its own performance, the Chairman, individual Directors and the working of the different committees. Such evaluation was done through the established evaluation framework and the SEBI Guidance Note. The framework included different tools such as individual questionnaires, covering various information required to have the evaluation. All the layers of the Board, such as the Board, Committees and the Independent Directors performed their part by evaluating the performances of the other Directors as mandated.

The Company has also devised a policy for evaluating the performance of Independent Directors, Board, Committees, and other individual Directors which forms part of the NRC policy and is also available on <https://www.thehitechgears.com/codespolicies.php>.

AUDITORS AND THEIR REPORTS

a) Statutory Auditors

M/s YAPL and Co., Chartered Accountants (Firm Registration No. 017800N) the Statutory Auditors of the Company, were appointed in the 36th Annual General Meeting for a term of five consecutive years,

till the conclusion of 41st Annual General Meeting of the Company to be held in the year 2027.

The Auditors' Report does not contain any qualification, reservation or adverse remark and does not call for any further explanation/clarification by the Board of Directors as provided under Section 134 of the Act. With respect to the point no. (vii)(b) in Annexure "A" to Auditors' Report relating to non-deposit of disputed taxes, the Board wishes to inform that those matters are related to regular tax matters for which the Company has preferred appeal to Appellate Authorities. The necessary explanations are also provided in Note 38 to the Standalone Financial Statements. The rest of the report by the Statutory Auditors is self-explanatory. Please refer to the Notes to Accounts, wherever necessary.

Further, there were no fraud reported by the Statutory Auditors to the Audit Committee or the Board under Section 143(12) of the Companies Act, 2013.

b) Cost Auditors

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant. The Board of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s. Kabra and Associates, Cost Accountants (Registration No. - 00075) as the Cost Auditors of the Company to conduct a cost audit for relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 for the year ending March 31, 2025. They provided a certificate confirming their eligibility and consent for appointment under Section 139(1) of the Act and the corresponding Rules.

The Board on recommendations of the Audit Committee has approved the remuneration payable to the Cost Auditor, subject to ratification of their remuneration by the Members at this Annual General Meeting. The resolution approving the above proposal is being placed for approval of the Members in the Annual General Meeting. In view of this, your approval for payment of remuneration to Cost Auditors is being sought at the ensuing Annual General Meeting.

The cost accounts and records of the Company are duly prepared and maintained as required under Section 148(1) of the Companies Act, 2013.

c) Secretarial Auditors

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by ICSI.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, inter-alia requires every listed Company to annex with its Board's Report, a Secretarial Audit Report provided by a Company Secretary in Practice, in the prescribed format. The Board of Directors appointed M/s. Grover Ahuja and Associates, Practicing Company Secretaries as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year ended March 31, 2025, and their report is annexed to this Board Report (**Annexure-II**). The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. Additionally, pursuant to Regulation 24(A) of the SEBI (LODR) Regulations, 2015, read with SEBI circular CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Company has undertaken and received an Annual Secretarial Compliance Report from M/s Grover Ahuja and Associates, Practicing Company Secretaries and submitted the same to the stock exchanges within the specified time period.

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ('the Act') and pursuant to recent amendments to Regulation 24A of the SEBI (LODR) Regulations, 2015, the Audit Committee and Board of Directors at their meeting held on August 11, 2025, have approved the appointment of M/s. PG



& Associates, Company Secretaries (Firm Registration No. S2004DE73600) as the Secretarial Auditors of the Company, to hold the office, for a period of five (5) consecutive years, commencing from Financial year 2025-26 to 2029-30, subject to approval of the Members at the 39th Annual General Meeting.

Detailed profile of M/s. PG & Associates, Practicing Company Secretaries is given under the Notice of 39th Annual General Meeting, which forms part of the Annual Report of the Company for the Financial Year 2024-2025.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has internal control systems commensurate with the size, scale and complexity of its business operations. The scope and functions of Internal Auditors are defined and reviewed by the Audit committee. M/s. Grant Thornton Bharat LLP is the continuing Internal Auditors, who regularly present their quarterly report to the Audit Committee, highlighting observations, system and procedure related lapses, if any, and corrective actions being taken to address them.

INVESTOR EDUCATION AND PROTECTION FUND ('IEPF')

Pursuant to section 124, 125 and applicable provisions of the Companies Act, 2013 and Rules made there under, all unpaid or unclaimed dividends are required to be transferred by the Company to IEPF after the completion of seven years from the date of transfer of dividend amount in Unpaid Dividend Account.

Similarly, the MCA has notified Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from 7th September 2016 which provide that, the shares in respect of which dividend has not been claimed or unpaid by the shareholders for seven consecutive years or more shall also be transferred to the demat account(s) to be prescribed by the IEPF Authority.

The details of such dividends and shares transferred pursuant to the aforesaid provisions are provided in the General Shareholder information section at point No.11 of Section XIII of Corporate Governance Report. A list of such cases is also available at the website of the Company at <https://www.thehitechgears.com/unclaimedshares.php>.

In terms of the said Rules and the amendment thereof vide notification dated 28th February 2017 and 13th October, 2017, the necessary communications have been made to the respective shareholders whose shares were required to be transferred to the IEPF so as to enable them to claim their dividend attached to such shares before such dividend and shares are transferred to IEPF Authority and further, the necessary information in this regard is available on the website of the Company <https://www.thehitechgears.com/investors.php> for the convenience of the shareholders. Members may refer to the Refund Procedure for claiming the afore-mentioned amounts and shares transferred to the IEPF Authority as detailed on <http://www.iepf.gov.in/IEPF/refund.html>.

In view of this, those shareholders whose dividend is unpaid or unclaimed must claim it at the earliest. The dividend and equity shares once transferred into IEPF A/c can only be claimed by the concerned shareholder from IEPF Authority after complying with the procedure prescribed under the Rules and any amendment thereof.

Accordingly, during the Financial Year 2024-25 and up to the date of approval of the Board Report, the Company has transferred 3407 equity shares to the IEPF Authority, in respect of which the amount of dividend has not been claimed or unpaid for the seven consecutive years to the shareholders concerned from the date of declaration respectively.

Mr. Naveen Jain, Company Secretary is also the Nodal Officer of the Company, pursuant to rule 7(2A) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the details of which are available on the website of the Company at <https://www.thehitechgears.com/investors.php>.

ANNUAL RETURN

As required pursuant to Section 92(3) and 134(3)(a) of the Companies Act, 2013 and rules made thereunder, the Annual Return of the Company for the Financial Year 2024-25 shall be filed within 60 days from the ensuing

AGM or within such extended time as may be provided by the MCA through notification and same shall be uploaded on the Company's website and can be accessed at <https://www.thehitechgears.com/investors.php>. The Annual Return for the Financial Year 2023-24 filed with the Ministry of Corporate Affairs after the 38th Annual General Meeting held in the year 2024 is available on the Company's website at <https://www.thehitechgears.com/investors.php>.

THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of Energy Conservation, Technology Absorption, Research and Development activities undertaken by the Company and foreign exchange earnings and outgo of the Company and other information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are given in **Annexure-III**, to this Report.

REPORT ON CORPORATE GOVERNANCE

In terms of the SEBI (LODR) Regulations, 2015, a report on the Corporate Governance is given separately and forming part of this report and a certificate from the M/s. Grover Ahuja and Associates, Practicing Company Secretaries confirming compliance with the provisions of Corporate Governance is also annexed to the report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report is given separately and forms part of this report together with its contents.

RISK MANAGEMENT POLICY

Although, pursuant to Regulation 21 of the SEBI (LODR) Regulations, 2015, provisions of constituting Risk Management Committee are not applicable to the Company. The Company has adopted an enterprise Risk Management Policy and established a Risk Management Framework with an objective of timely identification, mitigation and control of the risks, which may threaten the existence of the Company, in accordance with the provisions of the Companies Act, 2013.

Further, pursuant to Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board of Directors frequently review and monitor the risk assessment/management plan and steps taken to minimize the risks.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder the Company has adopted and developed a Policy covering the activities mentioned in Schedule VII of Companies Act, 2013, upon the recommendation of CSR Committee. Implementation of the policy is undertaken under the guidance of the CSR Committee, and a briefing of the Corporate Social Responsibility activities is provided in **Annexure-IV**.

The CSR policy lays down CSR activities to be undertaken by your Company. The CSR activities undertaken by your Company are based on the approved CSR policy, which is available on the Company's website <https://www.thehitechgears.com/investors.php>.

Particulars of contracts or arrangements with related parties

All transactions entered by the Company with the parties, which may be regarded as related parties, were considered to be in the ordinary course of business and on an arm's length basis. As provided under section 134(3)(h) of the Companies Act, 2013 and Rules made thereunder, disclosure of particulars of material transactions with related parties entered into by the Company with related parties in the prescribed format is annexed to this report as **Annexure-V**. Disclosures on related party transactions are also set out in **Note No. 36(b)** to the Standalone Financial Statements and **Note No. 37(b)** to the Consolidated Financial Statements.

The Policy on materiality of related party transactions pursuant to Regulation 23 of SEBI (LODR) Regulations, 2015, as approved by the Board can be accessed on the Company's website <https://www.thehitechgears.com/investors.php>.

Pursuant to provisions of Section 188 of the Companies Act, 2013 read with Regulation 23 of the SEBI (LODR) Regulations, 2015, all Material Related Party Transactions ('RPTs')/Contracts shall require prior approval of the shareholders by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length basis. The approval of the Audit Committee and Board was sought for all material RPTs. The approval of Shareholders was also obtained by means of ordinary resolution whenever required.

ELECTRONIC CLEARING SERVICES (ECS)

As per the circular issued by Securities and Exchange Board of India (SEBI), companies should mandatorily use the facility of Electronic Clearing Services (ECS), for distribution of dividends to its members. This facility provides the members with an opportunity to receive a dividend amount directly in their bank accounts. For availing this facility, members holding shares in physical form may send their duly filled ECS mandate form to the Company's Registrar and Share Transfer Agent (RTA). Members holding shares in dematerialized form may kindly note that their bank account details as furnished to their depositories will be taken for the purpose of ECS by the Company.

SEBI vide its Circular, mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1st April, 2024, upon their furnishing all the aforesaid details in entirety.

POSTAL BALLOT DURING THE FINANCIAL YEAR 2024-25

During Financial Year, the Company has taken approval from members once through postal ballot details of which is mentioned in **Point X "General Body Meeting"** of Corporate Governance Report.

CODE OF CONDUCT OF INSIDER TRADING

The Company has adopted a "Code of Conduct to regulate, monitor and report trading by insiders" ("Code of Conduct for Insiders"). This Code of Conduct for Insiders is intended to prevent misuse of Unpublished Price Sensitive Information ("UPSI") by designated persons. The same has been placed on the Company's website <https://www.thehitechgears.com/investors.php>.

In accordance with the Code of Conduct for Insiders, the Company closes its trading window for Designated Persons from time to time. The trading window is also closed during and after the occurrence of price sensitive events as per the said Code of Conduct for Insiders.

CODE OF CONDUCT

Your Company has adopted the Code of Conduct for its Board Members and Senior Management personnel pursuant to SEBI (LODR) Regulations, 2015. The code of conduct is also placed on the website of the Company <https://www.thehitechgears.com/investors.php>.

The Declaration by the Managing Director of the Company regarding compliance with the Code of Conduct for Board Members and Senior Management is annexed to the Corporate Governance Report.

SHARE CAPITAL AUDIT

M/s Grover Ahuja and Associates, practicing Company Secretaries carried out the Share Capital Audit on quarterly basis to reconcile the total issued and listed share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Board of Directors confirms that the total issued and paid-up capital as on March 31, 2025, is reconciled with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. The Reconciliation of Share Capital Audit Certificates were submitted to the Stock Exchanges on a quarterly basis and were also placed before the Board Meetings.

LISTING OF SHARES

With a view to provide easy liquidity in the shares of the Company, the equity shares of your Company are presently listed on the premier stock exchanges of the Country viz., the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE). Pursuant to Regulation 14 of SEBI (LODR) Regulations, 2015, the annual listing fees for the year 2024-25 have been paid within the prescribed time period.

DEPOSITS

During the year under review your Company neither invited nor accepted any deposit within the meaning of Section 73 of the Companies Act, 2013, and rules made there under.

DEMATERIALIZATION OF THE EQUITY SHARES

99.75% of the total equity shares of the Company are held in dematerialized form with the participants of National Securities Depository Limited (NSDL) and Central Depository Securities (India) Limited (CDSL) as on March 31, 2025.

Further, as per SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 and SEBI vide Gazette Notification no. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement; sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. The RTA shall verify and process the service requests and thereafter issue a 'Letter of confirmation' in lieu of physical securities certificate(s), to the securities holder/claimant within 30 days of its receipt of such request after removing objections, if any.

In view of the above SEBI Circular, the validity of the Letter of Confirmation only for a period of 120 days from the date of its issue within which you have to raise demat request with the DP as above. Any request for processing demat after the expiry of the aforesaid 120 days will not be entertained and as per the operating guidelines issued by SEBI, the subject shares shall be transferred to a Suspense Unclaimed Escrow Demat Account of the Company.

SEBI vide its Circular, mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1st April, 2024, upon furnishing all the aforesaid details. Keeping in view the benefits of dematerialization, the shareholders holding shares in physical form requested to get their shares dematerialized.

PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as **Annexure-VI**.

Statement containing particulars of top 10 employees and the employees drawing remuneration in excess of limits prescribed under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as a separate Annexure forming part of this Report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Members, excluding the aforesaid Annexure. The said Statement is also open for inspection by the Members through electronic mode. Any Member interested in obtaining a copy of the same may write to the Company Secretary at secretarial@thehitechgears.com.

REMUNERATION POLICY

In terms of provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (LODR) Regulations, 2015 a policy relating to remuneration for the Directors, Key Managerial Personnel and other senior employees has been adopted by the Board of Directors of the



Company in pursuance of its formulation and recommendation by the Nomination and Remuneration Committee thereby analyzing the criteria for determining qualifications, positive attributes and independence of a Director. The said policy is available on the website of the Company at <https://www.thehitechgears.com/investors.php>. The salient features of the policy are provided in the attached Corporate Governance Report.

AUDIT COMMITTEE

The Company has duly constituted an Audit Committee, which meets on regular intervals for the business required to be transacted thereat. The recommendations made by the Committee are accepted by the Board. The details of the Audit Committee are given in the Corporate Governance Report.

VIGIL MECHANISM POLICY

The Company has a Vigil mechanism policy to deal with any instance of fraud and mismanagement. The employees of the Company are free to report violations of any laws, rules, regulations, and concerns about unethical conduct to the Audit Committee under this policy. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination with any person for a genuinely raised concern. The policy may be accessed on the Company's website at <https://www.thehitechgears.com/investors.php>.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has implemented the policy as "Policy on Prevention and Redressal of Sexual Harassment of Women at Workplace" which is available at the website of the Company at <https://www.thehitechgears.com/investors.php>.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Details of the Complaints received, resolved & pending under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are given below-

Sr. No.	Details of Sexual Harassment Complaints	
1.	No. of Complaints pending at the beginning of the financial year 2024-25	Nil
2.	No. of complaints received during the financial Year 2024-25	Nil
3.	No. of complaints resolved within the Year 2024-25	Nil
4.	No. of cases pending beyond 90 days	Nil

MATERNITY BENEFIT COMPLIANCE

The Company has complied with the provisions of the Maternity Benefit Act, 1961.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED.

During the financial year under review the Company has not extended any Loans to its Wholly owned Subsidiaries or any other entity as per section 186 of the Companies Act, 2013. However, there is an outstanding loan of ₹ 70.06 Million as on March 31, 2025 which was extended to 2545887 Ontario Inc. during Financial Year 2021-22.

During the year, the Company has made a downward fair valuation adjustment of ₹ 116.20 million in the equity shares of Altigreen Propulsion Labs Private Limited in the Other Comprehensive Income (OCI) based on the share valuation report of Registered Valuer. The fair value of the equity instrument is designated through OCI. The details of the investments made by the Company are mentioned in notes no. 8 of the standalone Financial Statements for the year ended March 31, 2025.

MATERIAL CHANGES AND COMMITMENTS

The Company has adopted a new set of Memorandum of Association (MOA) as per Companies Act, 2013 and altered the main Object clause of the MOA of the Company via Postal Ballot dated July 15, 2025. There are no other material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year to which the financial statements relate and the date of the report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There is no significant and/or material order passed by the regulators or courts impacting on the going-concern status of the Company, other than the order passed under Insolvency and Bankruptcy Code, 2016 by tribunal (NCLT/NCLAT), the details of the same is provided under the head of "Details of Proceedings pending under the Insolvency and Bankruptcy Code, 2016" of this Report.

DETAILS OF PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE ("Code"), 2016.

The following are the details of proceedings and their status thereof at the end of the Financial Year 2024-25:

Sl. No.	Particulars	Status
1.	Details of any application filed for CIRP	In the matter of commercial dispute of Company with one of supplier M/s. Happy Forgings Limited ("HFL"), the Hon'ble National Company Law Tribunal ("NCLT") Chandigarh passed an Order on August 30, 2024 admitting the Petition under Section 9 of the Code 2016 and appointed an IRP. An appeal was filed before Hon'ble National Company Law Appellate Tribunal ("NCLAT"), Delhi challenging the Hon'ble NCLT Order and the Hon'ble NCLAT, Delhi vide its Order dated September 03, 2024 granted 'INTERIM STAY' of impugned NCLT Order and proceedings of IRP.
2.	Status of such application	The 'STAY' of the impugned order of NCLT is continuing and the matter is pending before Hon'ble NCLAT, Delhi for hearing.
3.	Status of corporate insolvency resolution process, if any, initiated under the IBC	Corporate Insolvency Resolution Process is under 'STAY' by the Hon'ble NCLAT, New Delhi.

DETAIL OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANK OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

Not Applicable

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

As per Regulation 34 of the SEBI (LODR) Regulations, 2015, Business Responsibility & Sustainability Reporting is **not applicable** to the Company.

PERSONNEL

The Board of Directors places on record their appreciation of the untiring efforts of the employees of the organization at every level. The efforts to create a family-like atmosphere continued throughout the year. Like the many years gone by, this year also witnessed increased cohesion among

all levels of employees, which is evident from the performance of the Company. Training and Development of employees provided further impetus and have contributed towards the all-round improved performance of your Company. The Company encourages by rewarding and recognizing employees for their long-term commitment as and when the opportunity arises.

TRADE RELATIONS

The Board of directors, place on record the appreciation for the co-operation and valuable support extended by the customers, the suppliers and all other stakeholders directly or indirectly associated with the Company. Your Company regards them as partners and shares with them a common vision of future growth.

ACKNOWLEDGEMENT

The Board of Directors places on record their sincere appreciation for the assistance, co-operation and valuable support provided to the Company

by Customers, Vendors, Banks, Financial Institutions and other stakeholders and hope to continue to receive the same in future. Your directors also record their appreciation for the commitment and dedication of the employees of the Company at all levels.

The Board of Directors also place on record their gratitude to the shareholders of the Company for their continued support and confidence in the management of the Company.

**By Order of the Board
For The Hi-Tech Gears Limited**

**Place: New Delhi
Dated: August 11, 2025**

**Sd/-
Deep Kapuria
Chairman**



ANNEXURE - I OF BOARD'S REPORT

(Statement containing salient features of the financial statement of subsidiaries)

AOC-1

(Amount in ₹ Mn)

Sr. No	Name of Subsidiary	2545887 Ontario Inc. ('254')	2504584# Ontario Inc. ('250')	2323532# Ontario Inc. ('232')	The Hi-Tech Gears Canada Inc	Teutech Holding Corp. ('Teutech Holding')	Teutech Leasing Corporation	Teutech LLC	Neo-Tech Auto Systemz, Inc.	Neo-Tech Smart Solutions Inc.
1	Reporting period	April 24 to March 25	April 24 to March 25	April 24 to March 25	April 24 to March 25	April 24 to March 25	April 24 to March 25	April 24 to March 25	April 24 to March 25	April 24 to March 25
2	Reporting currency	CAD	CAD	CAD	CAD	USD	USD	USD	USD	CAD
3	Exchange rate	Rs 59.56/CAD for BS Rs 60.76/CAD for PL	Rs 59.56/CAD for BS Rs 60.76/CAD for PL	Rs 59.56/CAD for BS Rs 60.76/CAD for PL	Rs 59.56/CAD for BS Rs 60.76/CAD for PL	CAD 1.4376/USD and then Rs 59.56/CAD for BS Rs 60.76/CAD for PL	CAD 1.4376/USD and then Rs 59.56/CAD for BS Rs 60.76/CAD for PL	CAD 1.4376/USD and then Rs 59.56/CAD for BS Rs 60.76/CAD for PL	Rs 85.47/USD for BS Rs 84.54/USD for PL	Rs 59.56/CAD for BS Rs 60.76/CAD for PL
4	Share Capital	1,534.55	-	-	2,456.99	162.03	0.00	-	0.64	13.78
5	Reserves & Surplus	(1,072.53)	-	-	(694.35)	226.30	146.26	(166.13)	2.81	(11.40)
6	Total Liabilities	2,383.18	-	-	1,896.97	4.57	326.66	445.64	1.96	0.43
7	Total Assets	2,845.20	-	-	3,659.61	392.90	472.92	279.51	5.41	2.81
8	Investments	2,764.87	-	-	187.39	-	-	-	-	-
9	Turnover	12.21	-	-	2,719.88	-	37.57	241.32	-	0.61
10	Profit/(Loss) before Taxation	5.03	-	-	169.13	(1.52)	31.10	(50.27)	2.24	0.14
11	Provision for Taxation/Earlier year Tax/DTA/DTL	-	-	-	47.42	8.87	9.70	(0.74)	-	-
12	Profit/(Loss) after Taxation	5.03	-	-	121.71	(10.39)	21.40	(49.53)	2.24	0.14
13	Proposed dividend	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
14	% of shareholding	100%	100% (step down subsidiary)	100% (step down subsidiary)	100% (step down subsidiary)	100% (step down subsidiary)	100% (step down subsidiary)	100% (step down subsidiary)	100%	100%

#Note: Two wholly owned step-down subsidiaries, namely 2323532 Ontario Inc. and 2504584 Ontario Inc., were amalgamated with 'The Hi-Tech Gears Canada Inc.', another wholly owned step-down subsidiary of the company, effective June 15, 2023. As a result, both 2323532 Ontario Inc. and 2504584 Ontario Inc. ceased to exist from June 15, 2023.



ANNEXURE - II OF BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
The Hi-Tech Gears Limited,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by The Hi-Tech Gears Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Based on our verification of Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on **March 31, 2025** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were **applicable** to the Company under the financial year under report:-
 - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Registrars to a Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were **not applicable** to the Company under the financial year under report: -

- a. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- d. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
- (vi) Factories Act, 1948 and Rajasthan Factory Rules, 1951;
- (vii) The Environment (Protection) Act, 1986 and other Environment laws;
- (viii) The Employees Provident Fund & Miscellaneous Provisions Act, 1952;
- (ix) Income Tax Act, 1961 and Other Applicable Tax Laws;
- (x) Industrial Dispute Act, 1947;
- (xi) Code on Wages, 2019;
- (xii) Contract Labour Act, 1970;
- (xiii) Employee's State Insurance Act, 1948 and other applicable Labour & Industrial Laws.

We have also examined compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. Further during the financial year, following changes took place in the composition of Board of Directors and KMPs:

- a) Mr. Amresh Kumar Verma retired from the post of Whole Time Director w.e.f. 06-08-2024;
- b) Mr. Girish Narang was appointed as an Additional Director w.e.f. 06-08-2024 and thereafter, he was appointed as Whole Time Director w.e.f. 06-08-2024 and same was approved by the shareholders in its AGM held on 26-09-2024;
- c) Mr. Sameer Gupta was appointed as an Independent Additional Director w.e.f. 06-08-2024 and was regularized as Independent Director w.e.f. 26-09-2024;
- d) Mr. Arjun Juneja was appointed as an Independent Additional Director w.e.f. 06-08-2024 and was regularized as Independent Director w.e.f. 26-09-2024;
- e) Mr. Vikram Rupchand Jaisinghani was appointed as an Independent Additional Director w.e.f. 06-08-2024 and was regularized as Independent Director w.e.f. 26-09-2024;
- f) Mr. Deval Mahadev Desai was appointed as an Independent Additional Director w.e.f. 06-08-2024 and was regularized as Independent Director w.e.f. 26-09-2024;



- g) Mr. Sandeep Dinodia retired from the post of Independent (Non-Executive) Director w.e.f. 17-09-2024;
- h) Mr. Anil Kumar Khanna retired from the post of Independent (Non-Executive) Director w.e.f. 17-09-2024;
- i) Mr. Vinit Taneja retired from the post of Independent (Non-Executive) Director w.e.f. 17-09-2024;
- j) Mr. Krishna Chandra Verma retired from the post of Independent (Non-Executive) Director w.e.f. 17-09-2024;
- k) Mr. Ramesh Shankarmal Pilani resigned as Independent (Non-Executive) Director w.e.f. 27-01-2025;
- l) Ms. Suchitra Rajendra was appointed as an Independent Additional Director w.e.f. 11-02-2025;
- m) Ms. Malini Sud retired from the post of Independent (Non-Executive) Director w.e.f. 12-02-2025.

The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

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

Majority decisions are carried through while the dissenting member's views if any, are captured and recorded as part of the minutes.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has:

- 1) In the matter of commercial dispute of company with one of supplier M/s Happy Forgings Limited ("HFL"), the NCLT Chandigarh passed an Order for appointment of IRP on 30.08.2024. The company had subsequently filed an appeal before NCLAT, Delhi challenging the NCLT Order. Post hearing of appeal, NCLAT Delhi vide its Order dated 03.09.2024 granted stay of impugned NCLT Order and proceedings of IRP. The matter is currently under stay and pending before NCLAT, Delhi for hearing.
- 2) The Company declared the final dividend of Rs. 5/- per share in its AGM held on 26-09-2024 for the financial year 2023-24.
- 3) Allotted 15,031 equity shares @ INR 10/- per share upon exercise of vested options with the Employees under "The Hi-Tech Gears Limited Stock Incentive Plan, 2021" ("THGL SIP, 2021"/ "Plan") on 12-02-2025;

**For Grover Ahuja & Associates
Company Secretaries**

**Sd/-
Akarshika Goel
(Partner)**

Place: New Delhi
Date: 29.05.2025

ACS No.: 29525
C.P No.: 12770
UDIN: A029525G000484870
Peer Review No.: 2528/2022

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

**Annexure A
to
Form No. MR-3**

To,
The Members,
The Hi-Tech Gears Limited,

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

- 1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
- 2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

**For Grover Ahuja & Associates
Company Secretaries**

**Sd/-
Akarshika Goel
(Partner)**

ACS No.: 29525
C.P No.: 12770

UDIN: A029525G000484870
Peer Review No.: 2528/2022

Place: New Delhi
Date: 29.05.2025

INFORMATION AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014, FORMING PART OF BOARD'S REPORT FOR THE YEAR ENDED MARCH 31, 2025

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

Continuous efforts are being made to conserve energy. The activities are ongoing to save and optimum utilization for electricity and fuel and thereby reducing energy cost. Some of the initiatives taken/ improvement done are as under:

- Commissioned 3.25 MW AC Captive Solar Power plant and taking benefits of 72,00,000 units/year reducing the carbon footprints.
- Commissioned 2.25 MW AC Captive Solar Power plant operationalized in April 2024 and estimated to get benefits of 52,00,000 Units / Year reducing the carbon footprint.
- Commissioned additional 0.75 AC MW Captive Solar Power plant operationalized in Dec-2024 and estimated to get Targeted benefits of 17,00,000 units/year reducing the carbon footprints.
- Installed 160,000 CFM Air Washers improving the air quality on the shop floor and reducing 100C of the shop floor temperature
- Energy saving by adaptation of Variable Frequency Drive on 1000 CFM Air Compressor (31000 kwh per month)
- 4 Nos Induction Billet Heaters energy consumption reduced from 180 KW to 120 KW.
- 4 Nos SQF furnaces re-lined thus reducing power consumption by 10 KW
- Additionally, 4-Nos SQF-1 Pre-Heat & 1 Tempering furnaces Brick relining thus reduction power consumption 8.5 kw
- Installed efficient new cooling tower in place of old cooling tower which reduces approx. 15Ton CFP/Year.
- Energy saving by adaptation of Variable Frequency Drive on 936 CFM Air Compressor and gets approx. 40000 Kwh / Month by it which is reducing approx. 38Ton CFP/Year
- Conversion of normal and halogen lights to LED saving 2 KW per day
- Old package AC of 17 TR removed, and 8 TR AC 3 Star installed
- Dual fuel kits (7 Nos.) are installed on DG (1500 kva) set for using PNG and HSD in 70-30% ratio instead of 100% HSD as fuel. (running successfully since feb'23)
- Replaced the LPG and installed PNG as an alternate fuel on Sealed quench furnaces and kitchen.
- Usage of renewable energy solar Power from Roof Top Solar power plants of 400 KW and 250KW capacity
- Auto shuts off when machines are not operating during shift change & breaks @ 1.5 hrs. per day, for 3 shifts,150 machines

- Installation of new air compressor (35 Kw) for energy saving for use in tandem with 90 Kw in place of 160 Kw compressor.
- Energy Saving by adaptation of Thyristors in Sealed Quench Furnaces in Heat Treatment by temperature controls.
- Energy cost saving by temperature control of Fan motor and pumps in Cooling Tower;
- Use of high energy efficient motors for high rated electric motors in Forced Duct Ventilators.
- Energy cost saving in FDV's by controlling pulleys alignment & belt tightness and controlled running;
- Provide Solar Reflexive paint on Roof to reduce the shop floor temp. by 2° C;
- Adoption of Automatic Power factor control panels (APFC) to maintain overall PF above 0.99, thus improving energy costs
- Energy conservation by reduction of generated pressure of Air Compressor by 1 Bar by adaptation of Air boosters at machines and furnaces with high pressure requirements.
- Energy efficient New Motor Installed on the New refurbished Machines.

WATER CONSERVATION MEASURES

- Enhance the STP Plant capacity from 20 KLD to 40KLD to treat and reuse the waste water;
- Installed Online ETP water standard monitoring device and reduced chemical dosing consumption and 5 KL water/day
- Start Using STP treated water by providing Dual Plumbing in Toilet flushing system.
- Maintaining Rainwater harvesting system in good working conditions for maintaining ground water level;
- Energy conservation by using air pressure regulator for machine shop. Improvement of cooling tower efficiency and elimination of one cooling tower thus saved 15KL/Day of water extraction.
- Continuous usage of ETP water for gardening and other miscellaneous usages
- Enhancement of greenery landscape.
- Improvement of Cooling tower efficiency and elimination of one cooling tower thus saved 15 KL/Day of water extraction.
- Usage of coil coolers for DG sets instead of cooling tower.
- Drip Irrigation system for the Shrub, Grass and the Plant to reduce the water consumption
- Maintaining Rainwater harvesting system in good working condition for maintaining ground water level.
- Elimination of the old phosphating process and installation of improved process and saving 10 KL Water per day
- Usage of coil coolers for DG sets instead of cooling tower.



Additionally, the state-of-the-art plant in Bhiwadi, an 'ECOFAC Plant', i.e. a sustainable green manufacturing plant is working to satisfy all green needs. It has many energy conservation features. The Plant has received Platinum rating from the Indian Green Building Council.

The Manesar Manufacturing Unit which was also upgraded to ECOFAC Plant is also working fine. This Unit is also awarded Platinum Award from Indian Green Building Council.

New ideas are being adopted across the shop floor, factory area and even in office premises to conserve and promote operations. Accordingly, the Company will continue to adopt future proposals for conservation of energy.

The impacts of the above measures are mainly reduction in power and fuel consumption, resulting in a reduction of cost of production.

B. TECHNOLOGY ABSORPTION

i. Efforts made in Technology Absorption

The Company has absorbed the technologies received from its partners in the past and in the last five years; no further technologies have been imported. The Company's commitment towards Total Productivity Maintenance (TPM) has yielded excellent results in the quality and design of the products. These efforts shall ensure that the above-mentioned technology and the work culture is harnessed and percolated down to the entire organization. The steps initiated by the Company for implementation and absorption of Lean Manufacturing are consistently showing encouraging outcome. Further, Your Company has continuously endeavored to acquire world-class technology both in hardware and software. The benefits and impact of the above-mentioned measures lead to time reduction of the various complex methods, elimination of waste and saving of time and effort.

ii. Specific areas in which Research and Development carried out by the Company

The Company is continuing to absorb innovative solution ideas in product specification tools and end products. The Company is continuously working in the direction of preparing parts for itself for the technological changes in the auto sector, including the electrification of vehicles, as mandated by the government.

Research and Development were carried out in product development/ process development/energy conservation/ environment protection/cost reduction and automation. In the aforesaid process design and material databases are continuously improved and enhanced.

iii. Benefits derived from the installation of various additional equipments have made it possible to achieve consistency in production and quality of the existing finished product and the new product development.

iv. Future plan of Action

- Development of new products
- Use of another 100 KW roof top solar plant to reduce energy cost
- Reduction in process losses by continues identifying the area of operation.
- New measures required for the utilization of renewable energy
- Project adopted for optimizing the motor capacity in machines.
- Project adopted for Energy reduction By Minimizing the Power of Forge Shop IBH
- Project Adopted for Energy reduction by Installing the VFD & Pressure Transmitter on cooling towers.
- Exploring feasibility of off-site captive power generation thru solar or Hybrid renewable power plant in the state of Haryana for Manesar Plant.

v. Expenditure on Research and Development

Development and improvement of products has been built and ongoing activity within the existing manufacturing facilities.

vi. Steps towards new technology absorption and Innovation are as under:

- 3 Nos HVLS (High Volume Low Speed) Energy Efficient Fan Installed in Shop Floor.
- Study Initiated on Carbon Emission measurement and Control with Chitkara University Research Innovation Team and M/s Accacia for Software support.

C. FOREIGN EXCHANGE EARNINGS and OUTGO

The Company recorded an export turnover of ₹ 2197.13 million in the Financial Year 2024-25 as compared to ₹ 2293.81 million in the previous year 2023-24, thereby recording a decrease of 4.21 %. The total exports are now 33.41% of the total turnover. The details of Foreign Exchange Inflow and outflow are as under:

(₹ in million)

Particulars	F.Y. 2024-25	F.Y. 2023-24
Inflow	2197.13	2293.81
Capital Equipment	2.18	20.68
Consumables	56.98	84.44
Raw Material	-	-
Others	22.13	417.97
Total Outflow	81.29	523.09

ANNEXURE-IV OF BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES

CSR is a commitment to improve the quality of life of the local community and society at large. It includes ensuring environmental sustainability, promoting gender equality, education etc. Business entities can no longer limit themselves to using resources, to engage in activities that increase their profits. They have to be socially responsible corporate citizens and also contribute to the social good.

We have assumed the above requirement to act in a socially diligent manner. We have explored its impact on the economic, social and environmental sectors which directly affects the relationships with employees, society, environment and other stakeholders. The Company has developed and implemented a policy pursuant to the provisions of section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy), Rules 2014.

1. Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company's CSR policy has been uploaded and available at the website of the Company under the web-link at https://www.thehitechgears.com/investors_disclosure-of-regulation.php.

2. Composition of the CSR Committee:

Name	Category	Position/Composition	No. of meetings held during the tenure	No. of meetings attended
Mr. Bidadi Anjani Kumar*	Non-Executive Non-Independent Director	Chairperson	1	1
Mr. Deep Kapuria	Executive Director (Chairperson)	Member	1	1
Mr. Vikram Rupchand Jaisinghani**	Non-Executive Independent Director	Member	1	1

*Mr. Bidadi Anjani Kumar appointed as chairperson of CSR w.e.f. September 17, 2024.

**Mr. Vikram Rupchand Jaisinghani has been inducted as member of the Committee, w.e.f. February 13, 2025.

Note:

- Mr. Krishna Chandra Verma, chairperson and Mr. Pranav Kapuria, Member, ceased w.e.f. September 17, 2024.
- Mr. Ramesh Shankarmal Pilani was inducted as member on September 17, 2024 and ceased to be member of CSR w.e.f. closure of Business hours of January 27, 2025.

3. Weblink of Composition of the CSR Committee and CSR Policy- https://thehitechgears.com/Content/pdf/Corporate_Social_Responsibility_policy.pdf

Weblink of CSR Projects approved by the Board of Directors: https://www.thehitechgears.com/Content/pdf/CSR-Activities_Apr22.pdf

4. Impact Assessment of CSR projects carried out in pursuance of sub rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if any- Not Applicable

- Average Net Profit of the Company as per sub-section (5) of Section 135 - ₹ 62,88,33,047/-
- Two percent of average net profit of the Company as per sub-section (5) of Section 135- ₹ 1,25,76,661/-

- Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years - Nil
- Amount required to be set off for the Financial Year, if any - Nil
- Total CSR obligation for the Financial Year – ₹ 1,25,76,661/-
- Amount spent on CSR Projects (both Ongoing projects and other than ongoing projects): ₹ 1,27,11,410/-
 - Amount spent on administrative overheads: Nil
 - Amount spent on Impact Assessment, if applicable: Nil
 - Total amount spent for the Financial Year: ₹ 1,27,11,410/-
 - CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (In ₹)	Amount unspent (In)				
	Total Amount transferred to unspent CSR Account as per Section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 1,27,11,410/-	₹ 65,00,000	March 24, 2025	Not Applicable		



f. Excess amount for set-off, if any:

Sr. No.	Particulars	Amount (in ₹)
1.	Two percent of average net profit of the Company as per Section 135(5)	1,25,76,661
2.	Total amount spent for the Financial Year 2024-25	1,27,11,410
3.	Excess amount spent for the Financial Year 2024-25	1,34,749
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
5.	Amount available for set-off in succeeding financial years (iii-iv)	1,34,749

7. Details of Unspent CSR amount for the preceding three Financial Years:

Financial Year	Amount transferred to Unspent CSR account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
				Amount (in ₹)	Date of Transfer		
2023-24	90,00,000/-	90,00,000/-	NIL	Not Applicable		90,00,000/-	-
2024-25	65,00,000/-	1,55,00,000/-	40,00,000/-	Not Applicable		1,15,00,000/-	-

Note- Excludes interest earned of ₹ /- 0.32 Mn on balance in unspent account during FY 2024-25.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount: No

9. Specify Financial Year the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.:

Not applicable

Place: New Delhi
Date: August 11, 2025

Sd/-
Mr. Pranav Kapuria
(Managing Director)

Sd/-
Mr. Bidadi Anjani Kumar
(Chairman CSR Committee)

Sd/-
Naveen Jain
(Company Secretary)

ANNEXURE-V OF BOARD'S REPORT

Form No. AOC-2

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies
(Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into with related parties during the year, which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at an arm's length basis:

Name(s) of the related party and nature of relationship	Vulcan Electro Controls Limited ('Vulcan')	The Hi-Tech Engineering Systems Private Limited ('THESPL')
Nature of contracts/ arrangements/ Transactions	Sale/Purchase/ Receiving and Rendering of Job work/services	Sale/Purchase/Receiving/Rendering of services
Duration of the contracts / arrangements/ Transactions	Ongoing	Ongoing
Salient terms of the contracts or arrangements or transactions including the value, if any	In tune with market parameters, an estimated annual value of 4,623 million for all contracts for the financial year 2024-25.	In tune with market parameters, an estimated annual value of 2,310.35 million for all contracts for the financial year 2024-25.
Date of approval by the Board	August 08, 2022	August 08, 2022
Amount paid as advances	As per normal commercial T&C	As per normal commercial T&C

- The Company has obtained Omnibus approval from the Audit Committee for the Related Party Transactions for the financial year 2024-25.
- For Material related party transactions approval of the Shareholders has been obtained in the Meeting held on August 08, 2022.
- For the exact value of Related Party Transactions please refer to chapter XIV of the Corporate Governance Report and Note 36 of the standalone financial statements and Note 37 of the consolidated financial statements of the Company.

**By Order of the Board
For The Hi -Tech Gears Limited**

**Place: New Delhi
Date: August 11, 2025**

**Sd/-
Deep Kapuria
Chairman**



ANNEXURE-VI OF BOARD'S REPORT

Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Every Listed Company shall disclose the Remuneration of Every Executive Director and KMPs of the Company in the following manner:

1. The median annual remuneration of all permanent employees at the end of Financial Year 2024-25 was ₹ 5,45,117/- which was a 5.01% increase on the identical figure for 2023-24.
2. Ratio of the remuneration of each director to the median remuneration of the employees of the Company.

(a) Executive Directors

Mr. Deep Kapuria, (Executive Chairman) – 84.69; Mr. Pranav Kapuria, (Managing Director) – 56.36, Mr. Anuj Kapuria, (Whole Time Director) – 56.36, Mr. Girish Narang*, (Whole Time Director) – 7.75 and Mr. Amresh Kumar Verma** (Whole Time Director) – 2.45.

Remuneration includes basic salary, HRA, Commission, Medical expenses reimbursement, contribution to provident funds and other statutory funds.

Note-

***During the financial year under review, Mr. Amresh Kumar Verma took early retirement from the post of Whole Time Director & Key Managerial Personnel designated as Executive Director of the Company w.e.f. closure of business hours of August 06, 2024.*

**However, Mr. Girish Narang – Whole Time Director and Key Managerial Personnel designated as Executive Director of the Company, was appointed on August 06, 2024 and resigned from the Board of the Company with effect from the closure of business hours of April 24, 2025.*

(b) Non-Executive Director

***Mr. Anil Kumar Khanna (Independent Director) - 0.58, **Mr. Sandeep Dinodia (Independent Director) - 0.66, **Mr. Vinit Taneja (Independent Director) - 0.58, **Mr. Krishna Chandra Verma (Independent Director) - 0.63, Mr. Bidadi Anjani Kumar (Non-Executive Director)-1.29, Mr. Anant Jaivant Talaulicar (Non-Executive Director) - 1.18, Mr. Rajiv Batra (Independent Director) - 1.36, Mr. Kawal Jain (Non-Executive Director) - 1.26, *Mr. Deval Mahadev Desai (Independent Director) -0.74, *Mr. Vikram Rupchand Jaisinghani (Independent Director) - 0.81, *Mr. Arjun Juneja (Independent Director) - 0.78, *Mr. Sameer Gupta (Independent Director) - 0.88, ***Ms. Malini Sud (Independent Director) - 0.97, ***Ms. Suchitra Rajendra (Independent Director) - 0.23, and #Mr. Ramesh Shankarmal Palani (Independent Director) - 0.86.*

Sitting Fee is out of scope of remuneration as per Companies Act, 2013, however for the aforesaid purpose, remuneration of Non-Executive Directors includes Sitting fees and Commission.

Note-

**Mr. Deval Mahadev Desai (Independent Director), Vikram Rupchand Jaisinghani (Independent Director), Arjun Juneja (Independent Director), and Sameer Gupta (Independent Director) were appointed on Board on August 06, 2024.*

*** Mr. Anil Kumar Khanna, Mr. Sandeep Dinodia, Mr. Vinit Taneja and Mr. Krishna Chandra Verma were retired with effect from the closure of business hours of September 17, 2024.*

#Mr. Ramesh Shankarmal Palani resigned from the board w.e.f. the closure of business hours of January 27, 2025.

****Ms. Suchitra Rajendra- Independent Director was appointed on the Board w.e.f. February 11, 2025 and Ms. Malini Sud retired w.e.f. February 12, 2025.*

3. There were 505 permanent employees on the rolls of the Company as on March 31, 2025;
4. (a) The Market capitalization as on March 31, 2025, was ₹ 11,418 million and ₹ 14,449 million as on March 31, 2024, which shows a decrease of 21%.
(b) Price Earnings ratio (calculated on the basis of Basic Earnings Per Equity Share) as on March 31, 2025, was 23.97 and 29.29 as on March 31, 2024, which shows a decrease of 5.32%.
(c) The Company has not made any public offer in the recent past and accordingly, the comparison of public offer price and the current market price of the Company's shares will not be relevant.
5. The key parameters for any variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the remuneration policy for Directors, Key Managerial Personnel, Senior Management and other employees.
6. Taking into account the total remuneration of all employees on the payroll of the Company in the financial year 2024-25 and dividing it by the number of such employees as at the end of the year, we arrive at the average remuneration per employee during the said year. When we compare the average remuneration per employee derived for 2024-25 with the identical computation for 2023-24, we get the percent increase/decrease in Financial Year 2024-25 over its previous year.

The said comparison for employees other than the five Executive Directors in 2024-25 indicates a increase of 7.33% as compared to the previous year. The comparison for the five Executive Directors shows an increase of 5.05% compared to the previous year.

7. There is no employee who receives remuneration in excess of the highest paid director during the Year.
8. The percentage increase/decrease in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary are as under:

Sr. No.	Name of Director	Designation	% Change in remuneration
1	Mr. Deep Kapuria	Executive Chairman	5.75
2	Mr. Pranav Kapuria	Managing Director	3.57
3	Mr. Anuj Kapuria	Executive Director	3.57
4	Mr. Naveen Jain	Company Secretary	15.11
5	Mr. Kapil Rajora	Chief Financial Officer	38.82
6	Mr. Kawal Jain	Non-Executive - Non-Independent Director	0.60
7	Mr. Bidadi Anjani Kumar	Non-Executive - Non-Independent Director	-0.38
8	Mr. Anant Jaivant Talaulicar	Non-Executive - Non-Independent Director	-0.37
9	Mr. Rajiv Batra	Non-Executive - Independent Director	-0.23
10	Mr. Deval Mahadev Desai ^(c)	Non-Executive - Independent Director	NA
11	Mr. Vikram Rupchand Jaisinghani ^(c)	Non-Executive - Independent Director	NA
12	Mr. Arjun Juneja ^(c)	Non-Executive - Independent Director	NA
13	Mr. Sameer Gupta ^(c)	Non-Executive - Independent Director	NA
14	Ms. Suchitra Rajendra ^(f)	Non-Executive - Independent Director	NA
15	Ms. Malini Sud ^(g)	Non-Executive - Independent Director	NA
16	Mr. Ramesh Shankarmal Pilani ^(e)	Non-Executive - Independent Director	NA
17	Mr. Sandeep Dinodia ^(d)	Non-Executive - Independent Director	NA
18	Mr. Anil Kumar Khanna ^(d)	Non-Executive - Independent Director	NA
19	Mr. Vinit Taneja ^(d)	Non-Executive - Independent Director	NA
20	Mr. Krishna Chandra Verma ^(d)	Non-Executive - Independent Director	NA
21	Mr. Girish Narang ^(c)	Executive Director	NA
22	Mr. Amresh Kumar Verma ^(c)	Executive Director	NA

Note:

- Sitting fees payable to Non-Executive Directors (including Independent Directors) for attending the Meeting of the Board of Directors include Committee Meetings of the Company. Hence, it is not considered as remuneration in the case of Non-Executive Directors. Further, the % change in remuneration of directors other than WTD's are attributable to payment of commission for the Financial Year 2024-25.
 - In the case of the Executive Directors, the remuneration is as per the provisions of the Companies Act, 2013 read with rules & schedule made thereunder and SEBI (LODR) Regulations, 2015.
 - Mr. Girish Narang (Whole Time Director), Mr. Deval Mahadev Desai (Non-Executive - Independent Director), Mr. Vikram Rupchand Jaisinghani (Non-Executive-Independent Director), Mr. Arjun Juneja (Non-Executive-Independent Director), and Mr. Sameer Gupta (Non-Executive-Independent Director) were appointed on Board w.e.f. August 06, 2024 and Mr. Amresh Kumar Verma took early retirement from the position of Whole Time Director w.e.f. closure of business hours of August 06, 2024. Hence, this section is not comparable for their terms with the full Financial Year 2024-25.
 - Mr. Sandeep Dinodia (Non-Executive-Independent Director), Mr. Anil Kumar Khanna (Non-Executive-Independent Director), Mr. Vinit Taneja (Non-Executive-Independent Director) and Mr. Krishna Chandra Verma (Non-Executive-Independent Director) of the Company, were retired from the Board w.e.f. closure of business hours of September 17, 2024.
 - Mr. Ramesh Shankarmal Pilani (Non-Executive-Independent Director), resigned from the Board w.e.f. closure of business hours of January 27, 2025.
 - Ms. Suchitra Rajendra (Non-Executive-Independent Director) was appointed on the Board w.e.f. February 11, 2025.
 - Ms. Malini Sud retired from the post of Non-Executive-Independent Director of the Company w.e.f. February 12, 2025.
9. It is affirmed that the remuneration is paid as per the remuneration policy of the Company.



Management Discussion and Analysis

GLOBAL ECONOMIC – REVIEW

The global economy is heading into a period of slower expansion as trade tensions intensify. Projected worldwide growth is set to ease from 2.7% in 2024 to 2.3% in 2025, reflecting the impact of ongoing trade disputes. Despite this moderation, the international economy has remained notably resilient in the face of numerous setbacks, including increased geopolitical strain, banking sector vulnerabilities, persistent conflicts such as Russia-Ukraine and Iran-Israel, the Red Sea crisis, high interest rates, and overall macroeconomic volatility. Furthermore, a rapid albeit short-lived tightening in financial conditions contributed to the broader challenges facing global economic performance.

The US economy has demonstrated resilience, supported by strong growth in the services sector, a solid labour market, and elevated real wages. In contrast, Europe, including the UK, has experienced subdued growth, largely due to the ongoing war in Ukraine, elevated energy costs, and a slowdown in both manufacturing and services. China's economic performance fell short of expectations, impacted by a sluggish real estate market and declining industrial activity. Meanwhile, the Asia-Pacific region is expected to lead global growth, emerging as the fastest-growing economic zone. This resilience was underpinned by several key factors: robust labour market performance supported a recovery in real incomes; economic activity gradually shifted towards service-oriented sectors; the impact of tighter monetary policy was cushioned by the strength of household and corporate balance sheets; and targeted fiscal interventions in select economies provided timely support.

A moderation in inflation supported global economic resilience, aided by easing supply chain disruptions, improved labour market conditions, declining energy prices, and tempered demand expansion. As a result, global growth surpassed earlier projections. The Asian market, led by China, remained strong as compared with other countries, fuelled by aggressive New Energy Vehicle (NEV) incentives and a trade-in scheme. In contrast, the Eurozone's economic momentum slowed, weighed down by subdued consumer confidence, persistently elevated energy costs, and a downturn in manufacturing and investment activity sensitive to interest rate fluctuations.

The global transition toward electrification continued to gain momentum, with electric vehicle (EV) sales reaching 17.5 million units—representing 22% of total light vehicle sales worldwide, as reported by the International Energy Agency (IEA). China remained at the forefront of this shift, where New Energy Vehicles (NEVs) made up 48% of passenger vehicle sales, driven by supportive tax incentives and a steady decline in battery prices.

INDIAN ECONOMIC – REVIEW

India's economy maintained strong momentum in FY 2024-25, with real GDP estimated to have expanded by 6.4 percent, driven by robust performance across services, industry, and agriculture sectors and underpinned by sustained public and private capital expenditure. Gross Value Added (GVA) growth was also estimated at 6.4 percent. Infrastructure

investment rose sharply, with capital outlays growing 8.2 percent year-on-year in the five months to November 2024, and policy measures continued to bolster credit flow, leading to bank credit growth converging with deposit growth and non-performing assets declining to a 12-year low of 2.6 percent by September 2024.

Looking ahead, the Economic Survey projects real GDP growth of 6.3–6.8 percent in FY 2025-26, supported by grassroots-level structural reforms, continued infrastructure investment, and stronger participation of the private sector in core areas such as energy, transport, and digital connectivity. The RBI's June 2025 Monetary Policy Update reiterates this outlook with a GDP projection of 6.5 percent for FY 2025-26, alongside an inflation forecast of 3.7 percent, reflecting manageable price pressures and balanced monetary conditions.

By comparison, India's growth rate is the highest among major economies, outpacing global growth, which is projected at around 3 percent in calendar 2025. This performance underscores India's role as a key engine of world growth and highlights the effectiveness of its policy framework in navigating external headwinds and delivering sustainable expansion.

India, now officially the fourth-largest economy after surpassing Japan, continues to be one of the fastest-growing major economies in the world. Further, the growth is expected to be propelled by improvements in capital formation and productivity, enabled by the effective convergence of digital and physical infrastructure. The manufacturing sector, in particular, is poised for renewed momentum—driven by supportive government policies, emerging global opportunities, and a strategic pivot toward clean and sustainable energy solutions.

While external headwinds remain a concern, near-term growth is expected to broadly track earlier projections, with minor adjustments reflecting the higher base achieved in the previous fiscal year.

During FY 2024-25, the Reserve Bank of India maintained a cautiously accommodative stance and outlined calibrated support for FY 2025-26 to sustain growth while anchoring inflation. In its June 2025 Monetary Policy Committee meeting, the RBI cut the policy repo rate by 25 basis points to 6.25 percent, targeting inflation around the 4 percent band and bolstering economic momentum.

INDIAN AUTO SECTOR AND PRODUCTION TREND

India's manufacturing sector has made significant strides, complementing its reputation as a global services hub. The “**Make in India**” initiative has been a cornerstone in transforming the nation into a global manufacturing hub. With a strong focus on enhancing industrial capabilities, fostering innovation, and creating world-class infrastructure, this initiative aims to secure India's position as a key player in the global economy. The nation is harnessing its youthful workforce and enhancing its manufacturing and service sectors, standing poised to emerge as a leading global economic powerhouse. As per data released by SIAM, there is an upward trend in the sales/production of all segments of automotive except minor decline in commercial vehicles in comparison to previous year.

Tab I: Automobile production trends

Category	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Passenger Vehicles	34,24,564	30,62,280	36,50,698	45,87,116	49,01,840	50,61,164
Commercial Vehicles	7,56,725	6,24,939	8,05,527	10,35,626	10,67,504	10,32,645
Three Wheelers	11,32,982	6,14,613	7,58,669	8,55,696	9,96,159	10,50,020
Two Wheelers	2,10,32,927	1,83,49,941	1,78,21,111	1,94,59,009	2,14,68,527	2,38,83,857
Grand Total	2,63,47,198	2,26,51,773	2,30,36,005	2,59,37,447	2,24,64,686	3,10,27,686

[Source: Society of Indian Automobile Manufacturers (SIAM)]

Tab II: Automobile domestic sales trends

Category	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Passenger Vehicles	27,73,519	27,11,457	30,69,523	38,90,114	42,18,750	43,01,848
Commercial Vehicles	7,17,593	5,68,559	7,16,566	9,62,468	9,68,770	9,56,671
Three Wheelers	6,37,065	2,19,446	2,61,385	4,88,768	6,94,801	7,41,420
Two Wheelers	1,74,16,432	1,51,20,783	1,35,70,008	1,58,62,771	1,79,74,365	1,96,07,332
Grand Total	2,15,44,609	1,86,20,245	1,76,17,482	2,12,04,121	1,96,37,936	2,56,07,271

[Source: Society of Indian Automobile Manufacturers (SIAM)]

Further, the rapid expansion of India's electric vehicle (EV) sector is energizing the domestic manufacturing ecosystem. EV sales in FY/ 2024-25 reached 1.97 million units compared to 1.68 million units last year, posting a growth of 16.9%, with electric two-wheelers and three-wheelers growth of 21.2% & 10.5% respectively.

The Government of India launched the Electric Mobility Promotion Scheme (EMPS) 2024 on April 1, 2024, to promote the adoption of electric two-wheelers and three-wheelers through demand incentives while driving the development of an electric vehicle (EV) manufacturing ecosystem in the country. The EMPS 2024 is expected to boost EV penetration in Tier II and Tier III cities, support the development of the local EV ecosystem, and catalyse investments in battery technology and charging infrastructure. It also aligns with the government's long-term vision to reduce oil imports, lower carbon emissions, and build India as a global EV manufacturing hub.

The China+1 strategy, adopted by global corporations to diversify their supply chains beyond China, has significantly benefited India. Amid rising geopolitical tensions, trade restrictions, and increasing manufacturing costs in China, multinational companies are seeking alternative destinations that offer political stability, skilled labour, and a robust infrastructure framework. India has emerged as a key beneficiary of this shift due to its large domestic market, improving ease of doing business, government-led incentives under schemes like Production Linked Incentives (PLI), and a strong push for self-reliance through initiatives such as **"Make in India"** and **"Atmanirbhar Bharat."**

As a result, sectors like electronics, pharmaceuticals, automotive, and textiles have seen increased foreign investment and capacity expansion, reinforcing India's position as a strategic manufacturing hub in the global value chain. There are, however, several factors expected to have a positive impact on Indian auto component suppliers in the medium to long term. These include increased supplies to new platforms, higher value addition, and potential growth in aftermarket demand in international markets.

RISKS AND CONCERNS IN AUTOMOBILE AND AUTO COMPONENT SEGMENT

The automotive industry has undergone a period of significant disruption driven by global economic uncertainties, evolving consumer preferences, and persistent supply chain challenges. Shifts in mobility trends, imposition of additional taxes by US, rapid technological advancements, and fluctuating input costs have further impacted production and demand dynamics. These factors collectively reshaped industry operations, requiring companies to adapt quickly to a changing landscape while maintaining resilience and competitiveness.

Achieving sustainability remains a central challenge for the global automotive industry, as governments worldwide tighten emission norms and push for climate neutrality. The European countries also mandating stricter CO₂ emission standards and targeting a complete phase-out of new petrol and diesel cars and vans by 2035. In response, automakers are accelerating their transition to electric mobility. These ambitious transitions demand substantial investment in R&D, infrastructure, and consumer outreach, compelling automakers to balance ecological goals with financial sustainability.

The automotive industry is undergoing a transformative shift, driven by rapid technological advancements and evolving consumer preferences.

Today's buyers prioritize electric mobility, autonomous features, and seamless digital connectivity in their vehicles. Automakers are responding with significant R&D investments to stay competitive. Developing smart car technologies, including autonomous driving capabilities and advanced driver-assistance systems (ADAS) are technologies in which continuous innovations still required to survive in market. However, the transition from internal combustion engines to electric vehicles is proving to be a formidable task.

Rare earth minerals have emerged as a critical input for India's auto-component industry—especially in the burgeoning electric-vehicle (EV) sub-sector—during FY 2024-25 and will remain a defining factor in FY 2025-26. Neodymium, praseodymium, and dysprosium are essential for manufacturing high-efficiency permanent magnet motors used in e-two-wheelers, e-three-wheelers, and EV traction drives. In FY 2024-25, India imported over 95% of its rare earth oxides and magnet alloys, primarily from China, exposing domestic component makers to supply disruptions and sharp price fluctuations: rare earth oxide prices rose by over 20% year-on-year, squeezing margins for smaller and mid-tier suppliers that lacked hedging mechanisms or long-term contracts. This volatility delayed several planned investments in EV motor manufacturing lines and prompted OEMs to absorb cost increases rather than pass them fully to consumers, marginally affecting EV affordability and adoption rates.

China's decision to curb exports of rare earth minerals—a move that began in late 2024—has reverberated sharply through India's auto-component industry. In response, companies have accelerated efforts to secure alternative sources—signing memorandum of understanding with Australia's companies and exploring pilot projects in India's nascent Odisha deposits—while government incentives under the Strategic Minerals Policy and PLI Scheme for Auto Components aim to catalyze domestic processing capacity. Although these initiatives should begin to ease supply constraints by late FY 2025-26, the interim period remains challenging: higher raw-material costs will continue to test manufacturers' cost-management strategies and could modestly temper the pace of India's EV adoption and auto-component export growth.

Geopolitical conflicts—such as the Russia-Ukraine war and the Israel-Hamas crisis—have disrupted global supply chains, impacting component availability, oil flows, and logistics, thereby slowing automotive production worldwide. Russia's car industry, once reliant on Western imports, collapsed after sanctions and corporate exits. The semiconductor shortage, exacerbated by instability in chip-producing regions like Israel, further strained output. In response, automakers are diversifying suppliers and boosting local manufacturing, though often at higher costs.

OUTLOOK

India's automobile and auto-component sectors enter FY 2025-26 buoyed by robust domestic demand, expanding export opportunities, and targeted policy support, yet they face navigable headwinds from global uncertainty and raw-material dynamics.

Continued urbanization, rising middle-class incomes, and strong rural consumption are expected to sustain 7%–9% growth in passenger-vehicle sales and 8%–10% growth in two-wheeler volumes, while commercial vehicles should rebound by 5%–7% as infrastructure projects and logistics modernization gain pace. Having achieved nearly 20% export growth in FY 2024-25, manufacturers now target a further 12%–15% increase by leveraging free-trade agreements and deeper OEM partnerships in ASEAN, Africa, and Latin America. Policy catalysts such as the ₹ 25,938 crore PLI



scheme for auto components are projected to unlock over ₹ 2.3 lakh crore of investment—particularly in EV, hydrogen fuel-cell, and semiconductor assemblies—while FAME II and PM E-DRIVE outlays, along with state-level subsidies, aim to raise EV penetration to 10–12 percent of total vehicle sales by March 2026.

The accelerated rollout of charging networks, smart highways, and 5G connectivity will further drive demand for telematics and vehicle-electronics components. Nonetheless, fluctuating prices of steel, aluminum, and rare-earth minerals underscore the need for hedging and strategic sourcing, while rapid technological shifts toward electrification and advanced driver-assistance systems demand sustained R&D and skill-development partnerships.

Upcoming Bharat Stage emission upgrades and safety-norm revisions will require agile compliance strategies, even as phased government timelines and compliance credits help mitigate implementation costs. In sum, with aligned demand tailwinds, fiscal incentives, and infrastructure investments—coupled with a resilient export strategy—India's automotive ecosystem is poised for double-digit component growth and mid-single-digit vehicle volume expansion, reinforcing its global competitiveness and supporting India's USD 5-trillion economy ambition.

We remain confident in aligning our growth with evolving market needs by leveraging our robust capabilities in New Product Development (NPD) across multiple platforms. Our focus on optimizing capacity utilization, reducing raw material costs, and implementing Total Productive Maintenance (TPM) is enhancing operational efficiency and resource optimization. Our key objective is to drive market share growth through innovation, while maintaining a strong commitment to cost competitiveness, productivity, and quality.

Looking ahead, while challenges such as rising interest rates and stricter emission and safety regulations may create near-term pressures, the industry's long-term outlook remains positive. The implementation of the vehicle scrappage policy is expected to spur demand, while the EV segment is gaining strong momentum—propelled by cost parity improvements, policy support, expanding infrastructure, and consumer preference for sustainable mobility.

OPPORTUNITIES, THREATS AND MITIGATION STRATEGIES

OPPORTUNITIES:

India's manufacturing sector stands at the cusp of significant transformation, driven by a convergence of favourable factors. The China+1 strategy has positioned India as an attractive alternative for global supply chains, especially in electronics, pharmaceuticals, and textiles. Government initiatives such as Make in India, PLI (Production-Linked Incentive) schemes, and National Logistics Policy are boosting domestic production, attracting FDI, and enhancing export competitiveness.

Additionally, digitisation, smart manufacturing (Industry 4.0), and a young, skilled workforce are enabling India to transition into a high-tech manufacturing hub. The rising global focus on sustainability and electric mobility further opens up new avenues in green manufacturing and EV components. With strategic infrastructure development and growing demand both domestically and internationally, India is well-positioned to become a global manufacturing powerhouse in the coming decade.

THREATS AND MITIGATION STRATEGIES:

Sustainability Targets and Regulatory Pressures

Sustainability remains a top priority as regulatory bodies worldwide impose stricter emission norms and climate targets. Updated regulations now demand significant reductions in CO₂ emissions, with several regions aiming for 100% reduction in vehicle emissions by the next decade. These evolving policies are pushing automakers to rethink traditional vehicle production and adopt more environmentally responsible practices.

To meet stricter sustainability norms, the automotive industry is ramping up investment in electric and hybrid technologies and transitioning toward zero-emission models. Emphasis is also being placed on circular economy practices through the use of recycled and eco-friendly materials. At the same time, manufacturers are actively engaging with regulators to align production strategies with long-term climate goals.

Technological Disruptions and Changing Consumer Expectations

Automotive technologies are evolving rapidly, with rising demand for electric vehicles, advanced driver-assistance systems (ADAS), and connected features. This shift brings high development costs, production complexities, and the challenge of keeping pace with fast-changing consumer expectations.

To stay competitive, automakers are balancing their product mix between internal combustion engines and electric vehicles, while adopting flexible vehicle platforms to streamline production. Strategic investments in R&D, partnerships in smart mobility, and in-house capabilities in software and electronics are helping manufacturers meet consumer demands efficiently and cost-effectively.

Labour Shortages and Skill Gaps

A growing shortage of skilled labour, especially in developed regions, is affecting the industry's ability to innovate and maintain production levels. The gap is widening as older workers retire and younger talent shifts toward other industries.

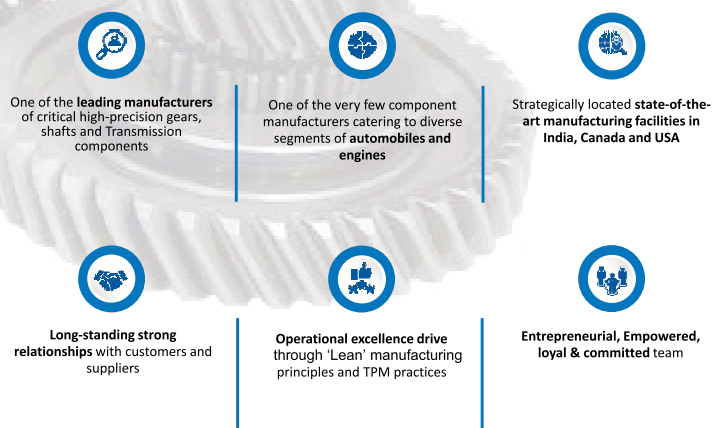
Automakers are addressing this by forming partnerships with educational institutions to develop targeted training programs, promoting reskilling initiatives, and supporting vocational education. At the same time, increased automation and robotics adoption in manufacturing is helping bridge immediate workforce gaps while reducing long-term dependency on manual labour.

Geopolitical Tensions and Supply Chain Disruptions

Ongoing geopolitical conflicts and regional instability have caused major disruptions in global supply chains, impacting everything from raw materials to semiconductor availability. These uncertainties have slowed production and increased costs across the industry.

To manage these risks, automakers are localizing supply chains, diversifying their supplier base, and investing in strategic inventory buffers. They are also adopting digital supply chain tools to improve forecasting and responsiveness, helping them better navigate geopolitical and logistical uncertainties.

Strength of the Company



BRIEF OF FINANCIAL RESULTS

During the Financial Year 2024-25, your company delivered consistent performance across all verticals. On standalone basis, total sales turnover remained steady at ₹ 6576.09 million, matching the previous year. Profit Before Tax (PBT) stood at ₹ 635.69 million, with Profit After Tax (PAT) at ₹ 473.78 million. Basic Earnings Per Share (EPS) for the year was ₹ 25.23.

The Company recorded an export turnover of ₹ 2197.13 million compared to ₹ 2,293.81million during the previous year, which is decline by 4.21%. Profit After Tax (PAT) and Earnings Per Share (EPS) also decline marginally, signalling the impact of rising input costs and global uncertainties on overall profitability.

These results underscore our resilience and strategic effectiveness amidst challenging market conditions.

KEY FINANCIAL RATIOS ARE GIVEN BELOW

Particulars	Unit	2024-25	2023-24	Change over previous year	Reason for material change
Debtors Turnover	Times	5.09	5.31	-4.05%	Decrease in sales & average debtors
Inventory Turnover	Times	3.82	5.07	-24.62%	Increase in average inventory
Current Ratio	Times	1.89	1.53	22.93%	Decrease in current liability due to repayment of borrowing & better vendor payment
Debt Equity Ratio	Times	0.24	0.33	-29.17%	Repayment of borrowing
Interest Coverage Ratio	Times	7.75	5.45	42.29%	No material change
Operating Profit (EBIDTA) Margin	%	16.16	14.51	1.65%	Better operating profit by reduction in expenses despite sale decrease
Net Profit Margin	%	7.20	6.32	0.88%	Better operating profit by reduction in expenses despite sale decrease
Return on Net Worth	%	10.07	11.12	-1.05%	Decrease in return due to sale decrease

EXCELLENCE, AWARDS AND RECOGNITIONS

Our organization remains steadfast in its pursuit of world-class manufacturing excellence, a goal deeply embedded in our vision. This commitment has not only strengthened our operational capabilities but also earned us consistent recognition and trust from our esteemed customers—clear evidence of our quality and performance.

During the year, the Company secured new EV business from Hero MotoCorp and Dana, both of which have moved into active production. We continue to actively engage in quoting for several customers across the EV segment, further reinforcing our position in this emerging market.

In our journey toward advanced technology, we have significantly upgraded our engineering capabilities to design and manufacture high-precision components and gearboxes for next-generation applications.

Our Manesar Manufacturing Unit, now certified as an ECOFAC Plant, remains a benchmark for sustainable manufacturing. It was recently honoured with the prestigious Platinum Award by the Indian Green Building Council (IGBC), recognizing our efforts toward green practices.

By integrating environmental responsibility into our production processes, we focus on efficient resource usage and effective waste management—demonstrating our commitment to sustainability and operational excellence.

SEGMENT REPORTING

The Company's core business activities revolve around gears and transmission components, which are inherently interrelated and subject to similar risks and returns. As a result, these operations are treated as a single business segment in accordance with relevant accounting standards.

To provide greater insight into its global presence, the Company has adopted a geographical segmentation approach in its financial statements. The business is classified into three key regions, enabling stakeholders to better understand the Company's performance across various markets.

This segmentation strategy ensures regulatory compliance with the applicable Accounting Standard on Segment Reporting and enhances transparency. It equips investors and stakeholders with meaningful information to assess the Company's regional and overall performance more effectively.

INTERNAL CONTROLS AND THEIR ADEQUACY

The Company maintains a strong internal control framework supported by well-documented procedures that safeguard its assets, ensure operational efficiency, and promote compliance with all applicable laws and regulations. These controls are integral to strengthening financial discipline and protecting organizational resources.

To further reinforce this framework, the Company has instituted a rigorous internal audit mechanism. This includes systematic reviews conducted by the management and guided by established policies and procedures. Our internal audits are carried out by M/s. Grant Thornton Bharat LLP, one of India's leading assurance, tax, and advisory firms. They report independently to the Audit Committee and the Board of Directors.

Together, these practices reflect our unwavering commitment to robust governance, financial integrity, and adherence to the highest industry and regulatory standards.

HUMAN RESOURCES

The Company is proud of its legacy of maintaining harmonious industrial relations since inception, upheld by a unique, people-centric work culture across all its operational locations. A strong emphasis is placed on employee well-being through a comprehensive health and safety program that includes various initiatives to safeguard and enhance the welfare of our workforce and partners.

To support continuous improvement, the Company has instituted performance evaluation systems and skill development programs across the organization, fostering both individual growth and operational excellence.

Throughout the reporting period, industrial relations remained cordial and constructive at all levels. Additional information regarding employee statistics and related matters is available in the Board Report.

Disclaimer

This report includes statements that the Company considers forward-looking. These statements may use words such as 'plan', 'anticipate', 'expect', 'intend', 'aim', or similar expressions. All such statements are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated in these forward-looking statements.

This report contains certain statements that the Company believes and may be considered as forward-looking statements. These forward-looking statements may be identified by their use of words like 'plan', 'hope', 'will', 'expect', 'aim' or such similar words or phrases. All such statements are subject to risks and uncertainties which could cause actual results to vary materially from those contemplated by the relevant forward-looking statements.



CORPORATE GOVERNANCE REPORT

Forming part of 39th Board Report

I. Company's Philosophy on Corporate Governance

The Hi-Tech Gears Limited ("Company"), as a leading player in the Indian auto component industry, has consistently upheld and enhanced its Corporate Governance practices over the years.

The Company has proactively implemented governance measures such as the appointment of professionals from diverse business domains to its Board, prior disclosure and regular convening of Board meetings, timely communication of meeting outcomes, and the establishment of various Board Committees. Furthermore, the Company has formulated and diligently adhered to multiple governance policies, ensured active participation of Directors in Board and General Meetings, and maintained a transparent and equitable approach to the dissemination of price-sensitive information. It has also ensured the liquidity and accessibility of its shares through listing on prominent stock exchanges i.e. BSE Limited and National Stock Exchange of India Ltd.

The Company has fully complied with all the mandatory provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015], as amended from time to time. We continue to uphold the highest standards of transparency in communication with our shareholders and other stakeholders. In addition, the Company is committed to adhering to all applicable laws of the land, both in letter and in spirit.

II. Composition of Board of Directors

The Board of Directors, being the apex body has dual responsibility, as an Agent and a Fiduciary of the Shareholders and Company. The Board of Directors of the Company is duly constituted or any vacancy in the office of a director was filled by the company as per the stipulated requirements under SEBI (LODR) Regulations, 2015 with proper balance of Executive

Directors, Non-Executive Directors including (Independent Directors) and a Woman (Independent) Director.

As on March 31, 2025, there were total **13** Directors on the Board of the Company consisting of 6 Non-Executive Independent Directors, 3 Non-Executive Non-Independent Directors and 4 Executive Directors having expertise and experience background from different fields such as Engineering, Finance, Treasury, Business Management, Administration, Human Resource, Corporate Planning, Corporate Law etc. Directors on the Board are professionally competent and experienced in their respective fields.

During the financial year under review, the Board of Directors upon recommendation by the Nomination and Remuneration Committee (NRC) appointed Mr. Girish Narang (DIN- 09518880) as the Whole Time Director and Key Managerial Personnel designated as Executive Director of the Company effective from August 06, 2024, Additionally Mr. Arjun Juneja (DIN- 00704349), Mr. Deval Mahadev Desai (DIN- 07539095), Mr. Vikram Rupchand Jaisinghani (DIN- 00286606), Mr. Sameer Gupta (DIN- 00513925) have been appointed as Non-Executive - Independent Director w.e.f. August 06, 2024 and Mr. Anil Kumar Khanna (DIN-00207839), Mr. Sandeep Dinodia (DIN-00005395), Mr. Vinit Taneja (DIN-02647727), Mr. Krishna Chandra Verma (DIN-03636488) were retired w.e.f. the closure of business hours of September 17, 2024. Ms. Malini Sud (DIN-01297943) retired from the position of Non-Executive - Independent Director w.e.f. February 12, 2025 and Ms. Suchitra Rajendra (DIN- 07962214) has been appointed as a Non-Executive - Independent Director in the Company w.e.f. February 11, 2025.

Mr. Ramesh Shankarmal Pilani (DIN- 00901506) Non-Executive-Independent director, tendered his resignation from the Board of the Company w.e.f. the closure of business hours of January 27, 2025. Pursuant to Regulation 17(1E) of SEBI (LODR) Regulations, 2015 Mr. Vishal Seth was appointed as a Non-Executive Independent Director on the Board of the Company w.e.f. April 25, 2025, i.e. within a period of three months from the resignation of Mr. Shankarmal Pilani.

The details of the Directors as on March 31, 2025, are as follows:-

Sr. No.	Name of Director and DIN	Designation	Category	Relationship with other directors	No. of Directorships ⁽¹⁾	No. of Audit/ Stakeholder Committee as Member ⁽²⁾	No. of Audit/ Stakeholder Committee as Chairperson ⁽²⁾
1.	Mr. Deep Kapuria (00006185)	Executive Chairman	Promoter, Executive Director	Father of Mr. Pranav Kapuria and Mr. Anuj Kapuria	Four	Nil	Nil
2.	Mr. Pranav Kapuria (00006195)	Managing Director	Promoter, Executive Director	Son of Mr. Deep Kapuria and brother of Mr. Anuj Kapuria	Five	One	Nil
3.	Mr. Anuj Kapuria (00006366)	Executive Director	Promoter, Executive Director	Son of Mr. Deep Kapuria And brother of Mr. Pranav Kapuria	Eight	One	Nil
4.	Mr. Anant Jaivant Talaulicar (00031051)	Vice Chairman	Non-Executive, Non-Independent	-	Eleven	Six	One
5.	Mr. Bidadi Anjani Kumar (00022417)	Director	Non-Executive, Non-Independent	-	Four	One	One
6.	Mr. Arjun Juneja (00704349)	Director	Non-Executive, Independent	-	Ten	Nil	Nil
7.	Mr. Deval Mahadev Desai (07539095)	Director	Non-Executive, Independent	-	One	Nil	Nil
8.	Mr. Vikram Rupchand Jaisinghani (00286606)	Director	Non-Executive, Independent	-	One	One	Nil
9.	Ms. Suchitra Rajendra (07962214)	Director	Non-Executive, Independent	-	Six	Seven	Three
10.	Mr. Rajiv Batra (00082866)	Director	Non-Executive, Independent	-	Seven	Four	Three
11.	Mr. Kawal Jain (00910924)	Director	Non-Executive, Non-Independent	-	Two	One	Nil
12.	Mr. Girish Narang ⁽⁴⁾ (09518880)	Executive Director	Whole-Time Director and Key Managerial Personnel	-	One	Nil	Nil
13.	Mr. Sameer Gupta ⁽⁵⁾ (00513925)	Director	Non-Executive, Independent	-	Fourteen	One	Nil

Note:-

- (1) Includes directorship in listed (including The Hi-Tech Gears Limited) and public companies, private companies, Section 8 Companies except foreign companies and LLPs.
- (2) Pertains to memberships/chairpersonship held in the Audit Committee and Stakeholders' Relationship Committee of Indian public companies (Listed and Unlisted) as per Regulation 26(1)(b) of the SEBI (LODR) Regulations, 2015.
- (3) During the financial year under review Mr. Amresh Kumar Verma (DIN-09587704) Whole Time Director & Key Managerial Personnel designated as Executive Director of the Company took early retirement from the Board w.e.f. the closure of business hours of August 06, 2024, Mr. Anil Kumar Khanna (DIN-00207839), Mr. Sandeep Dinodia (DIN-00005395), Mr. Vinit Taneja (DIN-02647727), Mr. Krishna Chandra Verma (DIN-03636488) were retired w.e.f. the closure of business hours of September 17, 2024, from the position of Non-Executive - Independent Director, Mr. Ramesh Shankarmal Pilani resigned from the position of Non-Executive - Independent Director w.e.f. closure of business hours of January 27, 2025 and Ms. Malini Sud retired from the position of Non-Executive - Independent Director w.e.f. February 12, 2025.
- (4) Mr. Girish Narang (DIN-09518880), was appointed as Whole Time Director and Key Managerial Personnel designated as Executive Director of the Company w.e.f. August 06, 2024 and resigned from the Board w.e.f. the closure of business hours of April 24, 2025.
- (5) Mr. Sameer Gupta (DIN-00513925) Non-Executive- Independent director, resigned from the Board of the Company w.e.f. the closure of business hours of June 20, 2025.

Number of Board Meetings held during the financial year 2024-25

During the financial year under review, Board meetings were held 4 (Four) times to review, discuss and decide on the various business matters of the Company. Following are the particulars of the meetings:-

- (1) May 29, 2024
- (2) August 06, 2024
- (3) November 08, 2024
- (4) February 13, 2025.

It is confirmed that the gap between the two (2) consecutive meetings of the Board did not exceed one hundred and twenty (120) days. The necessary quorum was present in all the meetings.

Attendance of each Director at the Board Meetings during financial year under review and the last 38th Annual General Meeting are given as following: -

Name of Director	Attendance in the Board Meetings	Attendance in the last Annual General Meeting
Mr. Deep Kapuria	4	No
Mr. Pranav Kapuria	4	Yes
Mr. Anuj Kapuria	3	No
Mr. Anil Kumar Khanna ¹	1	NA
Mr. Sandeep Dinodia ¹	2	NA
Mr. Vinit Taneja ¹	2	NA
Mr. Krishna Chandra Verma ¹	2	NA
Ms. Malini Sud ¹	2	Yes
Mr. Amresh Kumar Verma ²	1	NA
Mr. Arjun Juneja ³	2	No
Mr. Deval Mahadev Desai ³	1	No
Mr. Vikram Rupchand Jaisinghani ³	2	No
Mr. Sameer Gupta ³	2	No

Name of Director	Attendance in the Board Meetings	Attendance in the last Annual General Meeting
Mr. Ramesh Shankarmal Pilani ⁴	0	Yes
Ms. Suchitra Rajendra ⁵	1	NA
Mr. Girish Narang ⁶	2	Yes
Mr. Bidadi Anjani Kumar	4	Yes
Mr. Anant Jaivant Talaulicar	4	No
Mr. Rajiv Batra	4	Yes
Mr. Kawal Jain	4	Yes

Note :

1. Mr. Anil Kumar Khanna, Mr. Sandeep Dinodia, Mr. Vinit Taneja and Mr. Krishna Chandra Verma were retired w.e.f. the closure of business hours of September 17, 2024 and Ms. Malini Sud was retired w.e.f. February 12, 2025.
2. Mr. Amresh Kumar Verma took early retirement from the Board w.e.f. the closure of business hours of August 06, 2024.
3. Mr. Arjun Juneja, Mr. Deval Mahadev Desai, Mr. Vikram Rupchand Jaisinghani and Mr. Sameer Gupta were appointed w.e.f. August 06, 2024.
4. Mr. Ramesh Shankarmal Pilani resigned w.e.f. the closure of business hours of January 27, 2025.
5. Ms. Suchitra Rajendra was appointed on the Board of the Company w.e.f. February 11, 2025
6. Mr. Girish Narang was appointed as Whole Time Director and Key Managerial Personnel designated as Executive Director w.e.f. August 06, 2024 and resigned from the Board w.e.f. the closure of business hours of April 24, 2025.

Directorship of Board Members in other listed entity

Pursuant to the SEBI (LODR) Regulations, 2015, the name of the other listed entity where the Board Members are holding directorship as on March 31, 2025, are given below:

Name of Director	Name of the Listed Entity	Category
Mr. Anant Jaivant Talaulicar	India Nippon Electricals Limited	Non-Executive - Independent Director
	Endurance Technologies Limited	Non-Executive - Independent Director
	Everest Industries Limited	Non-Executive - Independent Director, Chairperson
	KPIT Technologies Limited	Non-Executive - Independent Director
Ms. Suchitra Rajendra	Hindustan Media Ventures Limited	Non-Executive - Independent Director
	Digicontent Limited	Non-Executive - Independent Director
	Next Mediaworks Limited ¹	Non-Executive - Independent Director
Mr. Rajiv Batra	UFO Moviez India Limited	Non-Executive - Independent Director
	UNO Minda Limited	Non-Executive - Independent Director

1. Ms. Suchitra Rajendra ceased to be the Director of Next Mediaworks Limited w.e.f. from the closure of business hours of April 15, 2025.



Details of Shares held by Non-Executive Director(s)

Mr. Kawal Jain holds 1,100 equity shares as on March 31, 2025. No other Non-Executive Director held any equity shares of the Company as on March 31, 2025.

Familiarization Programme

The Board acquainted with all information about the Company and its operations may make a substantial contribution to the efficient execution of its fiduciary duties in a way that satisfies the expectations of stakeholders and the general public. To help them make timely and well-informed decisions, the Company's Directors are kept informed about significant changes and developments in the domestic and international corporate and industry scene, including those related to statutes, legislation, and the economic environment. The Directors are also informed about all business-related topics, such as the company's new initiatives, CSR and sustainability activities, risk assessment and minimization methods, and management development processes.

Details regarding the familiarization programs provided to independent directors are available for review at <https://www.thehitechgears.com/investors.php>.

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees, and other individual Directors which forms part of the Nomination and Remuneration Committee policy and is also available on the website of the Company at <https://www.thehitechgears.com/investors.php>

Disclosure with regard to the core skills/ expertise/ competencies of the Board

Pursuant to Schedule V of the SEBI (LODR) Regulations, 2015, core skills/ expertise /competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

The detailed Chart/ Matrix of such core skills/ expertise/ competencies along with the names of the Directors who possess such skills is given as following:-

S. No	Name of the Director	Designation	Core skills/ Expertise/ Competencies
1	Mr. Deep Kapuria	Executive Chairman	Management, Strategy and Planning, Global business leadership, Manufacturing, automobile engineering and project management, CSR and Sustainability matters, Critical and Innovative Thinker
2	Mr. Pranav Kapuria	Managing Director	Management, Strategy and Planning, Governance, Risk and Compliance, Commercial Experience, Global business leadership, Manufacturing, automobile engineering and project management, Vision and value creation
3	Mr. Anuj Kapuria	Executive Director	Commercial Experience, Manufacturing, automobile engineering and project management, Automation and Innovation, New Product Development
4	Mr. Anant Jaivant Talaulicar	Non-Executive Non-Independent Director	Mechanical and Engineering Expertise, Quality consciousness, Technical Expertise, Strategic thinking, Active contribution towards Strategy and Planning.

S. No	Name of the Director	Designation	Core skills/ Expertise/ Competencies
5	Mr. Arjun Juneja	Non-Executive Independent Director	Dedicated and accomplished business leader. Visionary thinking, strategic vision and adaptability to change will be helpful in achieving success to company.
6	Mr. Sameer Gupta	Non-Executive Independent Director	Extensive experience, industry knowledge, strategic foresight, and commitment to governance and ethical standards make him a capable of contributing significantly to the governance and strategic direction of any organization.
7	Mr. Bidadi Anjani Kumar	Non-Executive Non-Independent Director	Finance and Taxation, Economics and Statistics, Policy Development
8	Ms. Suchitra Rajendra	Non-Executive Independent Director	Diverse background in consulting, HR, and leadership roles positions her uniquely to offer valuable perspectives and guide the company in its growth and governance.
9	Mr. Vikram Rupchand Jaisinghani	Non-Executive Independent Director	Ability to drive substantial business innovations, operational excellence, strategic vision and leadership have been instrumental in transforming complex business landscapes and driving substantial growth, pioneering leader in the business world.
10	Mr. Rajiv Batra	Non-Executive Independent Director	Governance, Risk and Compliance, Strategic thinking.
11	Mr. Deval Mahadev Desai	Non-Executive Independent Director	Global automotive experience across multifunctional areas including product development, vehicle systems integration, customer relationships, business development, sales & marketing, media relations, operations management, strategic planning, M&A, organization building and business restructuring.
12	Mr. Girish Narang	Executive Director	Seasoned professional with extensive expertise spanning key domains in finance and investment. With a robust background in Financial Management, he excels in strategic planning and management, leveraging his skills to drive organizational growth and profitability.
13	Mr. Kawal Jain	Non-Executive Non-Independent Director	Accounting, Finance, Taxation, and Management Advisory.

Confirmation of the Board on independence of Independent Directors

The Board has received the necessary declaration from the Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013, in conjunction with the relevant Rules and Regulation 25 of the SEBI (LODR) Regulations, 2015, as amended. Consequently, the Board hereby affirms that, based on this declaration, the Independent Directors meet the criteria outlined in the aforementioned regulations and maintain autonomy from the management.

III. Audit Committee

Brief description of terms of reference

As per the Companies Act, 2013 and applicable provisions of SEBI (LODR) Regulations, 2015, the Audit Committee of your Company consists of three (3) Directors, bifurcating into two (2) members who are Non-Executive and Independent Directors, namely Mr. Rajiv Batra, Mr. Sameer Gupta and one (1) member who is Non-Executive Non- Independent Directors, namely Mr. Kawal Jain. All the members of the committee possess accounting and/or financial management knowledge & expertise. Please refer to skill/expertise/competencies former part of this report for detailed competencies and expertise.

Furthermore, Mr. Naveen Jain, Company Secretary of the Company acts as Secretary of the Audit Committee. The functions and responsibilities of the Audit Committee align with the provisions outlined in Regulation 18 of the SEBI (LODR) Regulations, 2015, as amended, and Section 177 of the Companies Act, 2013, along with the respective rules.

In accordance with the requirements of the Companies Act, 2013, and the SEBI (LODR) Regulations, 2015, all committee members possess financial literacy and expertise in accounting or related financial management.

Composition, Meetings and Attendance

During the financial year under review, the Audit Committee meetings were held 4 (four) times on the following dates:-

- (1) May 29, 2024
- (2) August 06, 2024
- (3) November 08, 2024
- (4) February 13, 2025

Attendance of the members at the Audit Committee Meetings during financial year under review are given as following:-

Name	Position/ Composition	Category	No. of meetings held during the tenure	No. of meetings attended
Mr. Sandeep Dinodia ¹	Chairperson	Non-Executive and Independent Director	2	2
Mr. Anil Kumar Khanna ¹	Member	Non-Executive and Independent Director	2	1
Mr. Krishna Chandra Verma ¹	Member	Non-Executive and Independent Director	2	2
Mr. Anuj Kapuria ¹	Member	Executive Director	2	2
Mr. Sameer Gupta ²	Member	Non-Executive and Independent Director	2	2
Mr. Kawal Jain ²	Member	Non-executive and Non- Independent Director	2	2
Mr. Rajiv Batra ³	Chairperson	Non-Executive and Independent Director	4	4

Note :

1. Mr. Sandeep Dinodia (Chairperson), Mr. Anil Kumar Khanna (Member), Mr. Krishna Chandra Verma (Member) and Mr. Anuj Kapuria (Member) ceased to be Chairperson/member of the committee w.e.f. the closure of business hours of September 17, 2024.
2. Mr. Sameer Gupta and Mr. Kawal Jain appointed as member of the Audit Committee w.e.f. September 17, 2024.

3. Mr. Rajiv Batra appointed as the Chairperson of Audit Committee w.e.f. September 17, 2024.

Audit Committee has following Powers

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it is considered necessary.

Roles and Responsibilities of Audit Committee

Audit Committee performs its duties, roles and responsibilities in terms of the Regulation 18 of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013, the major are being:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of Payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval.
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a [public issue or rights issue or preferential issue or qualified institutions placement], and making appropriate recommendations to the board to take up steps in this matter.
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism.
19. Approval of appointment of chief financial officer after assessing the qualifications, experience, and background, etc. of the candidate.



20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee, in Companies Act, 2013, SEBI (LODR) Regulations, 2015 or any other statutory regulation, document or otherwise.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
23. Granting omnibus approval for related party transactions proposed to be entered into by the listed entity or its subsidiary.
24. Reviewing the details of related party transactions, on a quarterly basis, entered into by the subsidiary of the listed entity pursuant to each of the omnibus approvals given.
25. Approving the remuneration and sitting fees paid to director, key managerial personnel or senior management belonging to promoter or promoter group.
26. Approving the remuneration and sitting fees paid to director, key managerial personnel or senior management (other than promoter/ promoter group), provided it exceeds the threshold criteria of material transaction as per Regulation 23 of SEBI (LODR) Regulations, 2015.

IV. Nomination and Remuneration Committee (NRC)

Brief description of terms of reference

As per the Companies Act, 2013 and applicable provisions of SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee of your Company consists of three (3) Non-Executive Directors, out of which two (2) members are Independent & Non-executive Directors namely Mr. Sameer Gupta, Ms. Suchitra Rajendra and (1) member is Non-Executive and Non-Independent Director namely Mr. Bidadi Anjani Kumar. The scope of functions of the Nomination and Remuneration Committee is to look into the Company's policy on specific/general remuneration packages, for Executive, Non-Executive, senior management and Independent Directors, including pension rights and any compensation payment.

Mr. Naveen Jain, Company Secretary of the Company, acts as the Secretary of the Nomination and Remuneration Committee.

During the financial year under review the Company has revised Nomination and Remuneration Policy ("NRC Policy") on November 08, 2024 and February 13, 2025. The latest policy is placed on the website of the Company can be access on <https://www.thehitechgears.com/investors.php>.

Composition, Meetings and Attendance

During the financial year under review, the Nomination and Remuneration Committee meeting were held two (2) times on the following dates: -

- (1) August 05, 2024
- (2) February 12, 2025

Attendance of the members at the Nomination and Remuneration Committee Meetings held during financial year under review are given as following: -

Name	Position/ Composition	Category	No. of meetings held during the tenure	No. of meetings attended
Mr. Vinit Taneja ¹	Chairperson	Non-executive and Independent Director	1	1
Mr. Sandeep Dinodia ¹	Member	Non-executive and Independent Director	1	1
Mr. Anil Kumar Khanna ¹	Member	Non-executive and Independent Director	1	1

Name	Position/ Composition	Category	No. of meetings held during the tenure	No. of meetings attended
Mr. Sameer Gupta ²	Chairperson	Non-executive and Independent Director	1	1
Ms. Malini Sud ³	Member	Non-executive and Independent Director	0	0
Ms. Suchitra Rajendra ⁴	Member	Non-executive and Independent Director	1	1
Mr. Bidadi Anjani Kumar	Member	Non-executive and non-Independent Director	2	2

Notes:

1. Mr. Vinit Taneja (Chairperson), Mr. Sandeep Dinodia (Member) and Mr. Anil Kumar Khanna (Member) ceased to be chairperson/member of NRC w.e.f. the closure of business hours of September 17, 2024.
2. Mr. Sameer Gupta was appointed as chairperson of committee w.e.f. September 17, 2024
3. Ms. Malini Sud was appointed as member of committee w.e.f. September 17, 2024 and ceased to be a member w.e.f. February 11, 2025.
4. Ms. Suchitra Rajendra was appointed as member of committee w.e.f., February 11, 2025.

Roles and Responsibilities of Nomination and Remuneration Committee

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel, and other employees.
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. uses the services of an external agencies, if required.
 - b. Consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. Consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors.
4. Devising a policy on Board diversity
5. Formulate a Remuneration Policy as specified under Section 178 of the Companies Act, 2013 and under SEBI (LODR) Regulations, 2015, as amended from time to time.
6. Identifying people who are qualified to become directors and who may be appointed in senior management in accordance with the criteria down and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
7. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
8. Recommend to the board all remuneration, in whatever form, payable to senior management.

9. Implement and administer the Employees Stock Option Scheme(s) approved by the Board from time to time and to establish, amend and rescind any rules and regulations relating to the Scheme(s), and to make any other determinations that it deems necessary or desirable in connection with the Scheme.
10. Carrying out any other function as is mentioned in the terms of reference of the Nomination and Remuneration Committee, in Companies Act, 2013, SEBI (LODR) Regulations, 2015 or any other statutory regulation, document or otherwise.

V. Stakeholder Relationship Committee (SRC)

Brief description of terms of reference

The Stakeholder Relationship Committee of your Company consists of three (3) Directors, out of which one (1) member is Non-Executive Non-Independent Director namely Mr. Bidadi Anjani Kumar, one (1) member is Executive Director namely Mr. Pranav Kapuria and one (1) is Non-Executive and Independent Director namely Mr. Vikram Rupchand Jaisinghani. The scope, compliances and functions of the Stakeholder Relationship Committee is in line with the SEBI (LODR) Regulations, 2015, as amended from time to time and the provisions of Section 178 of the Companies Act, 2013 along with rules made thereunder.

Meetings and attendance

During the financial year under review, the Stakeholder Relationship Committee meeting was held one (1) time on the following date:

- (1) January 25, 2025

Attendance of the members at the Stakeholder Relationship Committee Meeting held during financial year under review are given as following: -

Name	Position/ Composition	Category	No. of meetings held during the tenure	No. of meetings attended
Mr. Anil Kumar Khanna ¹	Chairperson	Non-Executive Independent Director	0	0
Mr. Sandeep Dinodia ¹	Member	Non-Executive Independent Director	0	0
Mr. Vinit Taneja ¹	Member	Non-Executive Independent Director	0	0
Mr. Bidadi Anjani Kumar ²	Chairperson	Non-Executive Non-Independent Director	1	1
Mr. Pranav Kapuria ²	Member	Managing Director	1	1
Mr. Ramesh Shankarmal Pilani ³	Chairperson	Non-Executive Independent Director	1	0
Mr. Vikram Rupchand Jaisinghani ⁴	Member	Non-Executive Independent Director	0	0

Notes:

1. Mr. Anil Kumar Khanna (Chairperson), Mr. Sandeep Dinodia (Member) and Mr. Vinit Taneja (Member) Ceased to be member/chairperson of SRC w.e.f. the closure of business hours of September 17, 2024.
2. Mr. Bidadi Anjani Kumar and Mr. Pranav Kapuria appointed as member of the committee w.e.f. September 17, 2024. Further, Mr. Bidadi Anjani Kumar was appointed as Chairperson w.e.f. February 13, 2025.
3. Mr. Ramesh Shankarmal Pilani was appointed as chairperson of SRC w.e.f. September 17, 2024 and ceased to be Chairperson of SRC w.e.f. the closure of business hours of January 27, 2024.
4. Mr. Vikram Rupchand Jaisinghani has been inducted as member of the Committee w.e.f. February 13, 2025 and no meeting was held in FY 2024-25 after his induction as member of the Committee.

Mr. Naveen Jain, Company Secretary & Compliance Officer of the Company acts as the Secretary of the Stakeholder Relationship Committee.

Roles and Responsibilities of Stakeholder Relationship Committee:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Investors Complaints during the financial year ended March 31, 2025:

Particulars	Status
Pending at the beginning of the year	Nil
Received during the year	1
Disposed of during the year	1
Remaining unresolved at the end of the year	Nil

VI. Other Committees

(a) Corporate Social Responsibility Committee ("CSR Committee")

Brief description of terms of reference

The Company has CSR Committee formed pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee of your Company consists of three (3) Members, out of which two (2) members who are Non-Executive and Independent Directors, namely Mr. Bidadi Anjani Kumar, Mr. Vikram Rupchand Jaisinghani and one (1) member is Executive Director, namely Mr. Deep Kapuria. The aforesaid provision mandates the Roles, Responsibilities, Powers and Scope of the CSR Committee and its members.

The CSR Committee of your Company consists of three Directors, out of which 1 member is Non-Executive Non-Independent Director, 1 member is Executive Director and 1 is Non-Executive and Independent Directors.

Meetings and attendance:

During the financial year under review the CSR Committee meeting was held one (1) time on the following date:-

- (1) March 19, 2025.

Attendance of the members at the CSR Committee Meeting held during financial year under review are given as following: -

Name	Position/ Composition	Category	No. of meetings held during the tenure	No. of meetings attended
Mr. Krishna Chandra Verma ¹	Chairperson	Non-Executive Independent Director	0	0
Mr. Pranav Kapuria ¹	Member	Executive Director	0	0
Mr. Bidadi Anjani Kumar ²	Chairperson	Non-Executive Non-Independent Director	1	1
Mr. Ramesh Shankarmal Pilani ³	Member	Non-Executive Independent Director	0	0



Name	Position/ Composition	Category	No. of meetings held during the tenure	No. of meetings attended
Mr. Vikram Rupchand Jaisinghani ⁴	Member	Non-Executive Independent Director	1	1
Mr. Deep Kapuria	Member	Executive Director	1	1

Notes:

1. Mr. Krishna Chandra Verma (Chairperson) and Mr. Pranav Kapuria (Member) ceased to be chairperson/ member of CSR w.e.f. closure of business hours of September 17, 2024.
2. Mr. Bidadi Anjani Kumar was appointed as chairperson of the committee w.e.f. September 17, 2024.
3. Mr. Ramesh Shankarmal Pilani was appointed as member of the committee w.e.f. September 17, 2024 and ceased to be member of CSR w.e.f. closure of business hours of January 27, 2025.
4. Mr. Vikram Rupchand Jaisinghani has been inducted as member of the Committee w.e.f. February 13, 2025.

Mr. Naveen Jain, Company Secretary of the Company acts as the secretary of the Committee.

Roles and responsibilities of CSR Committee:

1. Formulate a Corporate Social Responsibility Policy "CSR Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
2. Recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time.
4. Other activities, as may be undertaken from time to time in accordance with 1 to 3 above.

As part of its initiatives under Corporate Social Responsibility "CSR", the Company has undertaken various projects pursuant to Schedule VII of the Companies Act, 2013 and CSR Policy of Company. During the financial year under review the Company has revised the CSR Policy on November 08, 2024. The said policy is placed on the website of the Company can be access on <https://www.thehitechgears.com/investors.php>

During the financial year under review, the Company has year marked a contribution of **Rs. 1,27,11,410 Crore** towards CSR contribution and complied with the mandatory requirements of the Companies Act, 2013. The details pertaining to CSR contribution are provided in Annexure IV to the Board's Report.

(b) Share Transfer Committee (STC)

Brief description of terms of reference

The Committee comprises of three (3) Members and all members are Executive Directors namely Mr. Deep Kapuria, Mr. Pranav Kapuria and Mr. Anuj Kapuria. This Committee is under the nomenclature of 'Share Transfer Committee' which has been empowered to approve transfer, transmission, DEMAT requests and other related matters regarding the shares of the Company.

The functions and responsibilities of the equity shares of the **STC** is to process and confirm within the statutory period all requests for physical share transfer and dematerialization of shares (if in order and complete in all respect).

Meetings and attendance

During the financial year under review the STC meeting was held One (1) time on the following date: -

(1) February 28, 2025

The meeting was attended by members as detailed below: -

Name	Position/ Composition	Category	No. of meetings held during the tenure	No. of meetings attended
Mr. Deep Kapuria	Chairperson	Executive Director	1	1
Mr. Pranav Kapuria	Member	Executive Director	1	1
Mr. Anuj Kapuria	Member	Executive Director	1	1

Roles and responsibilities of Share Transfer Committee:

The Committee considers the matters relating to transfer, transmission and transposition of shares, sub-division and consolidation of shares, replacement of lost/stolen/mutilated share certificates and review of dematerialization and re-materialization of shares during the year.

VII Separate Independent Directors' Meetings

In terms of the Schedule IV of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, as amended from time to time, Independent Directors shall meet at least once in every financial year without the presence of Executive Directors or management personnel.

During the financial year under review, the Independent Directors had One (1) meeting on February 12, 2025, inter alia, to discuss: -

1. Review the performance of Non-Independent Directors and the Board of Directors as a Whole.
2. Review the performance of the Chairman of the Company, considering the views of the Executive and Non-Executive Directors.
3. Assess the quality, quantity, and timelines of flow of information between the Company, Management and the Board that is necessary for the Board to perform their duties effectively and reasonably.

The meeting was attended by members as detailed below: -

Name	Position/ Composition	Category	No. of meetings held during the tenure	No. of meetings attended
Mr. Rajiv Batra	Chairperson	Non-Executive Independent Director	1	1
Mr. Deval Mahadev Desai	Member	Non-Executive Independent Director	1	1
Mr. Vikram Rupchand Jaisinghani	Member	Non-Executive Independent Director	1	1
Mr. Arjun Juneja	Member	Non-Executive Independent Director	1	1
Mr. Sameer Gupta	Member	Non-Executive Independent Director	1	1
Mrs. Suchitra Rajendra	Member	Non-Executive Independent Director	1	1

VIII Senior Management:

The particulars of the senior management as stipulated under SEBI (LODR) Regulations, 2015 are as follows:

Sr. No.	Name	Designation
1	Mr. Kapil Rajora	Chief Financial Officer
2	Mr. Naveen Jain	GM Legal and Company Secretary
3	Mr. Sharad Mishra	Senior Management Personnel (w.e.f. August 06, 2024)
4	Mr. Mahesh Kumar Agarwal	Senior Management Personnel (w.e.f. August 06, 2024)
5	Mr. Ajay Mrig	Senior Management Personnel (w.e.f. February 13, 2025)

Change in Senior Management during the financial year review are tabled hereunder:

Sr. No.	Name	Nature of Change
1	Mr. Sharad Mishra	Appointed as Senior Management Personnel of the Company w.e.f. August 06, 2024.
2	Mr. Mahesh Kumar Agarwal	Appointed as Senior Management Personnel of the Company w.e.f. August 06, 2024
3	Mr. Ajay Mrig ¹	Appointed as Senior Management Personnel of the Company w.e.f. February 13, 2025.

Notes:

1. Mr. Ajay Mrig resigned from the position of Senior Management w.e.f. the closure of the business hours of June 27, 2025.

IX Remuneration of Directors:

The Executive Chairman, Managing Director and the Whole Time Director are paid remuneration as approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee within the overall limit sanctioned by the Shareholders.

The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the corporate world, financial position of the Company, etc. The remuneration structure of Executive Directors comprises of basic salary, HRA, allowances, contribution to provident fund and other statutory funds which is in accordance with Section 197, 198 and other applicable provisions of the Companies Act, 2013.

The Non-executive Directors play an active role in the meetings of the Board and are associated with the various Board Committees. They also bring independent judgment in the Board's deliberations and decisions. Further, the Non-executive Directors do not draw any remuneration from the Company except sitting fees for attending Board and Committee Meetings and commission (as approved by the Board) for the financial year.

1. The details of the remuneration paid/payable to the Executive Chairman, Managing Director and Whole Time Director for the financial year ended March 31, 2025, are as under: -

(Amount in Millions)

Name of Director	Designation	Salary	EPF	Allowances	Total
Mr. Deep Kapuria	Executive Chairman	22.45	1.82	21.90	46.17
Mr. Pranav Kapuria	Managing Director	16.13	1.31	13.28	30.72
Mr. Anuj Kapuria	Executive Director	16.13	1.31	13.28	30.72
Mr. Girish Narang ⁽¹⁾	Executive Director	2.38	0.20	1.64	4.22

(Amount in Millions)

Name of Director	Designation	Salary	EPF	Allowances	Total
Mr. Amresh Kumar Verma ⁽²⁾	Executive Director	0.49	0.06	0.79	1.34
Total		57.59	4.70	50.89	113.17

Notes: - Salary includes basic salary HRA, and allowances including special allowance, medical allowance, education allowance and retiral fund perquisite. EPF includes contribution to provident fund and other statutory funds.

1. Mr. Girish Narang was appointed on the Board of the Company w.e.f. August 06, 2024.
2. Mr. Amresh Kumar Verma took early retirement from the Board w.e.f. August 06, 2024.

Therefore, the remuneration paid to aforesaid directors was on proportionate basis.

2. The Board at its meeting held on July 23, 2025, has resolved to distribute the amount of ₹ 5.822 million approx. (@1.00 %) of Net Profit as Commission within the said ceiling amongst the Non-Executive Directors. The details of the remuneration paid/payable to the Non- Executive Directors for the year ended March 31, 2025 are as under:

(Amount in Millions)

Sr. No.	Name of the Non-Executive Directors	Commission	Sitting fees
1	Mr. Anil Kumar Khanna ⁽¹⁾	0.263	0.055
2	Mr. Sandeep Dinodia ⁽¹⁾	0.263	0.095
3	Mr. Krishna Chandra Verma ⁽¹⁾	0.263	0.080
4	Mr. Vinit Taneja ⁽¹⁾	0.263	0.055
5	Mr. Ramesh Shankarmal Pilani ⁽²⁾	0.468	-
6	Ms. Malini Sud ⁽³⁾	0.491	0.040
7	Mr. Deval Mahadev Desai ⁽⁴⁾	0.369	0.035
8	Mr. Vikram Rupchand Jaisinghani ⁽⁴⁾	0.369	0.070
9	Mr. Sameer Gupta ⁽⁴⁾	0.369	0.110
10	Mr. Arjun Juneja ⁽⁴⁾	0.369	0.055
11	Ms. Suchitra Rajendra ⁽⁵⁾	0.075	0.050
12	Mr. Rajiv Batra	0.565	0.175
13	Mr. Kawal Jain	0.565	0.120
14	Mr. Bidadi Anjani Kumar	0.565	0.140
15	Mr. Anant Jaivant Talaulicar	0.565	0.080
	Total	5.822	1.400

Notes:-

1. Mr. Anil Kumar Khanna, Mr. Sandeep Dinodia, Mr. Krishna Chandra Verma and Mr. Vinit Taneja were retired w.e.f. closure of business hours of September 17, 2024.
2. Mr. Ramesh Shankarmal Pilani resigned w.e.f. closure of business hours of January 27, 2025
3. Ms. Malini Sud was retired w.e.f. February 12, 2025.
4. Mr. Deval Mahadev Desai, Mr. Vikram Rupchand Jaisinghani, Mr. Sameer Gupta and Mr. Arjun Juneja were appointed w.e.f. August 06, 2024.
5. Ms. Suchitra Rajendra was appointed w.e.f. February 11, 2025.

Directors other than Executive Directors were entitled to sitting fee and commission on the Net Profit of the Company calculated as per section 198 of Companies Act, 2013. There were no other pecuniary transactions/ relationships with Non- executive Directors. There is no service contract, notice period, severance fees payable to Non-executive Directors.



X. General Body Meeting

a) Details of the last three (3) Annual General Meetings (AGMs) and special resolution(s) passed therein of the Company are as following:-

Financial Year	Date of Meeting	Time	Location/ Venue	No. of Special Resolution Passed
2023-24	September 26, 2024	05.00 P.M.	Plot No. 24, 25, 26, Sector-7, IMT Manesar, 122050 Haryana	5
2022-23	September 28, 2023	12.00 Noon	Plot No. 24, 25, 26, Sector-7, IMT Manesar, 122050 Haryana	0
2021-22	September 29, 2022	05.00 P.M.	Plot No. 24, 25, 26, Sector-7, IMT Manesar, 122050 Haryana	4

(b) Throughout the financial year, 1 postal ballot was conducted in Financial Year 2024-25 in strict adherence to the provisions outlined within the framework of the Companies Act of 2013 and SEBI (LODR) Regulations, 2015.

Procedure for Postal Ballot

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 and General Circular No. 09/2024 dated September 19, 2024 issued by the Ministry of Corporate Affairs ('MCA Circulars'), SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2024/133 dated October 03, 2024 read with earlier Circulars issued by SEBI ('SEBI Circulars'), Secretarial Standard ('SS-2') on General Meetings issued by the Institute of Company Secretaries of India and any other applicable law, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force). Pursuant to the aforesaid provisions during the financial year, the Company provided the facility to the members to exercise votes through electronic voting system ('remote e-voting') for postal ballot. Postal ballot notice, inter alia, detailing the voting instructions were sent through email only, to all those members who had registered their email IDs with the Company/depositories, in view of the relaxation granted by MCA. Arrangements were also made for other members to register their email IDs to receive the postal ballot notice and cast their vote online. The Company also published notice in the newspapers for the information of the members. Voting rights are reckoned on the equity shares held by the members as on the cut-off date. Pursuant to the provisions of the Act, the Company appointed a scrutiniser for conducting the postal ballot process in a fair and transparent manner. The scrutiniser submitted his consolidated report to the Chairman and the voting results were announced by the Chairman by placing the same along with the scrutiniser's report on the Company's website, besides being communicated to the stock exchanges.

1. The Company had taken the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated March 25, 2025 for appointment of Ms. Suchitra Rajendra (DIN-07962214) as a Non-Executive & Independent Director of the Company. The Resolution was duly passed on April 30, 2025 and the result was announced on April 30, 2025

The Company had appointed Ms. Akarshika Goyal, Partner of M/s Gover Ahuja & Associates, Practicing Company Secretary (COP No. 12770) as Scrutinizer for conducting the postal ballot including remote e-voting process in a fair and transparent manner, she has submitted her duly signed scrutinizer report with voting results dated April 30, 2025 to the Chairman.

Resolution passed through Postal Ballot	Resolution Required	Votes in favour of the resolution (% of total number of valid votes)	Votes against the resolution (% of total number of valid votes)	Date of Passing Resolution
Appointment of Ms. Suchitra Rajendra (DIN-07962214) as a Non-Executive & Independent Director of the Company.	Special Resolution	12311813 (99.9982%)	217 (0.0018%)	April 30, 2025

b) Dividend history of last five years.

Sr. No.	Financial year	Rate of Dividend	Date of Shareholder's Resolution
1	2023-24	Final Dividend – 50.00%	September 26, 2024
2	2022-23	Final Dividend – 25.00%	September 28, 2023
3	2021-22	Final Dividend – 15.00%	September 29, 2022
4	2020-21	Final Dividend- 20.00%	September 29, 2021
5	2019-20	Interim Dividend-15.00%	February 07, 2020

c) For the financial year under review, the **Final Dividend @ 50%** i.e. ₹ 5 per equity share of ₹ 10/- each amounting to ₹ 93.96 Million was recommended by the Board of Directors in their meeting held on May 29, 2025.

XI SELECTION OF INDEPENDENT DIRECTORS

Prioritizing the necessity for specialized skill sets on the Board, the Nomination and Remuneration Committee and subsequently the Board itself, diligently scrutinize distinguished individuals renowned for their autonomous standing in their respective fields or professions. Such individuals are sought for their potential to contribute significantly to the Company's strategic decisions and policies. In this meticulous selection process, factors such as qualifications, commendable attributes, expertise domains, and the extent of directorship and committee memberships across other corporate entities are thoroughly evaluated in accordance with the Company's prescribed policy for Director selection and independence determination. The Board, guided by the recommendations of the Nomination and Remuneration Committee, ultimately makes well-considered decisions.

It is imperative for individuals aspiring to serve as Independent Directors to meet the eligibility criteria outlined under Section 149 of the Companies Act, 2013, and the corresponding Regulations specified in the SEBI (LODR) Regulations, 2015.

Furthermore, each Independent Director is required to furnish a declaration at the onset of their participation in the Board meetings and subsequently at the outset of each financial year, affirming their compliance with the independence criteria stipulated under the Companies Act, 2013, and SEBI (LODR) Regulations, 2015.

XII MEANS OF COMMUNICATION

1. The quarterly, half yearly and annual financial results (consolidated and standalone) and quarterly shareholding pattern are updated on the Company's website www.thehitechgears.com as per the requirements of SEBI (LODR) Regulations, 2015, as amended from time to time. The Company has also submitted all periodical Compliance filings on the NSE Electronic Application System (NEAPS) and BSE Corporate Compliance and Listing Centre (BSE Listing Centre).

2. Publication of Financial Results

The approved financial results are published normally in the following newspapers in accordance with the provision of Regulation 47 of SEBI (LODR) Regulations, 2015:

Financial Calendar for financial year 2024-25	Results were announced on	Newspapers	Date of Publication
Financial Reporting for the 1 st quarter ended June 30, 2024	August 06, 2024	Business Standard (National daily newspaper in English)	August 07, 2024
		Business Standard (Regional daily newspaper in Hindi)	August 07, 2024
Financial Reporting for the 2 nd quarter and half year ended September 30, 2024	November 08, 2024	Business Standard (National daily newspaper in English)	November 09, 2024
		Business Standard (Regional daily newspaper in Hindi)	November 09, 2024
Financial Reporting for the 3 rd quarter ended December 31, 2024	February 13, 2025	Business Standard (National daily newspaper in English)	February 14, 2025
		Business Standard (Regional daily newspaper in Hindi)	February 14, 2025
Financial Reporting for the 4 th quarter and year ended March 31, 2025	May 29, 2025	Business Standard (National daily newspaper in English)	May 31, 2025
		Business Standard (Regional daily newspaper in Hindi)	May 31, 2025

- All material information about the Company and documents under the SEBI (LODR) Regulations, 2015, are also communicated to the concerned Stock Exchanges, besides being placed on the Company's website www.thehitechgears.com
- The Company has not displayed any official news released during the financial year under review except as required by the SEBI (LODR) Regulations, 2015.
- The Company generally publishes its financial results in the Business Standard (English) and Business Standard (Hindi). The details are provided in above mentioned Section XII, Clause 2 herein above.
- The Company's website, <https://www.thehitechgears.com> contains all important public domain information including presentations, if any, made to the media, analysts and institutional investors.

XIII General Shareholder information

1. Financial Calendar for 2025-2026

(Tentative and subject to change)

Financial Reporting for the 1 st quarter ended June 30, 2025	August 11, 2025
Financial Reporting for the 2 nd quarter and half year ended September 30, 2025	November 13, 2025
Financial Reporting for the 3 rd quarter ended December 31, 2025	February 13, 2026
Financial Reporting for the year ended March 31, 2026	May 29, 2026
Annual General Meeting for the year 2025-26	September, 2026

2. 39th Annual General Meeting (AGM) Schedule

39th Annual General Meeting of the Company will be held on Saturday, the 27th Day of September, 2025 at 05:00 P.M. (IST) at the Registered Office of the Company situated at Plot No. 24,25,26, Sector-7, IMT Manesar, Gurugram-122050, Haryana.

The company is also providing the facility to attend the meeting through Other Audio Video Means (AOVM)/ Video conference (VC).

Date of Book Closure: September 20, 2025 to September 27, 2025 (Both days inclusive)

E-Voting Cut-Off Date: September 19, 2025

Record Date and: September 19, 2025

E- Voting period: September 24, 2025 (9:00 A.M.) to September 26, 2025 (5:00 P.M.)

Dividend payment Particulars of Final dividend financial year 2024-25 declaration/ recommendation is disclosed in the Board Report.

No Interim Dividend has been declared by the Board for the financial year 2024-25.

3. Listing on Stock Exchanges as on March 31, 2025 the equity shares of the Company are listed on the following Stock Exchanges: -

- National Stock Exchange of India Limited:- Exchange Plaza, Plot no. C-1, Block G, Bandra – Kurla Complex, Bandra (E), Mumbai – 400051.
- BSE Limited:- Phiroze Jeejeebhoy Towers, 25th Limited Floor, Dalal Street, Mumbai-400001.

Note: The listing fees for the financial year under review 2024-25 and financial year 2025-26 has been paid respectively to the respective Stock Exchanges within the stipulated time.

4. Registrar and Share Transfer Agent

M/s MAS Services Limited, New Delhi is the Registrar and Share Transfer Agent (RTA) of the Company for handling the share transfer work both in physical (to the extent permitted), and electronic form. All the correspondences relating to share transfer, transposition transmission, dematerialization, rematerialization, issue of duplicate share certificate(s), or any service requests, delivery and correspondence etc. can be made at the following address:

M/s MAS Services Limited

T-34, 2nd Floor, Okhla Industrial Area, Phase –II, New Delhi – 110020

Ph.: 011 – 26387281, 82, 83

Fax: 011 – 26387384

Web site: www.masserv.com Email: investor@masserv.com

Email ID for redressal of Investor Grievances:

Pursuant to Regulation 13 of the SEBI (LODR) Regulations 2015, company has created a separate Email ID for redressal of Investor Complaints and Grievances. The Email ID is secretarial@thehitechgears.com

Dispute Resolution Mechanisms

SCORES: A centralised web-based complaints redress system 'SCORES' which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the concerned companies and online viewing by the investors of actions taken on complaints and its current status.

Investors can lodge complaints only through new version of SCORES i.e. <https://scores.sebi.gov.in> from April 01, 2024. In the old SCORES i.e. <https://scores.gov.in> investors would not be able to lodge any new complaint. However, investors can check the status of their complaints already lodged and pending in the old SCORES. Further, the disposed of complaints filed in the old SCORES can be viewed at SCORES 2.0.

Online Dispute Resolution Portal ('ODR Portal')

SEBI has introduced a common Online Dispute Resolution Portal ('ODR Portal') which harnesses online conciliation and online arbitration.



In case a member is not satisfied with the resolution provided by the Company/RTA, then the online dispute resolution process can be initiated through the ODR portal.

A mechanism to streamline and strengthen the existing dispute resolution in the Indian Securities Market, SEBI vide Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023 (updated as on December 20, 2023), introduced the ODR Portal. This mechanism enhanced the degree of regulatory supervision by SEBI over disputes between aggrieved parties and the ODR order is binding on both the parties to the dispute. Pursuant to above-mentioned circulars, the aggrieved party can initiate the mechanism through the ODR portal, after exercising the primary options to resolve the issue directly with the Company and through the SCORES platform.

5. Share Transfer System

The shares of the Company are traded in the compulsory demat mode only for all investors. All **Investor Service Requests** viz Transfer/ Transmission and Dematerialization are handled by M/s MAS Services Ltd, Registrar and Share Transfer Agent (RTA) of the Company and the request for physical share transfer and dematerialization of shares (if found in order and complete in all respect) are processed and confirmed within a period of 30 days through Letter of Confirmation as per **SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 January 25, 2022 and SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022.**

Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 02, 2025, the Company is pleased to offer a one-time special window for physical shareholders to submit re-lodgement requests for the transfer of shares. This special window is open from July 07, 2025, to January 06, 2026, and is specially applicable to cases which were lodged prior to deadline of April 01, 2019 and the original share transfer were rejected/returned/not attended due to deficiencies in documentation, or were not processed due to any other reason. The shares re-lodged for transfer will be processed only in dematerialized form during this window.

The 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities. In case of non-receipt of demat request from the securities holder/claimant within 120 days of the date of Letter of Confirmation, the shares will be credited to Suspense Escrow Demat Account of the Company.

To expedite the share transfer process, authority has been delegated to the Share Transfer Committee which comprises of three Directors. Share transfer/transmission approved by the Committee is placed at the meeting of the Board of Directors from time to time.

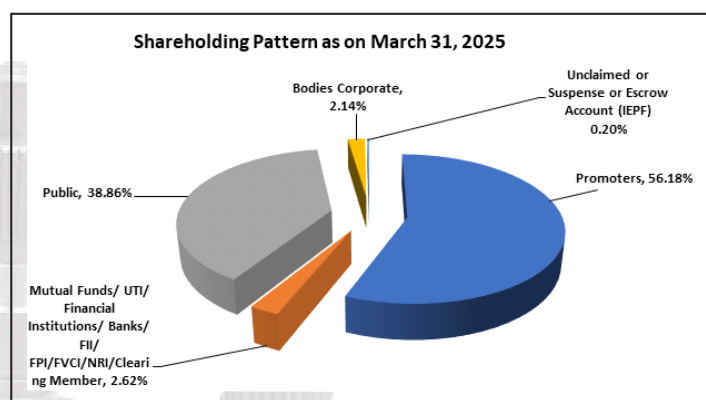
6. (a) Distribution of shareholding

As on March 31, 2025 the distribution of shareholding was as follows:

Range of No. of Equity Shares held	No. of share	% (No. of share)	No. of shareholders	% (No. of shareholders)
1 to 5,000	695456	3.701	10021	90.737
5,001 to 10,000	360464	1.918	459	4.156
10,001 to 20,000	368950	1.963	251	2.273
20,001 to 30,000	232358	1.236	91	0.824
30,001 to 40,000	156387	0.832	44	0.398
40,001 to 50,000	170276	0.906	36	0.326
50,001 to 100,000	452730	2.409	66	0.598
100,001 and above	16356596	87.035	76	0.688
TOTAL	1,87,93,217	100%	11,044	100.00%

(b) Category wise shareholding as on March 31, 2025

Category	% of Shareholders	No. of shares held
Promoters and Promoters Group	56.18%	1,05,58,602
Mutual Funds/ UTI/ Financial Institutions/Banks/Clearing Member FII/Foreign Venture Capital /Foreign Portfolio Investment/ NRI/ OCB	2.62%	4,92,393
Public	38.86%	73,03,632
IEPF Account	0.20%	36,938
Bodies Corporate	2.14%	4,01,652
Total	100%	1,87,93,217



7. Dematerialization of shares and liquidity

The Equity Shares of the Company are compulsorily traded and settled only in the dematerialized form under ISIN No. INE127B01011. Your Company is maintaining connectivity with both the Depositories i.e. NSDL and CDSL. The members are requested to dematerialize their physical holding in view of various advantages in dematerialized form.

The details of the equity shares of the Company dematerialized as on March 31, 2025 is given hereunder:

Particulars	As on March 31, 2025	
	No. of Shares	% age
No. of Shares dematerialized		
-NSDL	1,56,74,322	83.40%
-CDSL	30,72,231	16.35%
No. of shares in physical form	46,664	0.25%
Total	1,87,93,217	100.00

***Note:** 219 Shareholders are common in Demat and Physical

Liquidity

The equity shares of the Company are liquid and frequently traded on the stock exchanges i.e. National Stock Exchange of India Limited and BSE Limited.

8. Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments, hence this section is not applicable to the Company.

9. Activities relating to Commodity Price Risk or Foreign Exchange Risk etc.

The details of Activities relating to Commodity Price Risk or Foreign Exchange Risk etc. are provided under MDA report forming part of the Annual Report for the financial year under review.

10. Plant Locations

The Company's manufacturing facilities are located at the following locations:

S. No.	Plant Address
1	A-589, Industrial Complex, Bhiwadi, District Alwar- 301019, Rajasthan
2	SPL-146, Industrial Complex, Bhiwadi, District Alwar- 301019, Rajasthan
3.	Plot No. 24, 25 and 26, Sector 7, IMT Manesar, Gurugaon-122050, Haryana

11. Disclosures with respect to Unpaid/ Unclaimed Dividend and Shares

Pursuant to provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended from time to time, if any dividend is not claimed for a consecutive period of 7 years from the date of transfer of the total amount of dividend which remained unpaid or unclaimed to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF") established under sub-section (1) of section 125 of the Act.

Further, the shares in respect of the above unpaid or unclaimed dividend for a period of 7 consecutive years, are also liable to be transferred to the Demat Account of IEPF Authority in pursuance to the provisions of the Act read with rules made thereunder.

In this regard, the Company has sent periodical reminders by sending notice individually and also by publishing the same in newspapers. The list of unclaimed dividend and shareholders whose shares are liable to be transferred to the IEPF Authority, were also placed on the website of the Company in the interest of the shareholders, in order to avoid transfer of dividend/Shares to said Authority.

In light of the aforesaid provisions, the Company has transferred the amount of unclaimed dividends outstanding for a consecutive period of 7 years to IEPF during the financial year under review. Further, the shares in respect of which dividend has not been claimed for 7 consecutive years or more, have also been transferred to the demat account of IEPF Authority. The details of unclaimed dividends transferred to IEPF during the financial year under review are as follows:

Type of Dividend	Date of transfer of amount to unpaid dividend account of the company	Date of transfer to IEPF	Amount transferred to IEPF
FY 2016-17 Final dividend	05/11/2017	04/11/2024	88,227.50
FY- 2017-18 Interim dividend	10/03/2018	09/03/2025	92,772.00

The details of Shares transferred to IEPF during the financial year under review and upto the date of approval of Board Report are as follows:

Financial Year	Date of Transfer of Shares to IEPF	No of Shares transferred
2016-2017	03.05.2024	2610
2016-2017	03.01.2025	382
2017-2018	22.05.2025	415

No claim shall lie against the Company/RTA in respect of the dividend/shares so transferred. The members who have a claim on the above dividends and shares may claim the same from IEPF Authority by submitting an application in the prescribed Forms.

During the financial year under review, pursuant to SEBI (LODR) Regulations, 2015, details relating to shares in the Demat Account of IEPF Authority or Unclaimed or Suspense Account, as applicable are given below:

S. No.	Particulars	Status
1	Aggregate number of shareholders and the outstanding shares in the IEPF Account lying at the beginning of the year (i.e. April 01, 2024)	No of shareholders: 86 No of shares: 33,946
2	Number of shareholders who approached listed entity for transfer of shares from IEPF Account during the year	1
3	Number of shareholders to whom shares were transferred from IEPF Account during the year	Nil
4	Aggregate number of shareholders and the outstanding shares in the IEPF Account lying at the end of the year (i.e. March 31, 2025)	No of shareholders: 93 No of shares: 36,938
5	Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	Voting Rights frozen

12. The Company has neither issued any debt instrument and not taken any fixed deposit or any scheme or proposal involving mobilization of funds, whether in India or abroad. However, the Company has obtained ratings for the banking facilities of the Company from CRISIL Ratings Limited as under

Credit ratings obtained along with revisions thereto during the financial year under review and upto the date of approval of Board Report are as follows:

Rating Agency	Credit Rating Date	Credit Rating	
		Short-Term	Long-Term
CRISIL Ratings Limited	December 03, 2024	CRISIL BBB+/Positive	CRISIL BBB+/Positive
CRISIL Ratings Limited	April 03, 2025	CRISIL BBB+/Positive	CRISIL BBB+/Positive
CRISIL Ratings Limited	May 09, 2025	CRISIL A-/Stable	CRISIL A-/Stable

13. Address for correspondence

- A. Transfer/ dematerialization of shares and any other queries relating to Shares : **M/s MAS Services Limited**
(Registrar & Transfer Agent)
T-34, 2nd Floor, Okhla Industrial Area
Phase -II, New Delhi – 110020
Ph.: 011 - 26387281, 82, 83
Fax: 011 – 26387384
Web site: www.masserv.com
Email: investor@masserv.com
sm@masserv.com
- B. Queries related to Payment of dividend on Shares, Annual Report, and others : **Mr. Naveen Jain**
Company Secretary and Compliance Officer
14th Floor, Tower-B, Unitech's Millennium Plaza, Sushant Lok-1, Sector – 27
Gurugaon-122002, Haryana
Tel No: (0124) - 4715100
Email : secretarial@thehitechgears.com



14. Code of conduct for the Board Members and Senior Management Personnel

The Board of Directors have approved a Code of Conduct for Board Members and Senior Management Personnel of the Company. This code is also available on the website of the Company at <https://www.thehitechgears.com/investors.php>. A confirmation from the Managing Director and CEO regarding compliance with the Code of Conduct by all the Directors and Senior Management Personnel in terms of Regulation 26 of SEBI (LODR) Regulations, 2015, is given along with this Report.

15. CEO/CFO Certification

In terms of Regulation 17(8) read with Part B of Schedule II of the SEBI (LODR) Regulations, 2015, the certification by the CEO and CFO on the financial statements and internal controls relating to financial reporting has been obtained, and placed before the Board, in their meeting held on May 29, 2025. A copy of the same certificate is given along with this Report.

16. Compliance Certificate

The Company has obtained the compliance certificate from Practicing Company Secretary with regard to the compliances of the provisions relating corporate governance requirements specified Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the SEBI (LODR) Regulations, 2015 as amended from time to time. This certificate is annexed to this Report.

17. Insider Trading Code

The Company has formulated a code of conduct for prevention of Insider Trading pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 to prevent practices of Insider trading. Mr. Naveen Jain, Company Secretary, has been designated as Compliance Officer for this purpose. The Designated Persons of the Company have affirmed compliance with the Insider Trading Code.

18. Legal Compliance

There were no cases of non-compliance by the Company and no material penalties have been imposed on or proposed against the Company by the stock exchange (s) and/or SEBI and/or any other statutory authorities on matters relating to capital market. The Company has complied with the provisions of relevant Acts, Rules and Regulations framed thereunder during the financial year under review.

19. Disclosure with respect to demat suspense account / unclaimed suspense account

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/ 2022/8 dated January 25, 2022, directed listed entities to issue securities in dematerialized form only while processing various investor service requests.

Pursuant to the said Circular, SEBI had issued "Guidelines with respect to Procedural Aspects of Suspense Escrow Demat Account" vide its Letter No. SEBI/ HO/MIRSD/PoD-1/OW/P/2022/64923 dated December 30, 2022, to move securities, pertaining to Letter of Confirmation cases, to newly opened Suspense Escrow Demat Account latest by January 31, 2023.

The Company has complied with the said requirements within the stipulated timelines and as per the compliance requirements of the above circulars changed name of the of "UNCLAIMED SUSPENSE ESCROW ACCOUNT" to "SUSPENSE ESCROW DEMAT ACCOUNT"

20. Disclosure of certain types of agreement binding listed entities.

No agreement has been entered by the company during the financial year under review, which is of nature as stipulated in Regulation 30 read with Clause 5A of paragraph A of Part A of Schedule III of SEBI(LODR), 2015 and other applicable regulations thereof.

XIV. Other Disclosures:

- A. The Related Party Transaction Policy duly approved by the Board of Directors has been revised in line with regulatory amendments in SEBI Listing Regulations on February 13, 2025. The said Policy is hosted on the website of the Company and can be accessed at <https://www.thehitechgears.com/investors.php>. Also, there were no transactions of a material nature during the financial year under review with the Promoters, the Directors or the Management or relatives that may have any potential conflict with the interest of the Company at large. Transactions with related parties as per the requirements of Ind AS 108 are disclosed in Note 36 of the Standalone Financial Statements and note 37 of the Consolidated Financial Statements forming part of the Financial Statements.
- B. There has been neither any non-compliance of any legal provision of applicable laws, nor any penalty or stricture imposed by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other authorities, on any matters related to capital markets, during the last three (3) years.
- C. As per the requirement of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time, the Company has established vigil mechanism to enable directors and employees to report concerns about unethical behaviors, actual or suspected fraud or violation of the Company's code of conduct or ethical policy. The whistle blowers may lodge their complaints/concern with the Chairperson of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company and all employees have access to the Chairperson of the Audit Committee. The policy offers appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings. The Whistle Blower Policy is also available on the website at <https://www.thehitechgears.com/investors.php>.
- D. The Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed under the SEBI (LODR) Regulations, 2015, as amended from time to time, to the extent applicable on the Company. The certificate regarding compliance with the conditions of Corporate Governance received from Practicing Company Secretary is also annexed to this Report.
- E. As on March 31, 2025, the Company had Seven (7) Wholly owned Subsidiaries consisting of three (3) wholly owned subsidiaries viz., 2545887 Ontario Inc., Neo-Tech Smart Solutions Inc. & Neo-Tech Auto Systemz Inc., and four (4) Wholly owned step-down subsidiaries viz., The Hi-Tech Gears Canada Inc., Teutech Holdings Co., Teutech Leasing Co. and Teutech LLC. Details of which are provided under the head of "Details of Subsidiary/Joint Ventures/Associate Companies" of the Board Report.
- F. Details of the Material Subsidiaries of the Listed Entity as on March 31, 2025, as per the terms of the provisions of SEBI (LODR) Regulations, 2015 including the date and place of incorporation and the Name and date of Appointment of Statutory Auditors of such Subsidiaries is given as hereunder:

Sr No.	Name of Material Subsidiaries	Date & place of incorporation	Name of Statutory Auditor & date of appointment*
1.	2545887 Ontario Inc	November 14, 2016, Ontario, Canada	RLB LLP Chartered Professional Accountants, Guelph, Ontario (May 27, 2022)
2.	The Hi-Tech Gears Canada Inc. (Formerly known as Teutech Industries Inc)	October 03, 1991 Ontario, Canada	RLB LLP Chartered Professional Accountants, Guelph, Ontario (May 27, 2022)

***Note: - 1.** As per the statutory mandate under the law of the Country viz, USA & Canada wherein the Companies are incorporated and registered, the above-mentioned material subsidiaries are not required

to appoint the Statutory Auditors therefore, the same is not applicable (NA). However, RLB, Chartered Professional Accountants (Licensed Public Accountants) are appointed as the Auditors of the above subsidiaries to certify the Accounts and Financials thereof.

2. For further details refer to Form AOC-1 (as Annexure-I) forming part of the Board's report and Consolidated Financial Statements.

The Company has framed the policy for determining "Material Subsidiaries" in order to align with the provisions of the SEBI (LODR) Regulations, 2015 and other applicable Laws. The said policy has been revised and adopted on February 13, 2025 and placed on the website of the Company at <https://www.thehitechgears.com/investors.php>

- G. The Company has framed the policy for "dealing with related party transactions" in order to align with the provisions of SEBI (LODR) Regulations, 2015 and other applicable Laws. The said policy has been revised and adopted on February 13, 2025 and placed on the website of the Company at <https://www.thehitechgears.com/investors.php>
- H. The Company has framed the policy for "Criteria for Determining Materiality of Events" in order to align with the provisions of SEBI (LODR) Regulations, 2015 and other applicable Laws. The said policy as amended from time to time has been placed on the website of the Company at <https://www.thehitechgears.com/investors.php>
- I. The Company has framed the Code of Conduct to "To Regulate, Monitor and Report Trading by Designated Persons and Their Immediate Relatives" in order to align with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and other applicable Laws. The said policy has been revised and adopted on February 13, 2025 and placed on the website of the Company at <https://www.thehitechgears.com/investors.php>
- J. Since, the difference of foreign currency receipts & payment is not substantial, the company does not hedge its foreign exchange receivables/payables/loans as risk is partially covered with natural hedge.
- K. During the financial year under review, the Company has not raised any funds through preferential allotment or qualified institutions placements as specified under regulation 32(7A) of SEBI (LODR) Regulation, 2015.
- L. Certification from Practicing Company Secretary**
In accordance with the amended provisions of the SEBI (LODR) Regulations, 2015, the Company has received a certificate from M/s Grover Ahuja and Associates, Practicing Company Secretaries to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. The same forms part of this report.
- M. The details of all remuneration including fees etc. paid to the statutory auditors of the Company during the financial year under review by the Company to such auditor are given below:

S. No.	Particulars	Amount (In Rupees Mn)
1	Audit Fees	1.70
2	Reimbursement of expenses	0.18
3	Certification fees	-
4	Other Services	0.38
	Total	2.26

- N. As per the requirement of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time, the disclosure as required under provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is duly provided in the Board's Report of the Company. The Company has devised a policy namely, "**Policy on Prevention and Redressal of Sexual Harassment of Women at Workplace**" which is available at the website of the Company at <https://www.thehitechgears.com/investors.php>

Pursuant to the amended SEBI (LODR) Regulations, 2015, details of complaints received, disposed-off and pending in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 – **Refer Board Report.**

- O. Disclosure by the Company and its subsidiaries of loans and advances in the nature of loans to firms/companies in which Directors are interested:**

The Company has not extended any loans and advances to companies in which Directors are interested as per the provisions of Section 186 of the Companies Act, 2013 during the Financial Year 2024-25.

However, as on March 31, 2025, the outstanding balance of loan advanced to one of the subsidiaries viz, 2545887 Ontario Inc. stood at Rs. 70.06 million (which was given in financial year 2021-22) and the details is also mentioned in Note 9 (Loan to Related Party-Subsidiary) of the Standalone Financial Statements for the Financial Year 2024-25.

Further, Mr. Pranav Kapuria, Mr. Anuj Kapuria and Mr. Deval Mahadev Desai are the common directors in the aforementioned subsidiaries.

- P. During the financial year under review, the Company has duly complied with all the requirements related to the Corporate Governance as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015, as amended from time to time.

- XV. During the financial year under review, the following Discretionary Requirements as specified in Part E of Schedule II of SEBI (LODR) Regulations, 2015, as amended from time to time have been adopted by the Company.**

Shareholder Rights: Annual financial performance including summary of significant events of the Company is sent to all the Members whose e-mail IDs are registered with the Company/Depositories. The results are also available on the Company's website at <https://thehitechgears.com/quarterlyresult.php>

Modified opinion in Audit Report: During the year under review, there was no modified audit opinion in the Auditors' Report on the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unmodified audit opinions in its financial statements.

Reporting of Internal Auditor: The Internal Auditor reports issued by the internal auditor of the company placed directly before Audit Committee, to ensure independence of the Internal Audit function.

**By Order of the Board
For The Hi -Tech Gears Limited**

**Place: New Delhi
Dated: August 11, 2025**

**Sd/-
Deep Kapuria
Chairman**



CERTIFICATION BY CEO AND CFO

The Board of Directors
The Hi-Tech Gears Limited
Plot No. 24-26, Sector-7,
IMT Manesar Gurgaon-122050
Haryana

Ref: Certification by CEO and CFO for Financial Year 2024-25

- (a) We, the undersigned in our respective capacities, certify to the Board that we have reviewed the financial statements and the cash flow statement for the financial year 2024-25 and that to the best of our knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee, wherever applicable, the following:
- significant changes in internal control over financial reporting during the year;
 - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For The Hi-Tech Gears Limited

Sd/-
Kapil Rajora
Chief Financial Officer (CFO)

Sd/-
Pranav Kapuria
Chief Executive Officer (CEO)

Place: New Delhi
Date: 29.05.2025

Compliance with Code of Conduct for Board of Directors and Sr. Management Personnel

The Board of Directors
The Hi-Tech Gears Limited
Plot No. 24 - 26, Sector-7,
IMT Manesar, Gurgaon
Haryana-122050

I, Pranav Kapuria, Chief Executive Officer of the Company hereby certify that the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel for the Financial Year 2024-25.

For The Hi-Tech Gears Limited

Sd/-
Pranav Kapuria
(Chief Executive Officer)

Place: New Delhi
Date: 29.05.2025

CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of
The Hi-Tech Gears Limited

We have examined the compliance of the conditions of Corporate Governance by The Hi-Tech Gears Limited ('the Company') for the year ended on March 31, 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, as adopted by the Company for ensuring compliance to the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, for the year ended on March 31, 2025.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Grover Ahuja and Associates
Company Secretaries**

Sd/-
Akarshika Goel
(Partner)
ACS No.: 29525
C.P. No.: 12770

Place: New Delhi
Date: 22.05.2025

UDIN: A029525G000407430
Peer Review No.: 2528/2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
The Hi-Tech Gears Limited
Plot No. 24, 25, 26, Sector-7, IMT
Manesar, Gurgaon Haryana 122050

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. The Hi-Tech Gears Limited having CIN: L29130HR1986PLC081555 and having registered office at Plot No. 24, 25, 26, Sector-7, IMT, Manesar, Gurgaon Haryana 122050 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company for the financial year ended on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility for appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Grover Ahuja and Associates
Company Secretaries**

Sd/-
Akarshika Goel
(Partner)
ACS No.: 29525
C.P. No.: 12770

Place: New Delhi
Date: 22.05.2025

UDIN: A029525G000408057
Peer Review No.: 2528/2022



SHAREHOLDERS' INFORMATION

Corporate Identification Number: L29130HR1986PLC081555

PAN: AAACH0156K

Registered Office

Plot No. 24,25,26, Sector-7, IMT Manesar,
Gurgaon, Haryana- 122050, India
Tel No: (0124) – 4715200,
Website: www.thehitechgears.com

Corporate Office

14th Floor, Unitech's Millennium Plaza, Tower-B,
Sushant Lok-I, Sector – 27, Gurgaon, Haryana-122002, India
Tel No: (0124) – 4715100, Fax No: (0124) – 2806085,
Email: secretarial@thehitechgears.com

Listing

The shares of the Company are listed on the following Stock Exchanges: -

Stock Exchange	Stock/Scrip Code
National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051	HITECHGEAR
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001	522073

Interim Dividend for the year 2024-25

No Interim Dividend has been declared/paid by the Board for the financial year 2024-25

39th Annual General Meeting

Date and Time	: Saturday, the 27 th Day of September 2025 at 05:00 P.M.
Venue	: Plot No. 24,25,26, Sector-7, IMT Manesar, Gurgaon, Haryana - 122050
Book Closure Dates	: September 20, 2025, to September 27, 2025
Cut-off date for e-voting	: September 19, 2025
Record Date	: September 19, 2025
E-Voting	: The voting period begins on September 24, 2025 (9:00 A.M.) and ends on September 26, 2025 (5:00 P.M.)

Final Dividend

The Board of Directors in their meeting held on May 29, 2025, recommended Final Dividend of 50% i.e. 5.00/- (Rupee Five Only) per equity shares of 10/- (Rupees Ten only) each on the paid-up Share Capital of the Company.

Dividend Payment Date

The management will organize the necessary documentation and manage the Schedule for payment of the final dividend, if approved by the shareholders. The estimated period of disbursement is the 3rd /4th week of October, 2025.

Depository System

In view of the numerous advantages offered by the depository system, the members are requested to avail the facilities of dematerialization of the Company's shares on either of the depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Registrar and Share Transfer Agent

M/s MAS Services Limited

T-34, 2nd Floor, Okhla Industrial Area,
Phase –II, New Delhi – 110020
Ph.: 011 – 26387281, 82, 83
Fax: 011 – 26387384
Web site: www.masserv.com
Email: info@masserv.com; sm@masserv.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE HI-TECH GEARS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **THE HI-TECH GEARS LIMITED ("the Company")**, which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	Auditor's Response
1. Contingent liabilities	
There are legal and tax cases against the Company which have been identified as a. key audit matter due to the uncertainties involved in these tax and legal claims and significant judgement is required. Refer to the note no.38 "Contingent liabilities" to the notes to the standalone financial statements.	Audit procedures in respect of this area: - We gained an understanding of the process of identification of legal and tax cases and evaluated the design and implementation of controls in respect of these contingent liabilities. - For legal and tax matters, our procedures included testing key controls surrounding litigation and tax procedures; discussing matters with the Company's litigation and tax teams; and assessing management's conclusions through understanding precedents set in similar cases. - Validated the completeness and appropriateness of the related disclosures with regard to the facts and circumstances of the legal and tax matters.
2. Investments	
As disclosed in Note 8 of the standalone financial statements, the Company has investments in subsidiaries and unquoted investments which are significant to the financial statements.	Our audit procedures included the following: - Assessed the Company's accounting policy for investments in subsidiaries and unquoted investments. - Tested the design and operating effectiveness of key internal financial controls over the investments. - Examined the Company's assessment for indicators of impairment in subsidiaries. In cases where such indicators existed, tested the estimates and assumption made by the Company of the recoverable amounts, and the allowance for impairment for these investments, where applicable. - Examined the company's assessment in respect of fair value adjustment of equity instrument of unquoted co. We have analysed valuation report issued by the specialist in respect of fair value of equity share of above stated co. - We have analysed the key assumptions used by management in developing the forecasts by applying sensitivities and evaluating plausible downside scenarios, where applicable.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors including Annexures thereto, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements, Standalone Financial Statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of auditors' report, we conclude that there is a material misstatement of this information, we are required to report that fact. We have nothing to report in this regard.

When we read the Management Discussion & Analysis Report and Boards Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, Management and 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.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls 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 on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of the branch to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the components which have been audited by us. For the branches included in the standalone financial statements, which have been audited by branch 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branch not visited by us.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 38 to the Standalone Financial Statements;
 - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 44 to the Standalone Financial Statements.
 - iii) There has been no delay in transferring amount, required to be Transferred, to the Investor Education and Protection Fund by the Company
 - iv) a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) a) The company has declared final dividend during the previous year; no interim dividend was paid during current year. The company has complied with Section 123 of the Act.
- b) Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.
- 3 With respect to the matter to be included in the Auditors' Report under section 197(16):
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

**FOR YAPL & CO.
CHARTERED ACCOUNTANTS
FRN. 017800N**

**(CA SAKSHI GARG)
PARTNER**

**PLACE : Ludhiana
DATED : May 29, 2025**

**M.NO. 553997
UDIN : 25553997BMGXMC8263**



Annexure 'A' To the Independent Auditors' Report

In our opinion, and in so far as we have been able to ascertain from the records produced, Information furnished and the explanations given to us by the Company.

- (i) (a) (A) The company has maintained the proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment
- (B) The company has maintained the proper records showing full particulars of Intangible assets
- (b) The Company has a regular programme of verification of Property, Plant and Equipment. All the Property, Plant and Equipment except furniture and fixtures and office equipments have been physically verified by the management during the year, which in our opinion is reasonable having regard to size of the Company and nature of Property, Plant and Equipment. No material discrepancies were noticed on such verification
- (c) According to the information & explanation given to us, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the company.
- (d) According to the information & explanation given to us, the company has not revalued any Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information & explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- (ii) (a) According to information and explanation given to us inventories have been physically verified by the management during the year except for stock-in-transit. In our opinion, the coverage and procedures of such verification is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed.
- (b) According to the information and explanation given to us, the statement filed by the company with bank or financial Institutions in respect of working capital limits in excess of five crores in aggregate on the basis of security of current assets are in agreement with the books of account of the Company.
- (iii) (a) (A) According to the information & explanation given to us, the company has not provided advance in the nature of loan, stood guarantee, provided security to its subsidiaries, the company does not have any joint ventures or associates. The company has provided unsecured loan of Rs. 78.34 million during earlier year i.e. to one of its wholly owned subsidiary companies. The year-end balance of such loan is Rs. 70.06 million.
- (B) The company has not provided loan, advance in the nature of loan, stood guarantee, provided security to parties other than subsidiaries, joint ventures and associate
- (b) According to the information & explanation given to us, the company has not provided any guarantee or given any security, the term and condition of the investments made and grant of unsecured loans are not prejudicial to the company interest.
- (c) According to the information & explanation given to us, repayment of principal and payment of interest shall be payable on demand but not earlier than five years of initial disbursement.
- (d) According to the information & explanation given to us, there is no overdue amount, in respect of grant of loan.
- (e) According to the information & explanation given to us, no loan or advance in the nature of loan granted which has fallen

due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

- (f) According to the information & explanation given to us, the company has granted unsecured loans repayable on demand to one of its wholly owned subsidiary amounting to Rs.78.34 million which is 100% of the total loan granted.
- (iv) According to the information & explanation given to us, the company has complied with provisions of sections 185 and 186 of the Companies Act with respect of loans, investments, guarantees, and security.
- (v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and record have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) The company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities wherever applicable to. According to the information and explanation given to us, no undisputed amount payable in respect of statutory dues as including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues on March 31, 2025 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute other than those mentioned here under:

Name of the Statute	Nature of Dues	Period to which the amount relates	Amount (₹ In Mn)	Forum Where Dispute is Pending
Income Tax Act, 1961	Income Tax	A.Y 2019-20	2.66	Deputy Commissioner of Income Tax, New Delhi
Finance Act, 1994	Service Tax	June 2016	0.10	Deputy Commissioner (Appeals) Estate GST Alwar Rajasthan

- (viii) According to the information and explanation given to us, the company has not surrendered or disclosed any income during the year in its tax assessments under the Income Tax Act, 1961 (43 of 1961), which has not been recorded in the books of accounts. Accordingly, paragraph 3(viii) of the order is not applicable to the company.
- (ix) (a) Based on our audit procedures and according to the information and explanations given by the management, the Company has not defaulted in repayment of loan or other borrowings or payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the Company is not a declared wilful defaulter by any bank or financial institution or other lender. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the Company.

- (c) According to the information and explanation given to us, the company has applied term loans for the purpose for which the loans were obtained.
- (d) According to the information and explanation given to us, the fund raised on short term basis were not utilized for Long Term purposes.
- (e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries, the company does not have any Joint Venture or associate.
- (f) According to the information and explanation given to us, the company has not raised any loan during the year on pledge of securities held in its subsidiaries. The company does not have Joint Venture or associate.
- (x) (a) The company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the order is not applicable to the company.
- (b) The company did not make any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3 (x)(b) of the order is not applicable to the company,
- (xi) (a) According to the information and explanation given to us, no fraud by the company or no fraud on the company has been noticed or reported during the course of our audit.
- (b) No report u/s 143 (12) of the Companies Act, 2013 filed by the auditor in form ADT-4 as prescribed under rule 13 of the companies (Audit and Auditor) rules, 2014 with Central Government.
- (c) According to the information and explanation given to us, the company has not received any complaint from the whistle-blower.
- (xii) In our opinion and according to information and explanation given to us, the company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the order is not applicable to the company.
- (xiii) According to the information and explanation given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;
- (xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit report for the period under audit.
- (xv) According to the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) According to the information and explanation given to us, the company has not conducted Non-Banking Financial or Housing Finance activities.
- (c) According to the information and explanation given to us, the company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanation given to us, the company is not Core Investment Company (CIC), Accordingly, paragraph 3 (xvi)(d) of the order is not applicable to the company.
- (xvii) According to the information and explanation given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the Statutory auditor during the year. Accordingly, paragraph 3 (xviii) of the order is not applicable to the company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility ("CSR") on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

**FOR YAPL & CO.
CHARTERED ACCOUNTANTS
FRN. 017800N**

**(CA SAKSHI GARG)
PARTNER**

M.NO. 553997

UDIN : 25553997BMGXMC8263

**PLACE : Ludhiana
DATED : May 29, 2025**



Annexure 'B' To the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company)

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

We have audited the internal financial controls over financial reporting of **The Hi-Tech Gears Limited** ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR YAPL & CO.
CHARTERED ACCOUNTANTS
FRN. 017800N**

**(CA SAKSHI GARG)
PARTNER**

**PLACE : Ludhiana
DATED : May 29, 2025**

**M.NO. 553997
UDIN : 25553997BMGXMC8263**

The Hi-Tech Gears Limited

Standalone balance sheet as at 31 March 2025

(₹ in Mn)

	Note	31 March 2025	31 March 2024
Assets			
Non-current assets			
Property, plant and equipment	6	1,762.09	1,791.19
Capital work-in-progress	6	7.27	32.34
Right-of-use assets	7	558.45	332.24
Intangible assets	7 A	7.21	7.29
Financial assets			
Investments	8	1,549.50	1,662.85
Loans	9 A	71.47	79.01
Other financial assets	10 A	59.33	56.31
Deferred tax assets (net)	21	2.48	-
Other non-current assets	11 A	57.12	54.70
Total non-current assets		4,074.92	4,015.93
Current assets			
Inventories	12	929.48	853.87
Financial assets			
Trade receivables	13	1,161.93	1,420.69
Cash and cash equivalents	14	64.44	60.20
Other bank balances	15	243.06	398.61
Loans	9 B	3.34	2.29
Other financial assets	10 B	6.89	24.13
Current tax assets (net)	16	10.46	29.51
Other current assets	11 B	209.27	215.28
Total current assets		2,628.87	3,004.58
Total assets		6,703.79	7,020.51
Equity and liabilities			
Equity			
Equity share capital	17	187.93	187.78
Other equity	18	4,518.01	4,242.88
Total equity		4,705.94	4,430.66
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19 A	80.00	304.12
Lease liabilities	19 A(i)	478.90	272.39
Provisions	20 A	37.26	38.14
Deferred tax liabilities (net)	21	-	8.33
Other non-current liabilities	22 A	8.06	8.82
Total non-current liabilities		604.22	631.80
Current liabilities			
Financial liabilities			
Borrowings	19 B	473.92	854.39
Lease liabilities	19 B(i)	74.82	42.02
Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises		70.52	111.19
- total outstanding dues of creditors other than micro enterprises and small enterprises		546.81	681.87
Other financial liabilities	24	139.21	178.87
Other current liabilities	22 B	66.90	52.88
Provisions	20 B	21.45	36.83
Total current liabilities		1,393.63	1,958.05
Total equity and liabilities		6,703.79	7,020.51

Summary of material accounting policies and accompanying notes form an integral part of these financial statements.
This is the balance sheet referred to in our report of even date.

For YAPL & Co.
Chartered Accountants
Firm Registration No. 017800N

CA. Sakshi Garg
(Partner)
Membership No. 553997
UDIN: 25553997BMGXMC8263

Place: Ludhiana
Date: May 29, 2025

Deep Kapuria
Executive Chairman
DIN 00006185
Place: New Delhi

Kapil Rajora
Chief Financial Officer
Place: Gurgaon

For and on behalf of
The Hi-Tech Gears Limited

Pranav Kapuria
Managing Director
DIN 00006195
Place: New Delhi

Naveen Jain
Company Secretary
Place: Gurgaon



The Hi-Tech Gears Limited

Standalone statement of profit and loss for the year ended 31 March 2025

(₹ in Mn)

	Note	31 March 2025	31 March 2024
Revenue			
Revenue from operations	25	6,576.09	7,799.84
Other income	26	120.03	93.09
Total revenue		6,696.12	7,892.93
Expenses			
Cost of materials consumed	27	3,316.51	3,999.65
Purchase of traded goods	28	156.36	210.20
Changes in inventories of finished goods and work-in-progress	29	(64.88)	(5.62)
Employee benefits expenses	30	948.30	1,095.69
Finance costs	31	118.71	181.86
Depreciation and amortisation expense	6, 7 & 7A	327.71	316.14
Other expenses	32	1,257.72	1,447.75
Total expenses		6,060.43	7,245.67
Profit before tax		635.69	647.26
Tax expense			
Current tax	33	170.98	169.02
Deferred tax charged/(credit)	21	(8.66)	(9.14)
Earlier years tax adjustments (net)		(0.41)	(5.31)
Profit for the year		473.78	492.69
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gain on defined benefit plans		0.97	6.62
Equity Instruments through Other Comprehensive Income		(116.17)	0.49
Income tax relating to items that will not be reclassified to profit and loss		21.39	(1.67)
Items that will be reclassified to profit or loss			
Effective portion of gain/ (loss) on fair value hedge		2.08	(7.55)
Income tax relating to items that will be reclassified to profit and loss		(19.47)	6.34
Other comprehensive income net of tax		(111.20)	4.23
Total comprehensive income for the year		362.58	496.92
Earnings per equity share (₹ 10 per share)	34		
Basic (₹)		25.23	26.24
Diluted (₹)		25.19	26.19

Summary of material accounting policies and accompanying notes form an integral part of these financial statements.
This is the statement of profit or loss referred to in our report of even date.

For YAPL & Co.
Chartered Accountants
Firm Registration No. 017800N

CA. Sakshi Garg
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Naveen Jain
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Place: Gurgaon

The Hi-Tech Gears Limited

Standalone statement of changes in equity for the year ended 31 March 2025

A Equity share capital*

(₹ in Mn)

Particulars	Opening balance as at 1 April 2023	Changes during the year	Balance as at 31 March 2024	Changes during the year	Balance as at 31 March 2025
Equity share capital	187.68	0.10	187.78	0.15	187.93

B Other equity**

(₹ in Mn)

Particulars	Reserves and surplus				Stock Options Outstanding	Other Comprehensive Income		Total
	General reserve	Security Premium	Retained earnings	Prior period error		Equity instrument through Other Comprehensive Income	Cash flow hedge reserve	
Balance as at 1 April 2023	308.08	-	3,411.60	-	4.34	65.37	(0.87)	3,788.52
Profit for the year	-	-	492.69	-	-	-	-	492.69
Other comprehensive income (net of tax impact)	-	-	4.95	-	-	0.49	(1.21)	4.23
Share option charge during the year	-	2.36	-	0.76	1.24	-	-	4.36
Dividend paid during the year including tax impact, refer note no. 39	-	-	(46.92)	-	-	-	-	(46.92)
Balance as at 31 March 2024	308.08	2.36	3,862.32	0.76	5.58	65.86	(2.08)	4,242.88
Profit for the year	-	-	473.78	-	-	-	-	473.78
Other comprehensive income (net of tax impact)	-	-	(18.74)	-	-	(94.54)	2.08	(111.20)
Share option charge during the year	-	4.72	-	-	1.72	-	-	6.44
Dividend paid during the year including tax impact, refer note no. 39	-	-	(93.89)	-	-	-	-	(93.89)
Balance as at 31 March 2025	308.08	7.08	4,223.47	0.76	7.30	(28.68)	(0.00)	4,518.01

*Refer note 17 for details

**Refer note 18 for details

Summary of material accounting policies and accompanying notes form an integral part of these financial statements. This is the statement of change in equity referred to in our report of even date.

For YAPL & Co.
Chartered Accountants
Firm Registration No. 017800N

For and on behalf of
The Hi-Tech Gears Limited

CA. Sakshi Garg
(Partner)
Membership No. 553997
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Executive Chairman
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Place: New Delhi

Pranav Kapuria
Managing Director
DIN 00006195
Place: New Delhi

Place: Ludhiana
Date: May 29, 2025

Kapil Rajora
Chief Financial Officer
Place: Gurgaon

Naveen Jain
Company Secretary
Place: Gurgaon



The Hi-Tech Gears Limited

Standalone cash flow statement for the period ended 31 March 2025

(₹ in Mn)

	31 March 2025	31 March 2024
A Cash flow from operating activities		
Profit before tax	635.69	647.26
Adjustments for:		
Depreciation and amortisation expense	327.71	316.14
Impairment of Investment	-	11.64
Gain on disposal of property, plant and equipment (net)	(6.93)	(4.33)
Interest income classified as investing cash flows	(34.96)	(39.82)
Income recognised on account of government assistance	(0.76)	(1.42)
Employee compensastion	3.62	1.38
Dividend income classified as investing cash flows	(0.03)	(0.02)
Provisions written back	-	(2.85)
Provision for doubtful debts	4.00	(17.48)
Unrealised foreign exchange rate difference (net)	(4.53)	21.24
Unrealised (gain)/loss on mark to market of forward contracts	2.08	(7.55)
Finance cost	118.71	181.86
Operating profit before working capital changes	1,044.60	1,106.05
Movement in working capital		
(Increase)/decrease in inventories	(75.61)	(64.49)
(Increase)/decrease in other financial assets	17.25	53.87
(Increase)/decrease in trade receivables	254.50	102.56
(Increase)/Decrease in other non-current assets	(0.44)	2.50
(Increase)/decrease in other current assets	6.01	(30.38)
Increase/(decrease) in other financial liability	(39.66)	(84.84)
Increase/(decrease) in other current liability	14.01	(51.24)
Increase in provision	(15.28)	40.07
Increase/(decrease) in trade and other payables	(175.99)	(51.98)
Cash flow from operating activities post working capital changes	1,029.39	1,022.12
Income tax paid (net)	(151.76)	(170.54)
Net cash flows from operating activities (A)	877.63	851.58
B Cash flows from investing activities		
Payments for property, plant and equipment and capital work-in-progress	(239.97)	(253.17)
Proceeds from sale of property, plant and equipment	10.85	8.25
Proceeds/(Payments) for of margin money and bank deposits	155.54	61.69
Proceeds/(Repayment) of loans and advances	8.53	0.42
Interest received	34.96	39.82
Dividend received	0.03	0.02
Net cash used in investing activities (B)	(30.06)	(142.97)
C Cash flows from financing activities*		
Finance cost paid	(118.10)	(178.33)
Proceeds from issue of equity share capital	0.15	0.10
Proceeds from borrowings	0.00	93.33
Repayment of borrowings	(605.20)	(622.00)
Payment of lease liabilities	(26.29)	(23.13)
Dividends paid (including tax)	(93.89)	(46.92)
Net cash (used)/flow from financing activities (C)	(843.33)	(776.95)
Net increase (decrease) in cash and cash equivalents (A+B+C)	4.24	(68.34)
Cash and cash equivalents at the beginning of the year	60.20	128.54
Cash and cash equivalents at the end of the year	64.44	60.20

*Refer note 19 for reconciliation of liabilities arising from financing activities

This is the Cash Flow Statement referred to in our report of even date.

Note: The above cash flow statement has been prepared under the "Indirect method" as set out in Indian Accounting Standard (IND AS -7) statement of cash flow.

Cash flows from operating activities include Rs. 10.21 Mn (31 March 2024 Rs. 2.80 Mn) being expenses towards Corporate Social Responsibility initiatives.

For YAPL & Co.
Chartered Accountants
Firm Registration No. 017800N

CA. Sakshi Garg
(Partner)
Membership No. 553997
UDIN: 25553997BMGXMC8263

Deep Kapuria
Executive Chairman
DIN 00006185
Place: New Delhi

Kapil Rajora
Chief Financial Officer
Place: Gurgaon

For and on behalf of
The Hi-Tech Gears Limited

Pranav Kapuria
Managing Director
DIN 00006195
Place: New Delhi

Naveen Jain
Company Secretary
Place: Gurgaon

Place: Ludhiana
Date: May 29, 2025

Standalone financial statements for the year ended 31 March 2025

1. Corporate Information

The Hi -Tech Gears Limited ("the Company") is a Company domiciled in India and limited by shares (CIN: L29130HR1986PLC081555). The shares of the Company are publicly traded on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The address of the Company's registered office is Plot no 24,25,26 Sector-7 IMT Manesar Gurgaon-122050, Haryana, India.

The Company is an auto component manufacturer (a Tier 1 supplier).

2. General information

These Standalone Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These financial statements are separate financial statements of the Company. The Company has also prepared consolidated financial statements for the year ended 31 March 2025 in accordance with Ind AS 110 and the same were also approved for issue by the Board of Directors on 29 May 2025.

3. Basis of Preparation of Standalone Financial Statement

3.1 Compliance with Ind AS

These Standalone Financial Statements are prepared on going concern basis following accrual basis of accounting and comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013.

3.2 Basis of measurement/Use of Estimates

- (i) The Standalone Financial Statements are prepared on going concern and accrual basis under the historical cost convention except certain financial assets, financial liabilities and defined benefits plans- plan assets that are measured at fair value. The methods used to measure fair values are given below:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefits (assets)/liability	Fair value of plan assets less present value of defined benefits obligations.

- (ii) The preparation of Standalone Financial Statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the Standalone Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Major Estimates are discussed in note no. 5.18.

3.3 Functional and presentation currency

These Standalone Financial Statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Million (up to two decimals), except as stated otherwise.

4. New Standards/ Amendments and Other Changes adopted Effective 1 April 2024 or thereafter

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2024 to amend / adopt the following Ind AS which are effective for annual periods beginning on or after April 1, 2024. The Company has reviewed amendments to be effective from April 1, 2024.

Ind AS 117, Insurance Contracts, which replaces Ind AS 104, provides comprehensive guidance on the recognition, measurement, presentation, and disclosure of insurance contracts; however, it had no impact on the Company's financial statements as the Company has not entered into any insurance contracts.

Ind AS 116, Leases, relating to lease liabilities arising from sale and leaseback transactions, was also notified. Since the Company has not undertaken any such transactions, the amendment did not affect its financial statements.

Further, there are amendments to Ind AS 21- The Effects of Changes in Foreign Exchange Rates & Ind AS 101- First-time Adoption of Indian Accounting Standards, that have been notified but are not effective on reporting date.

5. Material accounting policies

A summary of the material accounting policies applied in the preparation of the Standalone Financial Statements are as given below. These accounting policies have been applied consistently to all periods presented in the Standalone Financial Statements.

5.1 Property, plant and equipment (PPE)

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. Any trade discount and rebates are deducted in arriving at the purchase price. Property, plant and equipment purchased on deferred payment basis are recorded at equivalent cash price. The difference between the cash price equivalent and the amount payable is recognised as interest expense over the deferred payment period.

Spares having useful life of more than one year and having material value in each case, are capitalised under the respective heads as and when available for use.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on Buildings and Plant and Equipment is charged on pro-rata basis on Straight Line Method based on the life assigned to each asset in accordance with Schedule II of Companies Act, 2013. Depreciation on rest of the property, plant and equipment has been provided on Written Down Value basis based on the life assigned to each asset in accordance with Schedule II of Companies Act, 2013.

5.2 Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

Intangible assets are amortized over their respective individual estimated useful life on written down value basis commencing from the date, the asset is available to the company for its use

5.3 Inventories

Inventories are valued as follows:

Raw materials, loose tools and stores and spares

Raw materials, loose tools and stores and spares are valued at lower cost and net realizable value. Cost of raw materials, loose tools and stores and spares is determined on weighted average -FIFO (First in first out) basis.

Work-in-progress and finished goods

Work-in-progress and finished goods is measured at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.



Scrap

Scrap is measured at net realizable value.

5.4 Revenue recognition

Revenue arises mainly from the sale of manufactured and traded goods. Revenue is recognised upon transfer of control of promised products or services to customers for an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue excludes taxes or duties collected on behalf of the government.

To determine whether to recognise revenue, the Company follows a 5-step process:

- (i) Identifying the contract with a customer
- (ii) Identifying the performance obligations
- (iii) Determining the transaction price
- (iv) Allocating the transaction price to the performance obligations
- (v) Recognising revenue when/as performance obligation(s) are satisfied.

Sale of goods

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Sale of services

Revenue from services is recognised when Company satisfies the performance obligations by transferring the promised services to its customers.

Export benefits

Export benefits constituting Duty Draw back and Export Promotion Capital Goods scheme (EPCG) are accounted for on accrual basis when there is reasonable assurance that the company will comply with the conditions attached to them and the export benefits will be received. Export benefits under Duty Draw back scheme and EPCG are considered as other operating income.

Interest

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

5.5 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged as expense to the statement of profit and loss in the period for which they relate to.

5.6 Leases

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

- (i) Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are

depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

- (ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

- (iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

5.7 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

5.8 Foreign currency

Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange difference

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the statement of profit and loss in the year in which they arise.

5.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Asset

Initial recognition and measurement

At initial recognition, the Company measures a financial assets at its fair value and in the case of financial assets not recorded at fair value through profit or loss at transaction costs that are attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss is expensed in the Statement of Profit or Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Investments in equity instruments of subsidiary

Investments in Subsidiaries, Associates and Joint Venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Subsequent measurement

Debt Instruments:

Subsequent measurement of debts instruments depends on the Company's business model for managing the assets and the cash flows of the assets. The Company classifies its financial assets in the following categories:

- i) **Financial assets at amortised cost-** Assets that are held for collection of contractual cashflows on specified dates where those cashflows represent solely payments of principal and interest are measured at amortised cost.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables and Loans.

- ii) **Financial assets at fair value through other comprehensive income (FVTOCI)** – Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are on specified dates are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income from these financial assets is included in finance income using the effective interest rate method and impairment losses, if any are recognised in the Statement of Profit and Loss.

When the financial asset is derecognition, the cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss.

- iii) **Financial assets at fair value through profit or loss (FVTPL)** - Financial assets which are not classified in any of the categories above are FVTPL.

Investments in other equity instruments – Investments in equity instruments which are held for trading are classified at Fair Value Through Profit or Loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value Through Profit or Loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Derecognition

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

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. For trade and other payable maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Forward contracts

The Company has entered into certain forward (derivative) contracts to hedge risks which are not designated as hedges. These derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any profit or loss arising on cancellation or renewal of such derivative contract is recognised as income or as expense in statement of profit and loss.

5.10 Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company assesses on forward looking basis the expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

5.11 Income taxes

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are



recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity).

5.12 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services are recognized as an expense as the related service is rendered by employees.

Defined Contribution Plan

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Payments to defined contribution retirement benefit schemes (such as Provident Fund, Employee's State Insurance Corporation) are charged to the statement of profit and loss of the year in which contribution to such schemes becomes due.

Defined Benefit Plan

For defined benefit schemes, the cost of providing benefits is determined using Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligations as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets.

The Company makes annual contribution to the Employee's Company Gratuity-cum-Life Assurance scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death or on termination of employment.

Other long-term employee benefits

Liability in respect of leave encashment becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of discounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of leave encashment becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Share based payments.

The fair value on grant date of equity-settled share-based payment arrangements granted to eligible employees of the Company under the Employee Stock Option Scheme ('ESOS') is recognised as employee stock option scheme expenses in the Statement of profit and loss, in relation to options granted to employees of the Company (over the vesting period of the awards), with a corresponding increase in other equity. The amount recognised as an expense to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. The increase in equity recognised in connection with a share based payment transaction is presented in the "Employee stock options outstanding account", as separate component in other equity.

For share-based payment awards with market conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. At the end of each period, the Company revises its estimates of the number of options that are expected to be vested based on the non-market performance conditions at the vesting date.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

5.13 Provisions

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Provisions are discounted to their present values, where the time value of money is material.

5.14 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the Basis of preparation.

The financial statements have been prepared on going concern basis in accordance with generally accepted accounting principles in India. Further, the financial statements have been prepared on a historical cost basis except for following items:

occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

5.15 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

5.16 Derivative financial instruments and hedge accounting

Derivative financial instruments are accounted for at fair value through profit and loss (FVTPL) except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Company only applies fair value hedge accounting for hedging foreign exchange risk on recognised assets and liabilities.

Cash Flow Hedge

The Company has designated certain derivative contracts as hedging instruments in cash flow hedge relationships.

The Company applied hedge accounting requirements in Ind AS 109 prospectively from 1 April 2019 to derivative instruments which could be designated as effective cash flow hedges. These arrangements had been entered into to mitigate foreign currency exchange risk and interest rate risk arising from highly probable forecasted sales and debt instruments denominated in foreign currency, in accordance with the Company's risk management policy.

To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

5.17 Government Grant

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. Government grants are recognised in the Statement of profit and loss on a systematic basis over the periods in which the Company recognises the related costs as expenses, if any, for which the grants are intended to compensate.

5.18 Significant management judgement and estimates

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Government grants – Grants receivables are based on estimates for utilisation of grant as per the regulations as well as analysing actual outcomes on a regular basis and compliance with stipulated conditions. Changes in estimates or non-compliance of stipulated conditions could lead to significant changes in grant income and are accounted prospectively over the balance life of asset.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Provisions – estimate for provisions recognised is based on management best estimate of the expenditure required to settle the present obligation at the year end and is based on historical experience, expected changes in economic conditions, changes in exchange rates.

Note - 6

Property, plant and equipment

(₹ in Mn)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Total	Capital work-in-progress
Gross carrying amount								
At 1 April 2023	101.51	438.56	4,730.32	53.60	87.06	46.00	5,457.05	126.41
Additions	-	115.56	123.64	0.69	1.08	-	240.97	146.90
Disposals	-	(1.51)	(26.70)	(1.85)	(6.81)	(0.62)	(37.49)	-
Capitalised during the year	-	-	-	-	-	-	-	(240.97)
Balance as at 31 March 2024	101.51	552.61	4,827.26	52.44	81.33	45.38	5,660.53	32.34
Additions	-	-	237.34	0.03	2.46	21.90	261.73	236.66
Disposals	-	-	(33.01)	-	(0.10)	-	(33.11)	-
Capitalised during the year	-	-	-	-	-	-	-	(261.73)
Balance as at 31 March 2025	101.51	552.61	5,031.59	52.47	83.69	67.28	5,889.15	7.27
Accumulated depreciation								
At 1 April 2023	-	180.80	3,294.62	34.41	78.15	29.03	3,617.01	-
Charge for the year	-	12.93	261.99	4.40	2.82	4.07	286.21	-
Adjustments for disposals	-	(1.35)	(23.70)	(1.75)	(6.49)	(0.59)	(33.88)	-
Balance as at 31 March 2024	-	192.38	3,532.91	37.06	74.48	32.51	3,869.34	-
Charge for the year	-	16.17	259.80	3.36	2.00	6.45	287.78	-
Adjustments for disposals	-	-	(29.97)	-	(0.09)	-	(30.06)	-
Balance as at 31 March 2025	-	208.55	3,762.74	40.42	76.39	38.96	4,127.06	-
Net carrying amount as at 31 March 2024	101.51	360.23	1,294.35	15.38	6.85	12.87	1,791.19	32.34
Net carrying amount as at 31 March 2025	101.51	344.06	1,268.85	12.05	7.30	28.32	1,762.09	7.27



a) CWIP Ageing Schedule as at 31 March 2025

(₹ in Mn)

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress:-					
Plant & Machinery	7.27	-	-	-	7.27
Project in temporarily suspended :-					
Total	7.27	-	-	-	7.27

b) CWIP whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2025

(₹ in Mn)

Capital Work in Progress	CWIP to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress:-					
Plant & Machinery	7.27	-	-	-	7.27
Project in temporarily suspended :-					
Total	7.27	-	-	-	7.27

c) CWIP Ageing Schedule as at 31 March 2024

(₹ in Mn)

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress:-					
Plant & Machinery	29.49	0.16	2.69	-	32.34
Project in temporarily suspended :-					
Trichy Project					
Total	29.49	0.16	2.69	-	32.34

d) CWIP whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2024

(₹ in Mn)

Capital Work in Progress	CWIP to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress:-					
Plant & Machinery	29.49	0.16	2.69	-	32.34
Project in temporarily suspended :-					
Trichy Project temporarily suspended					
Total	29.49	0.16	2.69	-	32.34

Refer Note 19 for information on property, plant and equipment hypothecated/mortgaged as security by the Company.

Refer Note 38(B) for disclosure of contractual commitment for acquisition of property, plant and equipment.



Note - 7

Right-of-use assets

(₹ in Mn)

Particulars	Land	Residential flats	Buildings	Plant and equipment	Total
Gross carrying amount					
At 1 April 2023	22.73	4.55	65.76	261.10	354.14
Additions	1.46	-	95.73	-	97.19
Adjustments/disposals	-	(0.51)	(65.76)	-	(66.27)
Balance as at 31 March 2024	24.19	4.04	95.73	261.10	385.06
Additions	0.53	-	-	265.08	265.61
Adjustments/disposals	-	(1.40)	-	-	(1.40)
Balance as at 31 March 2025	24.72	2.64	95.73	526.18	649.27
Accumulated depreciation					
At 1 April 2023	2.33	1.69	58.28	28.77	91.07
Charge for the year	0.42	0.06	17.07	10.16	27.71
Adjustments for disposals	-	(0.20)	(65.76)	-	(65.96)
Balance as at 31 March 2024	2.75	1.55	9.59	38.93	52.82
Charge for the year	0.42	0.05	19.12	18.93	38.52
Adjustments for disposals	-	(0.52)	-	-	(0.52)
Balance as at 31 March 2025	3.17	1.08	28.71	57.86	90.82
Net carrying amount as at 31 March 2024	21.44	2.49	86.14	222.17	332.24
Net carrying amount as at 31 March 2025	21.55	1.56	67.02	468.32	558.45

Note - 7 A

Intangible assets

(₹ in Mn)

Particulars	Software's	Total
Gross carrying amount		
At 1 April 2023	109.63	109.63
Additions	2.20	2.20
Balance as at 31 March 2024	111.83	111.83
Additions	1.33	1.33
Balance as at 31 March 2025	113.16	113.16
Accumulated amortisation		
At 1 April 2023	102.31	102.31
Charge for the year	2.23	2.23
Impairment charge	-	-
Balance as at 31 March 2024	104.54	104.54
Charge for the year	1.41	1.41
Impairment charge	-	-
Balance as at 31 March 2025	105.95	105.95
Net carrying amount as at 31 March 2024	7.29	7.29
Net carrying amount as at 31 March 2025	7.21	7.21

Note - 8

(₹ in Mn)

	31 March 2025	31 March 2024
A Investments - non-current		
Equity instruments		
Investment in subsidiary companies (unquoted, measured at cost)		
2545887 Ontario Inc., Canada		
29,864,225 common shares of CAD \$1 each (previous year 31 March 2024: 29,864,225 common shares) fully paid up.	1,534.55	1,534.55
Neo-Tech Auto Systemz Inc., USA		
1,000,000 common shares of USD \$0.01 each (previous year 31 March 2024: 1,000,000 common shares) fully paid up.	0.64	0.64
Neo Tech Smart Solutions Inc., Canada*		
250,000 common shares of CAD \$ 1 each (previous year 31 March 2024: 2,50,000 common shares) fully paid up [(Rs. 11.64 Mn, impaired during FY 2023-24)]	2.15	2.15
Other investment		
(quoted, measured at FVOCI)		
2100 Equity shares of Rs. 1/- each fully paid up of State Bank of India (previous year 31 March 2024 : 2100 Equity shares of Rs. 1/- each fully paid up).	1.62	1.58
(unquoted, measured at FVOCI)		
8200 Equity shares of Rs. 1/- each fully paid up of Altigreen Propulsion Labs Pvt. Ltd. * (previous year 31 March 2024 : 8200 Equity shares of Rs. 1/- each fully paid up)	4.75	120.96
Deemed investment of Rs.2.81 Mn during the year (previous year 31 March 2024 is Rs.2.97 Mn), in respect of employee stock option granted to Stepdown-subsidiary company "The Hi-Tech Gears Canada Inc" with corresponding credit to share option outstanding account.(refer note- 46)	5.79	2.97
	1,549.50	1,662.85
Aggregate market value of quoted investments	1.62	1.58
Aggregate amount of unquoted investments and market value thereof	1,547.88	1,661.27
Aggregate value of impairment in the value of investments	-	11.63

Information about subsidiaries company

Particulars	Principal place of business	Ownership interests	Accounted on
2545887 Ontario Inc	Canada	100%	As per provision of Ind AS 27 'Separate Financial Statements'
Neo-Tech Auto Systemz Inc.	USA	100%	
Neo-Tech Smart Solutions Inc.	Canada	100%	

* During the year, Company has made downward fair valuation adjustment of Rs 116.20 million in the equity shares of Altigreen Propulsion Labs Private Limited in the Other Comprehensive Income (OCI) based on the share valuation report of Registered Valuer. The fair value of the equity instrument is designated through OCI.

Note - 9

(₹ in Mn)

	31 March 2025	31 March 2024
A Loans - non current		
(Unsecured, considered good)		
Loan to Related Party (Subsidiary Company)	70.06	78.34
Loan to Employees	1.41	0.67
	71.47	79.01

Loan to related party details as at 31 March 2025

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances
With specifying terms:-		
Related Party- Subsidiary company	70.06	94%
Total	70.06	94%

Loan to related party details as at 31 March 2024

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances
With specifying terms:-		
Related Party- Subsidiary company	78.34	96%
Total	78.34	96%

The loan given to the subsidiary company was unsecured and carried an interest @ 5.90% p.a. (monthly cumulative) during the previous year



B Loans - current

(₹ in Mn)

	31 March 2025	31 March 2024
(Unsecured, considered good)		
Loan to Employees	3.34	2.29
	3.34	2.29

Note - 10

(₹ in Mn)

	31 March 2025	31 March 2024
A Other financial assets - non current		
Balance held as margin money (against bank guarantees)*	4.59	3.01
Security deposits with government bodies	54.74	53.30
	59.33	56.31
*Margin money deposits having remaining maturity of more than 12 months.		
B Other financial assets - current		
Security deposits - others	1.07	1.03
Other receivable*		
Considered good	5.82	23.10
Considered credit impaired (refer note below)	2.05	2.05
Less: Impairment allowance (allowance for bad and doubtful debts)	(2.05)	(2.05)
	6.89	24.13

*It includes amount receivable from customers for new product development like making, changing in nature of specific components on demand of customers, insurance claim receivable, provision for rate revision in case of steel cost.

Note: One employee (Mr. K. P. Yadav, Assistant Manager in finance & accounts) had embezzled money by making unauthorised withdrawal of Rs.2.23 Mn in his personal account in the period December 2017 to April 2018. On detecting the above fraud, the Company immediately terminated him from his services and lodged the FIR against him. Till now, the Company had made recovery of Rs.0.18 Mn out of above amount and created the provision for the balance amount as on 31 March 2019. Appropriate actions for discovery, prevention of fraud and strengthening of Internal controls has been put in place by the Company.

Note - 11

(₹ in Mn)

	31 March 2025	31 March 2024
A Other non-current assets		
Capital advance*	56.22	54.24
Prepaid expenses	0.90	0.46
	57.12	54.70

*For capital commitments refer note - 38(B)

B Other current assets		
Advances to suppliers	31.21	46.14
Advances to employees	0.30	0.27
Prepaid expenses	33.84	36.82
Balance with statutory authorities	135.30	118.39
Others	8.62	13.66
	209.27	215.28

Note - 12

(₹ in Mn)

	31 March 2025	31 March 2024
Inventories		
(Valued at lower of cost or net realisable value)		
Finished goods (including goods in transit)	234.47	215.61
Raw materials and components	98.31	96.74
Stores and spares	269.62	259.95
Work-in-progress	326.53	280.51
Scrap (at realisable value)	0.55	1.06
	929.48	853.87

Note - 13

(₹ in Mn)

	31 March 2025	31 March 2024
Trade receivables*		
(Unsecured)		
Considered good	1,163.53	1,415.64
Having significant increase in credit risk	15.44	18.81
Credit impaired	0.75	0.03
Total	1,179.72	1,434.48
Less: Impairment loss allowance	(17.79)	(13.79)
	1,161.93	1,420.69

*for related party balances refer note 36

Trade receivables ageing schedule is as follows:

Particulars	As at 31 March 2025							
	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	928.90	212.29	22.34	-	-	-	1,163.53
(ii) Undisputed Trade Receivables – Significant increase in credit risk	-	-	-	-	7.21	1.94	6.29	15.44
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	0.75	0.75
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	928.90	212.29	22.34	7.21	1.94	7.04	1,179.72

Trade receivables ageing schedule is as follows:

Particulars	As at 31 March 2024							
	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	(68.96)	1,168.74	305.81	10.05	-	-	-	1,415.64
(ii) Undisputed Trade Receivables – Significant increase in credit risk	-	-	-	-	8.09	5.82	4.90	18.81
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	0.03	0.03
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	(68.96)	1,168.74	305.81	10.05	8.09	5.82	4.93	1,434.48



Note - 14

(₹ in Mn)

	31 March 2025	31 March 2024
Cash and cash equivalents		
Cash on hand	0.14	0.11
Balances with banks		
In current accounts	30.00	40.08
In CSR Escro accounts	0.10	-
Bank deposits with original maturity less than three months	34.20	20.01
	64.44	60.20

Note - 15

(₹ in Mn)

	31 March 2025	31 March 2024
Other bank balances		
Balance held as margin money (against bank guarantees)	1.40	7.37
Bank deposits with maturity of more than three months and upto twelve months	229.08	390.44
Bank deposits made out of CSR Escro account	11.70	-
Unclaimed dividend	0.88	0.80
	243.06	398.61

Note - 16

(₹ in Mn)

	31 March 2025	31 March 2024
Current tax assets (net)		
Advance income tax	181.68	201.78
Less: Provision for taxation	(171.22)	(172.27)
	10.46	29.51

Note - 17

(₹ in Mn)

	31 March 2025		31 March 2024	
Equity share capital				
i Authorised	Number	Amount	Number	Amount
20,000,000 equity shares of ₹ 10/- each with voting rights	2,00,00,000	200.00	2,00,00,000	200.00
		200.00		200.00
ii Issued, subscribed and fully paid up				
Equity share capital of face value of ₹ 10/- each	1,87,93,217	187.93	1,87,78,186	187.78
		187.93		187.78
iii Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				
Equity shares				
Balance at the beginning of the year	1,87,78,186	187.78	1,87,68,000	187.68
Add : Shares issued during the year*	15,031	0.15	10,186	0.10
Balance at the end of the year	1,87,93,217	187.93	1,87,78,186	187.78

*The Nomination and Remuneration Committee of the Board of Directors of the Company vide its resolution dated February 12, 2025, has approved allotment of 15,031 Equity shares of Rs. 10/- each to the eligible employees of the Company pursuant to "The Hi-Tech Gears Limited Stock Incentive Plan, 2021". Therefore, the paid-up equity share capital of the Company has increased from Rs. 18,77,81,860 consisting of 1,87,78,186 equity shares of Rs. 10/- each to Rs. 18,79,32,170 consisting of 1,87,93,217 equity shares of Rs. 10/- each.

iv Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares with paid up value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share on all resolutions submitted to shareholders. They have right to participate in the profits of the company, if declared by the Board as interim dividend and recommended by the Board and declared by the members as final dividend. They are also entitled to bonus/right issue, as declared by Company from time to time. They have right to receive annual report of the Company, beside other rights available under the Companies Act and Listing Regulations.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, beside other rights available under the Companies Act.

The distribution will be in proportion to the number of equity shares held by the shareholders.

v Details of shareholders holding more than 5% share capital

Name of the equity shareholders	31 March 2025		31 March 2024	
	Number	%	Number	%
Vulcan Electro Controls Limited	10,82,000	5.76%	10,82,000	5.76%
Olympus Electrical Industries Private Limited	17,45,200	9.29%	17,45,200	9.29%
Hi Tech Portfolio Investments Limited	19,71,876	10.49%	19,71,876	10.50%
Mr. Deep Kapuria	31,14,884	16.57%	31,19,461	16.61%

vi Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, by way of bonus shares and shares bought back for the period of 5 years immediately preceding the balance sheet date

The Company has not issued any shares pursuant to contract(s) without payment being received in cash.

No bonus shares have been issued in preceding 5 years.

The Company has not undertaken any buy back of shares.

vii Details of shares held by promoters

Particulars	Promoter Name	No. of shares at the beginning of the year 01 April 2024	Change during the year	No. of shares at the end of the year 31 March 2025	% of Total Shares	% change during the year
Equity shares of face value Rs 10/-	Deep Kapuria & Sons (Huf)	2,31,780	-	2,31,780	1.23%	0.00%
Equity shares of face value Rs 10/-	Deep Kapuria	31,19,461	(4,577)	31,14,884	16.57%	(0.15%)
Equity shares of face value Rs 10/-	Pranav Kapuria	8,48,102	-	8,48,102	4.51%	0.00%
Equity shares of face value Rs 10/-	Anuj Kapuria	8,44,062	4,577	8,48,639	4.52%	0.54%
Equity shares of face value Rs 10/-	Veena Kapuria	5,01,120	-	5,01,120	2.67%	0.00%
Equity shares of face value Rs 10/-	Adhiraj Kapuria	19,000	-	19,000	0.10%	0.00%
Equity shares of face value Rs 10/-	Adhiveer Kapuria	19,000	-	19,000	0.10%	0.00%
Equity shares of face value Rs 10/-	Aabha Kapuria	84,769	-	84,769	0.45%	0.00%
Equity shares of face value Rs 10/-	Megha Kapuria	84,232	-	84,232	0.45%	0.00%
Equity shares of face value Rs 10/-	Master Abhay Kapuria	8,000	-	8,000	0.04%	0.00%
Equity shares of face value Rs 10/-	Hi-Tech Portfolio Investments Ltd	19,71,876	-	19,71,876	10.49%	0.00%
Equity shares of face value Rs 10/-	Olympus Electrical Industries Pvt Ltd	17,45,200	-	17,45,200	9.29%	0.00%
Equity shares of face value Rs 10/-	Vulcan Electro Controls Ltd	10,82,000	-	10,82,000	5.76%	0.00%
Total		1,05,58,602	-	1,05,58,602	56.18%	
Total No of Equity shares		1,87,93,217				

Particulars	Promoter Name	No. of shares at the beginning of the year 01 April 2023	Change during the year	No. of shares at the end of the year 31 March 2024	% of Total Shares	% change during the year
Equity shares of face value Rs 10/-	Deep Kapuria & Sons (Huf)	2,31,780	-	2,31,780	1.23%	0.00%
Equity shares of face value Rs 10/-	Deep Kapuria	31,19,461	-	31,19,461	16.61%	0.00%
Equity shares of face value Rs 10/-	Pranav Kapuria	8,48,102	-	8,48,102	4.52%	0.00%
Equity shares of face value Rs 10/-	Anuj Kapuria	8,44,062	-	8,44,062	4.49%	0.00%
Equity shares of face value Rs 10/-	Veena Kapuria	5,01,120	-	5,01,120	2.67%	0.00%
Equity shares of face value Rs 10/-	Adhiraj Kapuria	19,000	-	19,000	0.10%	0.00%
Equity shares of face value Rs 10/-	Adhiveer Kapuria	19,000	-	19,000	0.10%	0.00%
Equity shares of face value Rs 10/-	Aabha Kapuria	80,811	3,958	84,769	0.45%	4.90%
Equity shares of face value Rs 10/-	Megha Kapuria	80,311	3,921	84,232	0.45%	4.88%
Equity shares of face value Rs 10/-	Master Abhay Kapuria	8,000	-	8,000	0.04%	0.00%
Equity shares of face value Rs 10/-	Hi-Tech Portfolio Investments Ltd	19,71,876	-	19,71,876	10.50%	0.00%
Equity shares of face value Rs 10/-	Olympus Electrical Industries Pvt Ltd	17,45,200	-	17,45,200	9.29%	0.00%
Equity shares of face value Rs 10/-	Vulcan Electro Controls Ltd	10,82,000	-	10,82,000	5.76%	0.00%
Total		1,05,50,723	7,879	1,05,58,602	56.23%	
Total No of Equity shares		1,87,78,186				



Note - 18

(₹ in Mn)

	31 March 2025	31 March 2024
Other Equity		
Reserve & Surplus		
General Reserve		
Balance at the beginning of the year	308.08	308.08
Add: Transfer from retained earnings	-	-
Total (A)	308.08	308.08
Share options outstanding account		
Balance at the beginning of the year	5.58	4.34
Employee stock option expense	1.72	1.24
Total (B)	7.30	5.58
Security Premium		
Balance at the beginning of the year	2.36	-
Add: Addition during the year	4.72	2.36
Total (C)	7.08	2.36
Retained earnings		
Balance at the beginning of the year	3,863.08	3,411.60
Add: Profit/(Loss) for the year	473.78	492.69
Add: Prior period error	-	0.76
Add: Other comprehensive income (net of tax impact)	(18.74)	4.95
Less: Dividend paid during the year including tax impact, refer note no. 39	(93.89)	(46.92)
Total (D)	4,224.22	3,863.08
Total (E=A+B+C+D)	4,546.69	4,179.10
Other Comprehensive Income (OCI)		
Equity instrument through Other Comprehensive Income		
Balance at the beginning of the year	65.86	65.37
Add: Movement in OCI (Net) during the year	(94.54)	0.49
Total (E)	(28.68)	65.86
Cash flow hedge reserve		
Balance at the beginning of the year	(2.08)	(0.87)
Add: Movement in OCI (Net) during the year	2.08	(1.21)
Total (F)	(0.00)	(2.08)
Total (G=E+F)	(28.68)	63.78
Total Other Equity (D+G)	4,518.01	4,242.88

(i) Nature and purpose of other reserves

General reserve

General reserve is created out of the accumulated profits of the Company as per the provisions of Companies Act.

Share options outstanding account

The account is used to recognise the grant date value of options issued to employees under Employee stock option plan and adjusted as and when such options are exercised or otherwise expire.

Retained earnings

All the profits made by the Company are transferred to retained earnings from statement of profit and loss.

Other comprehensive income

Other comprehensive income represents balance arising on account of changes in fair value of equity instruments carried at fair value through other comprehensive income and gain/(loss) booked on re-measurement of defined benefit plans.

Cash flow hedge reserve

The Company has taken a cross currency and interest rate swap to hedge the foreign currency risk of highly probable forecasted sales and foreign currency borrowings. To the extent hedge is effective, the change in fair value of hedging instrument is recognised in cash flow reserve.

Note - 19

(₹ in Mn)

	31 March 2025	31 March 2024
A Borrowings non-current		
Secured		
Term loans		
From banks & others		
Rupee Loan	80.00	304.12
	80.00	304.12
A (i) Lease Liabilities		
Lease liabilities	478.90	272.39
	478.90	272.39

(₹ in Mn)

Particulars	Nature of security	Terms of repayment	Maturity	31 March 2025	31 March 2024
Term loan HDFC Bank Ltd - Term Loan .	1) First charge by way of hypothecation in favor of the Lender, on company's movables including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets, present and future for Expansion Project. 2) First charge by way of assignment or creation of charge in favour of the lenders of (i) all the right, title, interest, benefits, claims and demands whatsoever of the company in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time in respect to Expansion Project; 3) First pari passu charge by way of hypothecation in favour of the Lender, of company's movables including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets, present and future which are not exclusively charged to any other lenders. 4) First pari passu charge over the present and future immovable fixed assets of the company as given below: a) A-589, Industrial Complex, Bhiwadi, District, Alwar, Rajasthan-301019. b) Plot No 24-26, Sector 7, IMT Manesar, Gurgaon, Haryana 122050 c) SPL-146, Industrial Complex, Bhiwadi-304019, District Alwar, Rajasthan d) Plot No. A-7 & A-8, G K Industrial Park, Trichy District Tamil Nadu	Repayment in 16 quarterly instalment starts from December, 2020	December, 2024	-	89.59
Interest Rate					9.65%/9.75%
HDFC Bank Ltd - Term Loan .	1) First charge by way of hypothecation in favor of the Lender, on company's movables including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets, present and future for Expansion Project. 2) First charge by way of assignment or creation of charge in favour of the lenders of (i) all the right, title, interest, benefits, claims and demands whatsoever of the company in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time in respect to Expansion Project; 3) First pari passu charge by way of hypothecation in favour of the Lender, of company's movables including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets, present and future which are not exclusively charged to any other lenders. 4) First pari passu charge over the present and future immovable fixed assets of the company as given below: a) A-589, Industrial Complex, Bhiwadi, District, Alwar, Rajasthan-301019. b) Plot No 24-26, Sector 7, IMT Manesar, Gurgaon, Haryana 122050 c) SPL-146, Industrial Complex, Bhiwadi-304019, District Alwar, Rajasthan	Repayment in 20 quarterly instalment starts from June, 2025	March, 2030	100.00	100.00
Interest Rate				8.25%	8.50%



(₹ in Mn)

Particulars	Nature of security	Terms of repayment	Maturity	31 March 2025	31 March 2024
TERM LOAN Bajaj Finance Limited	1) First pari passu charge on movable fixed assets of the company both present and future. 2) First pari passu charge on the following immovable fixed assets of the company: a) A-589, Industrial Complex, Bhiwadi, District, Alwar, Rajasthan-301019*. b) Plot No 24-26, Sector 7, IMT Manesar, Gurgaon, Haryana 122050 c) SPL-146, Industrial Complex, Bhiwadi-304019, District Alwar, Rajasthan	20 equal quarterly instalments starting from the 15th month from the date of first disbursement	Aug, 2026	-	50.00
Interest Rate					10.45%
Federal Bank Limited	1) 'First Pari Passu charge on Moveable fixed assets of the Company, both present & future. 2) First Pari Passu charge Immoveable fixed assets situated at : a) Plot No. 24,25 & 26, Sector-7, IMT Manesar, Haryana-122050, b) A-589, RIICO Industrial Area, Bhiwadi, District Alwar, Bhiwadi- 301019, Rajasthan and c) SPL-146A Industrial Complex, Bhiwadi, Rajasthan	18 equal quarterly instalments of 13.2 million each and 1 quarterly installment of 12.4 million starting from the 15th month from the date of first disbursement.	Nov, 2027	-	197.20
Interest Rate					9.40%
Federal Bank Limited	1) 'First Pari Passu charge on Moveable fixed assets of the Company, both present & future. 2) First Pari Passu charge Immoveable fixed assets situated at : a) Plot No. 24,25 & 26, Sector-7, IMT Manesar, Haryana-122050, b) A-589, RIICO Industrial Area, Bhiwadi, District Alwar, Bhiwadi- 301019, Rajasthan and c) SPL-146A Industrial Complex, Bhiwadi, Rajasthan	11 equal quarterly instalments starting from the 5th Feb 2024.	Aug, 2026	-	50.00
Interest Rate					9.00%
Lease Liabilities	Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.	Monthly instalments		553.72	314.40
Interest rate				6%/ 9.17%	6%/ 9.17%
Unamortised upfront fees on borrowing				0.00	(0.61)
Total borrowings				653.72	800.58
Less : Current maturity of long term loan				94.82	224.07
Non current borrowings				558.90	576.51

(₹ in Mn)

	31 March 2025	31 March 2024
B Borrowings - current		
i) Secured		
Working capital loans repayable on demand from banks	381.62	467.73
Current maturities of long term borrowings	20.00	182.05
ii) Unsecured		
Working capital - Sales Invoice Discounting	72.30	204.61
	473.92	854.39
B (i) Lease Liabilities		
Lease liabilities	74.82	42.02
	74.82	42.02

Particulars	Nature of security	Interest rate	31 March 2025	31 March 2024
Standard chartered bank-packing credit	• First Pari Passu Charge over all Current Assets of the Borrower (present and future).	SOFR + 1.75% (previous year SOFR +1.75% p.a)	0.00	67.56
Federal Bank - PCRE	• First Pari Passu Charge over all Current Assets of the Borrower (present and future).	SOFR + 1.75% (previous year SOFR +1.75% p.a)	0.00	88.37
Federal Bank Ltd- Working capital loan	• First Pari Passu Charge over all Current Assets of the Borrower (present and future).	8.10% p.a. (previous year 8.20%)	82.50	80.00
HDFC Bank Ltd- Working capital loan	• First pari pasucharge on stocks and receivables of the Company, both present and future.	8.10% p.a. (previous year 8.50% p.a)	140.00	90.00
YES Bank Ltd- Working capital loan	• First Pari Passu charge by way of hypothecation of the Company's on current assets both present and future.	8.05% p.a. (previous year Nil)	87.50	-
ICICI Bank Ltd- Working capital loan	• First Pari Passu charge by way of hypothecation of the Company's all current assets both present and future.	8.15%/8.25% p.a. (previous year Nil)	70.00	-
Federal Bank - Cash Credit account	• First Pari Passu Charge over all Current Assets of the Borrower (present and future).	10.10% p.a. (previous year NIL)	1.62	-
ICICI Bank Limited-Packing credit	• First Pari Passu charge by way of hypothecation of the Company's all current assets both present and future.	SOFR + 1.79% (SOFR + 1.79%)	-	141.80
Total			381.62	467.73

Particulars	Nature of security	Interest rate	31 March 2025	31 March 2024
Federal Bank - Sales Invoice Discounting	Unsecured	7.85% p.a (previous year 8.10% p.a)	72.30	204.61
Total			72.30	204.61

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

(₹ in Mn)

Particulars	Long-term borrowings	Short-term borrowings	Lease obligations	Total
01 April 2023	987.71	770.38	240.34	1,998.43
Cash flows:				
- Repayment	(627.81)	(178.04)	(23.13)	(828.98)
- Proceeds	100.00	80.00	97.19	277.19
Other non cash changes:				
- Foreign exchange	22.75	-	-	22.75
- Amortisation of upfront fees and others	3.53	-	-	3.53
31 March 2024	486.18	672.34	314.40	1,472.92
Cash flows:				
- Repayment	(386.79)	(218.42)	(26.29)	(631.50)
- Proceeds	-	-	265.61	265.61
Other non cash changes:				
- Amortisation of upfront fees and others	0.61	-	-	0.61
31 March 2025	100.00	453.92	553.72	1,107.64



Note - 20

(₹ in Mn)

	31 March 2025	31 March 2024
A Provisions - non current		
Employees' post retirement/long-term benefits		
Compensated absences	37.26	38.14
	37.26	38.14

For movements in each class of provision during the financial year, refer note 40

B Provisions - current		
Employees' post retirement/long-term benefits		
Compensated absences	5.14	5.61
Provision on rate difference	16.31	31.22
	21.45	36.83

For movements in each class of provision during the financial year, refer note 40 and 42

Note - 21

(₹ in Mn)

	31 March 2025	31 March 2024
Deferred tax assets/liabilities arising on account of :		
Deferred tax liabilities		
Property, plant & equipment	37.06	45.34
Fair valuation of equity instruments	-	21.63
Deferred government grant	0.19	0.36
Right-of-use asset	123.09	73.83
Sub-total (a)	160.34	141.16
Deferred tax asset		
Cash flow hedge reserve	0.00	19.47
Right-of-use lease liabilities	131.23	79.13
Provision for rate difference	4.16	7.86
Provision for leave encashment	10.67	11.01
Plant and machinery recognised on account of government grant	0.19	0.36
Provision for bonus	11.58	11.01
Provision for doubtful debts and advances	4.99	3.99
Sub-total (b)	162.82	132.83
Net deferred tax (asset) / liabilities [(a)-(b)]	(2.48)	8.33

(i) Movement in deferred tax balance

(₹ in Mn)

Particulars	31 March 2024	Recognised/ reversed through profit and loss	Recognised/ reversed through other comprehensive income	31 March 2025
Deferred tax assets/liabilities arising on account of :				
Property, plant & equipment	45.34	(8.28)	-	37.06
Fair valuation of equity instruments	21.63	-	(21.63)	-
Deferred government grant	0.36	(0.17)	-	0.19
Cash flow hedge reserve	(19.47)	(0.00)	19.47	(0.00)
Right-of-use asset	73.83	49.26	-	123.09
Right-of-use lease liabilities	(79.13)	(52.10)	-	(131.23)
Provision for rate difference	(7.86)	3.70	-	(4.16)
Provision for leave encashment	(11.01)	0.34	-	(10.67)
Plant and machinery recognised on account of government grant	(0.36)	0.17	-	(0.19)
Provision for bonus	(11.01)	(0.57)	-	(11.58)
Provision for doubtful debts and advances	(3.99)	(1.00)	-	(4.99)
Total	8.33	(8.65)	(2.16)	(2.48)

Particulars	31 March 2023	Recognised/ reversed through profit and loss	Recognised/ reversed through other comprehensive income	31 March 2024
Deferred tax assets/liabilities arising on account of :				
Property, plant & equipment	55.12	(9.78)	-	45.34
Fair valuation of equity instruments	21.63	-	0.00	21.63
Deferred government grant	0.59	(0.23)	-	0.36
Cash flow hedge reserve	(11.55)	(15.84)	7.92	(19.47)
Right-of-use asset	54.94	18.89	-	73.83
Right-of-use lease liabilities	(59.56)	(19.57)	-	(79.13)
Provision for rate difference	(4.05)	(3.81)	-	(7.86)
Provision for leave encashment	(11.52)	0.51	-	(11.01)
Plant and machinery recognised on account of government grant	(0.59)	0.23	-	(0.36)
Provision for bonus	(10.47)	(0.54)	-	(11.01)
Provision for doubtful debts and advances	(9.15)	5.16	-	(3.99)
Total	25.39	(24.98)	7.92	8.33

Note - 22

(₹ in Mn)

	31 March 2025	31 March 2024
A Other non - current liabilities		
Deferred income*	8.06	8.82
	8.06	8.82

* Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment accounted for as government grant and being amortised over the useful life of such assets.

B Other current liabilities		
Payable to statutory authorities	42.53	30.41
Advance received from customers (contract liability)	24.37	22.47
	66.90	52.88

Note - 23

(₹ in Mn)

	31 March 2025	31 March 2024
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	70.52	111.19
- total outstanding dues of creditors other than micro enterprises and small enterprises	546.81	681.87
	617.33	793.06

Trade payables ageing

Particulars			As at 31 March 2025				
	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed- MSME	-	70.52	-	-	-	-	70.52
(ii) Undisputed- Others	0.24	511.47	32.42	2.23	-	-	546.36
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	0.45	0.45
Total	0.24	581.99	32.42	2.23	-	0.45	617.33



Trade payables ageing

Particulars			As at 31 March 2024				
	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed- MSME	-	111.19	-	-	-	-	111.19
(ii) Undisputed- Others	57.09	203.38	419.92	0.34	0.13	0.56	681.42
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	0.45	0.45
Total	57.09	314.57	419.92	0.34	0.13	1.01	793.06

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2025 and 31 March 2024:

		(₹ in Mn)	
Particulars		31 March 2025	31 March 2024
i	Principal amount remaining unpaid to any supplier as at the end of the accounting year;	70.52	111.19
ii	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	-	-
iii	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iv	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
v	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
vi	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note - 24

		(₹ in Mn)	
Other financial liabilities		31 March 2025	31 March 2024
Interest accrued but not due		1.10	0.76
Earnest money and security deposits		4.29	3.71
Unclaimed dividend		0.88	0.80
Derivative liability		-	10.31
Others*		132.94	163.29
		139.21	178.87

*Others include reimbursement of expenses, provision for expenses, liabilities related to compensation/claim, etc.

Note - 25

		(₹ in Mn)	
Revenue from operations		31 March 2025	31 March 2024
Sale of products			
Transmission gears and shafts-domestic		4,189.60	5,293.24
Transmission gears and shafts-export		2,197.13	2,293.81
Sale of services			
Sales job work		3.20	3.28
Other operating income			
Export incentives		46.61	54.40
Sales scrap		139.55	155.11
		6,576.09	7,799.84

Note - 26

(₹ in Mn)

	31 March 2025	31 March 2024
Other income		
Interest income		
Bank deposits	26.47	30.96
Others	8.49	8.86
Dividend Income	0.03	0.02
Provision written back	-	2.85
Net gain on exchange fluctuations	28.95	17.41
Net gain on sale of property, plant and equipment	6.93	4.33
Provisions written back - trade receivables	-	17.48
Income recognised on account of government assistance	0.76	1.42
Miscellaneous income	48.40	9.76
	120.03	93.09

Note - 27

(₹ in Mn)

	31 March 2025	31 March 2024
Cost of materials consumed		
Opening stock of raw material (steel rod and forgings)	96.74	76.00
Add: Purchase during the year (net of discount)	3,318.08	4,020.39
	3,414.82	4,096.39
Less: Closing stock of raw material (steel rod and forgings)	98.31	96.74
Net consumption	3,316.51	3,999.65

Note - 28

(₹ in Mn)

	31 March 2025	31 March 2024
Purchase of traded goods		
Opening stock of purchase of traded goods (transmission gears and shafts)	-	-
Add: Purchase during the year (transmission gears and shafts)	156.36	210.20
	156.36	210.20
Less: Closing stock of purchase of traded goods (transmission gears and shafts)	-	-
	156.36	210.20

Note - 29

(₹ in Mn)

	31 March 2025	31 March 2024
Changes in inventories of finished goods and work-in-progress		
Inventories at the end of the year:		
Finished goods (transmission gears and shafts)	234.47	215.61
Work-in-progress (transmission gears and shafts)	326.53	280.51
Inventories at the beginning of the year:		
Finished goods (transmission gears and shafts)	215.61	240.96
Work-in-progress (transmission gears and shafts)	280.51	249.54
Net (increase)/decrease	(64.88)	(5.62)

Note - 30

(₹ in Mn)

	31 March 2025	31 March 2024
Employee benefits expense		
Salaries and incentives	858.79	1,000.95
Contributions to provident and other funds	30.65	36.41
Gratuity fund contributions	8.58	8.72
Employee compensation expense	3.62	1.38
Staff welfare expenses	46.66	48.23
	948.30	1,095.69



Note - 31

(₹ in Mn)

	31 March 2025	31 March 2024
Finance costs		
Interest on		
Loans from banks & others	70.02	153.95
Lease liabilities	45.95	23.48
Others	0.73	0.30
Bank commission and charges	2.01	4.13
	118.71	181.86

Note - 32

(₹ in Mn)

	31 March 2025	31 March 2024
Other expenses		
Water, electricity and allied charges	290.23	340.19
Stores and spares consumed	560.72	648.06
Professional expenses	51.11	83.02
Repair and maintenance		
Plant and machinery	34.16	30.63
Buildings	2.63	2.49
Rent (refer note 45)	6.24	5.75
Insurance	38.61	37.25
Corporate social responsibility expenses (refer note (i) below)	10.21	2.80
Rates and taxes	2.47	3.32
Provision for doubtful debts	4.00	-
Auditor's remuneration*	2.00	2.26
Balances written off	0.00	0.68
Director's sitting fee	1.16	1.44
Freight and handling expenses	87.70	118.19
Charity and donation	0.05	0.04
Impairment of Investment	-	11.64
Miscellaneous expenses	166.43	159.99
	1,257.72	1,447.75

*Payment to auditors comprises of:		
Audit fees	1.70	1.70
Reimbursement of expenses	0.00	0.18
Other services	0.30	0.38
	2.00	2.26

(i) Details of CSR expenditure:	31 March 2025	31 March 2024
a) Gross amount required to be spent by the company during the year	12.58	11.59
b) Amount approved by the Board to be spent during the year	12.71	11.80
c) Amount spent during the year :		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	6.21	2.80
	6.21	2.80

d) Unspent amount in relation to: - Ongoing project For the year ended 31 March 2025

Opening Balance			Amount spent		Closing Balance	
with Company	In seprate CSR unspent A/c	Amount required to be spent during the year (incl. Interest on unspent account) *	From Company's bank a/c	From Separate CSR Unspent A/c	with company	In seprate CSR unspent account
-	9.00	13.03	6.21	4.00	-	11.82

* include interest earned of Rs.0.32 Mn on balance in unspent account during FY 2024-25 (PY FY 2003-24 is Nil)

For the year ended 31 March 2024

Opening Balance		Amount required to be spent during the year	Amount spent		Closing Balance	
with Company	In seprate CSR unspent A/c		From Company's bank a/c	From Separate CSR Unspent A/c	with company	In seprate CSR unspent account
-	-	11.80	2.80	-	-	9.00

e) Corporate social responsibility expenses

The requisite disclosure relating to CSR expenditure in terms on Guidance Note on Corporate Social Responsibility (CSR) issued by Institute of Chartered Accountants of India:

a) Amount spent during the financial year ended 31 March 2025 and 31 March 2024 on:

(₹ in Mn)

Particulars	Period	Bank payment	Yet to be paid in cash	Total
Education, technical education including research and development	31 March 2025	5.11	-	5.11
	31 March 2024	2.00	-	2.00
Integrity community development	31 March 2025	-	-	-
	31 March 2024	-	-	-
Prime Minister National Relief Fund	31 March 2025	-	-	-
	31 March 2024	0.50	-	0.50
Promoting Healthcare including Preventive Healthcare	31 March 2025	-	-	-
	31 March 2024	-	-	-
Setting up homes for women and orphans/Setting up old age homes, day care centres and such other facilities for senior citizens.	31 March 2025	1.00	-	1.00
	31 March 2024	0.20	-	0.20
Others	31 March 2025	0.10	-	0.10
	31 March 2024	0.10	-	0.10
Total	31 March 2025	6.21	-	6.21
	31 March 2024	2.80	-	2.80

Note - 33

(₹ in Mn)

	31 March 2025	31 March 2024
Income tax		
Tax expense comprises of:		
Current tax	170.98	169.02
Deferred tax charge	(8.66)	(9.14)
Earlier years tax adjustments (net)	(0.41)	(5.31)
Income tax expense reported in the statement of profit and loss	161.91	154.57

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.167% and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax	635.69	647.26
At India's statutory income tax rate of 25.167%	159.98	162.90
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of expenses which will never be allowed	0.83	(0.37)
Earlier years tax adjustments (net)	(0.41)	(5.31)
Others	1.51	(2.65)
Income tax expense	161.91	154.57



Note - 34

(₹ in Mn)

	31 March 2025	31 March 2024
Earnings per share		
Net profit attributable to equity shareholders		
Net profit for the year	473.78	492.69
Nominal value of equity share (₹)	10	10
Total number of equity shares outstanding at the beginning of the year	1,87,78,186	1,87,68,000
Total number of equity shares outstanding at the end of the year	1,87,93,217	1,87,78,186
Weighted average number of equity shares	1,87,80,163	1,87,73,093
Number of dilutive potential equity shares	24,327	33,932
No. of equity shares used to compute diluted earnings per share	1,88,04,490	1,88,12,118
(1) Basic (₹)	25.23	26.24
(2) Diluted (₹)	25.19	26.19

Note - 35A

Financial instruments

i) Fair values hierarchy

Financial assets and liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

(₹ in Mn)

Particulars	31 March 2025			31 March 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investment in equity instrument through OCI	-	6.37	-	-	122.54	-
Trade receivables	-	-	1,161.93	-	-	1,420.69
Loans	-	-	74.81	-	-	81.29
Cash and cash equivalents	-	-	64.44	-	-	60.20
Other bank balances	-	-	243.06	-	-	398.61
Other financial assets	-	-	66.21	-	-	80.45
Total financial assets	-	6.37	1,610.45	-	122.54	2,041.24
Financial liabilities						
Borrowings	-	-	555.02	-	-	1,159.26
Lease Liabilities	-	-	553.72	-	-	314.40
Trade payables	-	-	617.33	-	-	793.06
Derivative liability	-	-	-	10.31	-	-
Other financial liabilities	-	-	138.11	-	-	167.80
Total financial liabilities	-	-	1,864.18	10.31	-	2,434.52

Investment in subsidiary is measured at cost and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures". Hence, the same have been excluded from the above table.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

(₹ in Mn)

Particulars	Fair value	
	31 March 2025	31 March 2024
Unquoted equity investments *	4.75	120.96

Sensitivity analysis

(₹ in Mn)

Description	31 March 2025	31 March 2024
Impact on fair value if change in share price of investment in equity shares		
- Impact of increase in discount rate by 0.5 %	4.80	129.36
- Impact of decrease in discount rate by 0.5 %	4.70	(113.35)

The following table presents the changes in level 3 items for the period ended 31 March 2025 and 31 March 2024:

(₹ in Mn)

Particulars	Unquoted equity shares
As at 31 March 2023	120.96
Gain recognised in other comprehensive income	-
As at 31 March 2024	120.96
Loss recognised in other comprehensive income	(116.21)
As at 31 March 2025	4.75

iii) Financial assets and Liabilities measured at fair value - recurring fair value measurements

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis at 31 March 2025, 31 March 2024:

(₹ in Mn)

Particulars	Period	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets						
Investments at fair value through other comprehensive income						
Equity investments	31 March 2025	6.37	1.62	-	4.75	6.37
	31 March 2024	122.54	1.58	-	120.96	122.54
At fair value through profit or loss						
Derivative financial liabilities	31 March 2025	-	-	-	-	-
	31 March 2024	10.31	-	10.31	-	10.31

iv) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

(₹ in Mn)

Particulars	Level	31 March 2025		31 March 2024	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Loans	Level 3	74.81	74.81	81.29	81.29
Other financial assets	Level 3	66.21	66.21	80.45	80.45
Total financial assets		141.02	141.02	161.74	161.74
Financial liabilities					
Borrowings	Level 3	555.02	555.02	1,159.26	1,159.26
Lease Liabilities	Level 3	553.72	553.72	314.40	314.40
Total financial liabilities		1,108.74	1,108.74	1,473.66	1,473.66

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the Company's interest-bearing borrowings, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.
- The use of quoted market prices for quoted equity instruments.
- Fair value of unquoted equity shares was determined based on the fair market value per share by the registered valuer for the year ended March 31, 2025.
- Investment in subsidiaries are classified as equity investments have been accounted at historical cost less accumulated impairment, if any, since these are scope out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above.
- The use of quoted market prices for derivative contracts at balance sheet date. For hedge related disclosures, refer note 44.

During the financial year 2024-25 and 2023-24, there were no transfer between Level 1, Level 2 and Level 3 fair value measurements.



Note - 35B

Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, Investments, trade receivables, other financial assets.	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required.
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.
Market risk - security price	Investments in equity securities.	Sensitivity analysis	Portfolio diversification.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- A: Low
- B: Medium
- C: High

The Company provides for expected credit loss based on the following:

Asset groups	Basis of categorisation	Provision for expected credit loss
Low	Cash and cash equivalents, investments, other bank balances, loans, trade receivables other financial assets	Life time expected credit loss or 12 month expected credit loss
Medium	Trade receivables and other financial asset	Life time expected credit loss or 12 month expected credit loss
High	Trade receivables and other financial asset	Life time expected credit loss fully provided for

Life time expected credit loss is provided for trade receivables.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

(₹ in Mn)

Credit rating	Particulars	31 March 2025	31 March 2024
A: Low	Cash and cash equivalents, investments, other bank balances, loans and other financial assets	454.90	743.10
B: Medium	Trade receivables and other financial asset	1,163.53	1,415.64
C: High	Trade receivables and other financial asset	18.24	20.88

ii) *Concentration of trade receivables*

The Company's exposure to credit risk for trade receivables is presented as below. Loans and other financial assets majorly represents loans to employees and deposits given for business purposes.

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Original equipment manufacturer	889.12	1,013.09
Others	290.60	421.39
Total	1,179.72	1,434.48

b) **Credit risk exposure**

i) **Provision for expected credit losses**

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2025

(₹ in Mn)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	64.44	-	64.44
Investment	6.37	-	6.37
Other bank balances	243.06	-	243.06
Loans	74.81	-	74.81
Other financial assets	68.26	2.05	66.21

As at 31 March 2024

(₹ in Mn)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	60.20	-	60.20
Investment	122.54	-	122.54
Other bank balances	398.61	-	398.61
Loans	81.29	-	81.29
Other financial assets	82.50	2.05	80.45

Reconciliation of loss provision – lifetime expected credit losses and 12 month expected credit losses

(₹ in Mn)

Reconciliation of loss allowance	Trade receivables	Other financial asset
Loss allowance as on 31 March 2023	34.33	2.05
Impairment loss recognised/reversed during the year	(20.54)	-
Loss allowance on 31 March 2024	13.79	2.05
Impairment loss recognised/reversed during the year	4.00	-
Loss allowance on 31 March 2025	17.79	2.05

B) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.



Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in Mn)

31 March 2025	Less than 1 year	1-2 years	More than 2 year	Total
Non-derivatives				
Borrowings	20.00	20.00	60.00	100.00
Lease Liabilities	31.58	34.48	487.66	553.72
Trade payable	617.33	-	-	617.33
Other financial liabilities	138.11	-	-	138.11
Derivatives				
Derivative liability	-	-	-	-

(₹ in Mn)

31 March 2024	Less than 1 year	1-2 years	More than 2 year	Total
Non-derivatives				
Borrowings	181.77	112.80	191.60	486.17
Lease Liabilities	18.45	22.16	273.79	314.40
Trade payable	793.06	-	-	793.06
Other financial liabilities	167.80	-	-	167.80
Derivatives				
Derivative liability	10.31	-	-	10.31

The Company had access to following funding facilities :

As at 31 March 2025

(₹ in Mn)

Funding facilities	Total facility	Drawn	Undrawn
Less than 1 year	1,590.00	453.92	1,136.08
Total	1,590.00	453.92	1,136.08

As at 31 March 2024

(₹ in Mn)

Funding facilities	Total facility	Drawn	Undrawn
Less than 1 year	1,590.00	672.34	917.66
Total	1,590.00	672.34	917.66

C) Market risk

i) Foreign exchange risk

The Company has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports and exports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company does not hedge its foreign exchange receivables/payables.

ii) Derivative financial instrument

The Company uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. The Company does not enter into complex derivative transactions to manage the risks. The derivative transactions are normally in the form of forward contracts and these are subject to the Company guidelines and policies.

The fair values of all derivatives are separately recorded in the balance sheet within current financial assets. Derivatives that are designated as hedges are classified as current depending on the maturity of the derivative. The use of derivatives can give rise to credit and market risk. The Company tries to control credit risk as far as possible by only entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

Foreign currency risk exposure:

(₹ in Mn)

Particulars	Currency	Amount in foreign currency		Amount in INR	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
Receivables					
Export trade receivable and advances	USD	5.25	6.10	448.97	508.62
	EURO	0.29	0.41	26.66	37.24
Foreign currency loans	CAD	1.18	1.28	70.06	78.34
Payables					
	USD	(0.09)	(0.31)	(7.78)	(26.04)
Payable for imports and others	EURO	(0.01)	(0.00)	(0.60)	(0.17)
	GBP	-	(0.00)	-	(0.06)
	CHF	-	(0.02)	-	(1.90)

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in Mn)

Particulars	Currency	Exchange rate increase by 5%		Exchange rate decrease by 5%	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
Receivables					
Export trade receivable	USD	22.45	25.43	(22.45)	(25.43)
	EURO	1.33	1.86	(1.33)	(1.86)
Foreign currency loans	CAD	3.50	3.92	(3.50)	(3.92)
Payables					
	USD	0.39	1.30	(0.39)	(1.30)
Payable for imports and others	EURO	0.03	0.01	(0.03)	(0.01)
	GBP	-	0.00	-	(0.00)
	CHF	-	0.09	-	(0.09)

ii) Interest rate risk

- a) The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Variable rate borrowing	1,108.74	1,473.67
Fixed rate borrowing	-	-
Total borrowings	1,108.74	1,473.67

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Interest rates – increase by 50 basis points	(5.54)	(7.37)
Interest rates – decrease by 50 basis points	5.54	7.37

b) Assets

The Company's fixed deposits and loans are carried at fixed rate. Therefore, the said assets are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

iii) Price risk

The Company's exposure to price risk arises from investments held and classified as FVOCI. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Sensitivity analysis

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the year -

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Price sensitivity		
Price increase by (5%) - FVOCI*	0.08	0.08
Price decrease by (5%) - FVOCI	(0.08)	(0.08)

* For sensitivity analysis in equity investment in shares of Altigreen, refer note 35 A, level 3 disclosure.



Note - 36

Related party disclosures

a) List of related parties and relationships

i) Parties where control exists:

Subsidiary Company:

- (a) 2545887 Ontario Inc., Canada

Step down subsidiaries:

- | | |
|--|---------------------------------------|
| (i) The Hi-Tech Gears Canada Inc. | (iv) Teutech Leasing Corporation, USA |
| (ii) Teutech Holding Corporation, USA | (v) 2504584 Ontario Inc., Canada * |
| (iii) Teutech LLC, USA | (vi) 2323532 Ontario Inc., Canada * |
| (b) Neo- Tech Auto Systemz Inc., USA | |
| (c) Neo- Tech Smart Solutions Inc., Canada | |

*Pursuant to restructuring process, two Step-Down Subsidiaries i.e., 2323532 Ontario Inc. and 2504584 Ontario Inc. have been Amalgamated with 'The Hi-Tech Gears Canada Inc. (Step down Subsidiary of the Company) w.e.f. 15/06/2023 (IST) by filing of Articles of Amalgamation and confirmation by the Ontario Business Registry by vide OCN 1000501804 and Transaction no 46460689 and both the aforesaid Step-Down Subsidiaries, viz 250 and 232 are ceased to exist w.e.f. 15/06/2023

ii) Key Management Personnel (KMP) and their Relatives

- | | |
|--|--|
| (i) Mr. Deep Kapuria (Executive Chairman and Whole Time Director) | (xiv) Mr. Ramesh Shankarmal Pilani (Independent Director) ⁴ |
| (ii) Mr. Anant Jaivant Talaulicar (Vice Chairman and Non Executive Director) | (xv) Mr. Vikram Rupchand Jaisinghani (Independent Director) ² |
| (iii) Mr. Pranav Kapuria (Managing Director) | (xvi) Mr. Sameer Gupta (Independent Director) ² |
| (iv) Mr. Anuj Kapuria (Whole Time Director) | (xvii) Mr. Arjun Juneja (Independent Director) ² |
| (v) Mr. Sandeep Dinodia (Independent Director) ³ | (xviii) Mr. Deval Mahadev Desai (Independent Director) ² |
| (vi) Mr. Anil Kumar Khanna (Independent Director) ³ | (xix) Mr. Girish Narang (Whole Time Director and Key Managerial Personnel) ² |
| (vii) Mr. Krishna Chandra Verma (Independent Director) ³ | (xx) Mrs. Suchitra Rajendra (Independent Director) ⁶ |
| (viii) Ms. Malini Sud (Independent Director) ⁵ | (xxi) Mr. Kapil Rajora (Chief Financial Officer) |
| (ix) Mr. Amresh Kumar Verma (Whole-time Director) ¹ | (xxii) Mr. Naveen Jain (Company Secretary) |
| (x) Mr. Bidadi Anjani Kumar (Non Executive Director) | (xxiii) Mrs. Veena Kapuria (Wife of Mr. Deep Kapuria) |
| (xi) Mr. Rajiv Batra (Independent Director) | (xxiv) Mr. Subir Kumar Chowdhury (Whole-time Director designated as "Executive Director and President") ⁷ |
| (xii) Mr. Vinit Taneja (Independent Director) ³ | (xxv) Mr. Sumit Kumar (Chief Financial Officer) ⁸ |
| (xiii) Mr. Kawal Jain (Non Executive Director) | |

1. Mr. Amresh Kumar Verma has taken early retirement from the office of Whole-time Director and Key Managerial Personnel w.e.f. the closure of Business hours of August 06, 2024.
2. Mr. Vikram Rupchand Jaisinghani, Mr. Sameer Gupta, Mr. Arjun Juneja, Mr. Deval Mahadev Desai and Mr. Girish Narang were appointed w.e.f. August 06, 2024
3. Mr. Sandeep Dinodia, Mr. Anil Kumar Khanna, Mr. Krishan Chandra Verma and Mr. Vinit Taneja have retired with effect from the closure of business hours of September 17, 2024.
4. Mr. Ramesh Shankarmal Pilani appointed as Non Executive Independent Director of the Company has resigned w.e.f the closure of Business hours of January 27, 2025.
5. Ms. Malini Sud retired from the position of Non-Executive - Independent Director w.e.f. February 12, 2025.
6. Mrs. Suchitra Rajendra appointed as Non-Executive - Independent Director of the company w.e.f. February 11, 2025.
7. Mr. Subir Kumar Chowdhury, Whole-time Director designated as Executive Director and President resigned from the Board of the Company w.e.f October 18, 2023.
8. Mr. Sumit Kumar resigned from the position of Chief Financial Officer and KMP with effect from closing of business hours dated August 14, 2023.

iii) Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions has been undertaken:-

- (i) Aquarian Fibrecement Private Limited
- (ii) Vulcan Electro Controls Limited
- (iii) The Hi-Tech Robotic Systemz Limited
- (iv) The Hi-Tech Engineering Systems Private Limited
- (v) Novus Hi-Tech Robotic Systemz Private Limited
- (vi) Summit Inport Services Limited

(b) Transactions with related parties carried out in the ordinary course of business:

(₹ in Mn.)

S. No	Particulars	Related Parties											Total	
		Year	Subsidiary Company			Step down Subsidiary	Enterprise over which Key Management personnel and their relatives exercise significant influence					Key Management Personnel and its relatives		
			2545887 Ontario Inc., Canada	Neo Tech Smart Solutions Inc. Canada	Neo Tech Auto Systems Inc. USA		The Hi-Tech Gears Canada Inc.	Aquarian Fibrecement Private Limited	Vulcan Electro Controls Limited	The Hi-Tech Engineering Systems Private Limited	The Hi-Tech Robotic Systems Limited			Summit Import Services Limited
1	Purchase of goods	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	1,051.19 1,612.51	270.03 379.59	- -	- -	- -	1,321.22 1,992.10	
2	Sale of goods	31 March 2025 31 March 2024	- -	- -	- -	136.77 185.69	- -	3.30 3.39	0.15 -	- -	- -	- -	140.22 189.08	
3	Rendering of job work/services	31 March 2025 31 March 2024	- -	- -	- 0.62	- -	- -	0.00 0.02	4.54 9.10	- -	- -	- -	4.54 9.74	
4	Purchase of asset	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	- -	65.11 -	- -	- -	- -	65.11 -	
5	Receiving of job work/services	31 March 2025 31 March 2024	- -	0.61 -	2.74 -	- -	- -	156.13 137.10	- -	30.00 35.00	- -	- -	189.48 172.10	
6	Leasing or hire purchase arrangements	31 March 2025 31 March 2024	- -	- -	- -	- -	20.79 18.90	- -	- -	- -	- -	- 4.85	20.79 23.75	
7	Remuneration paid*	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	- -	- -	- -	- -	136.35 127.00	136.35 127.00	
8	Commission paid	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	- -	- -	- -	- -	6.06 8.08	6.06 8.08	
9	Sitting fees	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	- -	- -	- -	- -	1.16 1.89	1.16 1.89	
10	Rent Paid	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	- -	- -	- -	- 0.03	5.34 -	5.37 -	
11	Loan Provided	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	- -	- -	- -	- -	0.52 -	0.52 -	
12	Interest on Loan	31 March 2025 31 March 2024	4.22 5.23	- -	- -	- -	- -	- -	- -	- -	- -	- -	4.22 5.23	
13	Re-imbursement received	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	0.10 -	- -	- -	- -	- -	- 0.10	

***The remuneration of Key Managerial Personnel included in various schedules to statement of profit and loss is as under:-**

Particulars*	31 March 2025	31 March 2024
Short term employee benefits	130.79	127.76
Defined contribution plan	5.56	5.60

* Does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

(c) Closing balance with related parties in the ordinary course of business :

[illegible]

Terms and conditions of transactions with related parties

- i) All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis
- ii) For the year ended 31 March, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2023-24: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(This space has been intentionally left blank)

Note - 37

Capital management

The Company's objectives when managing capital are to:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by overseeing the following ratios -

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Net debt*	1,044.30	1,413.47
Total equity	4,705.94	4,430.66
Net debt to equity ratio	0.22	0.32

*Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued - cash and cash equivalents

Note - 38

Contingent liabilities and commitments

(to the extent not provided for)

A Contingent liabilities

1) Details of bank guarantees are as under:-

(₹ in Mn)

S.No	Name of the beneficiary	31 March 2025	31 March 2024
1	Dy. Commissioner Customs Export, Tughlakabad, Delhi	0.15	0.15
2	The President of India (Through Asstt./Dy Commissioner of Customs)	0.48	0.48
3	Rajasthan Rajya Vidut Prasaran Nigam Limited	0.03	0.03
4	Haryana City Gas Distribution (Bhiwadi) LTD	2.78	2.78
5	Haryana City Gas Distribution (Bhiwadi) LTD	0.70	0.70
6	The Chief Engineer (NPP And RA), Vidyut Bhawan	-	2.45
7	Ministry of Heavy Industries, Government of India, represented by IFCI Limited	10.00	10.00
8	Rajasthan Renewable Energy Corporation Limited	-	2.25
9	Rajasthan Renewable Energy Corporation Limited	1.70	1.70
10	Chief Engineer NPP and RA Rajasthan Rajya Vidut Prasaran Nigam Ltd	0.02	-
11	Chief Engineer NPP and RA Rajasthan Rajya Vidut Prasaran Nigam Ltd	0.01	-
	Total	15.87	20.54

2) Contingent liabilities on account of statutory demands not provided for in the books of account are as follows:-

a) Direct Tax

(₹ in Mn)

S.No	Particulars	Period to which the amount relates	31 March 2025	31 March 2024
1	Income Tax Act, 1961	Assessment Year 2019-20	2.66	2.66
	Income Tax Act, 1961	Assessment Year 2019-20	0.30	0.30
	Income Tax Act, 1961	Assessment Year 2019-20	0.05	0.05
	Total		3.01	3.01



b) Indirect Tax

(₹ in Mn)

S.No	Particulars	Period to which the amount relates	31 March 2025	31 March 2024
1	Central Excise Act, 1944	April 2005 to March 2008	1.04	1.04
2	Central Excise Act, 1944	August 2014 to July 2015	2.02	2.02
3	Central Excise Act, 1944	August 2015 to February 2017	3.62	3.62
4	Central Excise Act, 1944	March 2017 to September 2017	1.60	1.60
5	Goods & Service Tax *	July 2017 To December 2018	-	62.87
6	Goods & Service Tax	Jan 2019 To March 2019	2.30	2.30
7	Service Tax	September 2016 to March 2017	0.10	0.10
	Total		10.68	73.55

* Goods & Service tax demand of Rs.62.87 Mn has been dropped, vide order dated 29.04.2025 passed in favour of The Hi-Tech Gears Limited (the company) by Honourable Commissioner Appeal (CGST Central Excise & Customs, Jaipur)

- 3) There are three legal cases filed by past employees against the Company for re-instatement/settlement of their dues/remuneration related matters. All cases are pending at various stages at Camp Court, Bhiwadi, Rajasthan. There is one case filed in NCLT under the provision of IBC Act related to commercial dispute with parties. The financial impact of these cases, if any, is not identifiable and hence the same has not been provided in the financial statements of the Company.

B Commitments:

"Capital commitments (Net of advances)"

Estimated amount of contracts remaining to be executed on capital accounts Rs 27.97 Mn after adjusting advances (Previous years: 31 March 2024: Rs 96.61 Mn).

Note - 39

Dividends

- A The Board of Directors at its meeting held on May 29, 2025 have recommended a Final dividend of ₹. 5.00/- per equity share of ₹ 10/- each i.e. @ 50% on paid-up equity share capital of the company subject to approval of members at its ensuing Annual General Meeting.

- B Dividend declared and paid in earlier years are as follows –

(₹ in Mn)

Nature	31 March 2025	31 March 2024
Final dividend	93.89	46.92

Note - 40

Employee benefits

- A **Compensated absences - earned leave**

Risk

Salary Increases	Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment Risk	If plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount Rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

i) Amounts recognised in the balance sheet:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Present value of the obligation	42.40	43.75
Net obligation recognised in balance sheet as provision	42.40	43.75
Current liability (amount due within one year)	5.14	5.61
Non-current liability (amount due over one year)	37.26	38.14

ii) Expenses recognised in statement of profit and loss:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Current service cost	6.17	7.16
Interest cost	3.16	3.37
Actuarial (gain)/loss net on account of:		
-Changes in experience adjustment	1.13	3.50
Cost recognised during the year	10.46	14.03

iii) Movement in the liability recognised in the balance sheet is as under:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
a) Amount spent during the financial year ended 31 March 2025 and 31 March 2024 on:	43.75	45.76
Current service cost	6.17	7.16
Interest cost	3.16	3.37
Actuarial (gain)/loss net	1.13	3.50
Benefits paid	(11.81)	(16.04)
Present value of defined benefit obligation at the end of the year	42.40	43.75

iv) (a) For determination of the liability of the Company the following actuarial assumptions were used:

Particulars	31 March 2025	31 March 2024
Discount rate	6.78%	7.23%
Salary escalation rate	8.50%	8.50%
Retirement Age (years)	58.00	58.00
Ages	Withdrawal rate (%)	
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Leave		
Leave availment rate	5.00%	5.00%
Leave lapse rate while in service	0.00%	0.00%
Leave lapse rate on exit	0.00%	0.00%
Leave encashment rate while in service	5.00%	5.00%

Mortality rates inclusive of provision for disability -100% of IALM 2012-14

(b) Maturity profile of defined benefit obligation

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
0 to 1 year	5.14	5.61
1 to 2 year	1.99	2.34
2 to 3 year	3.00	1.78
3 to 4 year	2.67	2.82
4 to 5 year	2.30	2.50
5 to 6 year	3.43	2.21
6 year onwards	23.87	26.48



v) Sensitivity analysis for compensated absences liability

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	42.40	43.75
Impact due to increase of 0.50 %	(1.71)	(1.85)
Impact due to decrease of 0.50 %	1.84	1.99
b) Impact of the change in salary increase		
Present value of obligation at the end of the year	42.40	43.75
Impact due to increase of 0.50 %	1.80	1.95
Impact due to decrease of 0.50 %	(1.69)	(1.83)

Sensitivities due to mortality and withdrawals are not material. Hence impact of change is not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

B Gratuity**Risk**

Salary Increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment Risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount Rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

i) Amounts recognised in the balance sheet:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Present value of the obligation	145.43	142.89
Fair value of plan assets	154.05	156.55
Net (assets) / liability recognised in balance sheet as provision	(8.62)	(13.66)
Current (assets) liability (amount due within one year)	(8.62)	(13.66)

ii) Gain recognised in other comprehensive income:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Actuarial gain/(loss) on asset	0.02	(0.33)
Actuarial gain on PBO	0.96	6.95
Gain recognised in other comprehensive income	0.98	6.62

iii) Actuarial (gain)/loss on obligation:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Actuarial (gain)/loss net on account of:		
-Changes in financial assumptions	3.87	1.23
-Changes in experience adjustment	(4.83)	(8.18)

iv) Expenses recognised in statement of profit and loss

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Current service cost	9.57	9.54
Interest cost	(0.99)	-0.82
Cost recognised during the year	8.58	8.72

v) Major categories of plan assets (as percentage of total plan assets)

Particulars	31 March 2025	31 March 2024
Government of India Securities	0%	0%
State Government securities	0%	0%
High Quality Corporate Bonds	0%	0%
Equity Shares of listed companies	0%	0%
Funds managed by insurer	100%	100%
Bank Balance	0%	0%
Total	100%	100%

vi) Change in plan assets is as under:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Fair value of plan assets at the beginning of the period	156.55	156.76
Actual return on plan assets	11.34	11.22
Employer contributions	2.57	4.63
Benefits paid	(16.41)	(16.06)
Fair value of plan assets at the end of the period	154.05	156.55

vii) Movement in the liability recognised in the balance sheet is as under:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Present value of defined benefit obligation at the beginning of the year	142.89	145.62
Current service cost	9.57	9.54
Interest cost	10.33	10.73
Actuarial gain net	(0.95)	(6.95)
Benefits paid	(16.41)	(16.05)
Present value of defined benefit obligation at the end of the year	145.43	142.89

viii) (a) For determination of the liability of the Company the following actuarial assumptions were used:

Particulars	31 March 2025	31 March 2024
Discount rate	6.78%	7.23%
Salary escalation rate	8.50%	8.50%
Retirement age (years)	58.00	58.00
Withdrawal rate		
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Weighted average duration of PBO	10.49	10.58

Mortality rates inclusive of provision for disability -100% of IALM 2012-14 (P.Y. 2012 – 14)

(b) Maturity profile of defined benefit obligation:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
0 to 1 year	21.12	21.76
1 to 2 year	10.80	9.85
2 to 3 year	10.78	9.42
3 to 4 year	13.32	10.97
4 to 5 year	12.59	12.44
5 to 6 year	12.22	11.14
6 year onwards	64.60	67.31



ix) Sensitivity analysis for gratuity liability:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	145.43	142.89
Impact due to increase of 0.50 %	(4.33)	(4.35)
Impact due to decrease of 0.50 %	4.58	4.62
b) Impact of the change in salary increase		
Present value of obligation at the end of the year	145.43	142.89
Impact due to increase of 0.50 %	4.23	4.26
Impact due to decrease of 0.50 %	(4.05)	(4.08)

Sensitivities due to mortality and withdrawals are not material .Hence impact of change is not calculated

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

Note - 41

Segment information

In line with the provisions of Ind AS 108 – operating segments, the operations of the Company fall primarily under manufacturing of gears and transmissions, which is considered to be the only reportable segment by the management.

Since all the manufacturing activity is done at India, therefore segregation of expenses/result/assets/liabilities to each of the geographic location is not practicable. The geographic segments individually contributing 10 percent or more of the Company's revenues are given below:

(₹ in Mn)

Geographical Segment	Revenue	
	31 March 2025	31 March 2024
India	4,788.29	5,648.40
America	873.12	1,041.63
Others	914.68	1,109.81
Total	6,576.09	7,799.84

Information about major customer

During the year ended 31 March 2025 revenue of approximately 67.88% are derived from 3 external customer (previous year: 69.17% was derived from 3 external customer) having more than 10% share independently

Note - 42

Disclosure under Ind AS - 37 “Provisions, Contingent Liabilities and Contingent Assets”: Movements in each class of provision during the financial year, are set out below:

(₹ in Mn)

Particulars	Provision on rate differences*
As at 31 March 2023	16.09
Less: Amounts used during the year	15.13
As at 31 March 2024	31.22
Add: Amounts provision during the year	(14.91)
As at 31 March 2025	16.31

*This provision reflects the amount that could be payable on account of foreign exchange adjustment on export.

Note - 43

Revenue recognised in relation to contract liabilities

Ind AS 115 requires disclosure of major changes on account of revenue recognised in the reporting period from the contract liability balance at the beginning of the period and other changes, as summarised below:

(₹ in Mn)

Description	Year ended 31 March 2025	Year ended 31 March 2024
Contract liabilities at the beginning of the year	22.47	55.30
Less: performance obligations satisfied in current year	(1.83)	(37.68)
Add: advance received during the year.	16.43	4.85
Contract liabilities at the end of the year	37.07	22.47

Disaggregation of revenue

Revenue arises mainly from the sale of manufactured and traded goods, sale of software, and job work services.

(₹ in Mn)

Description	Year ended 31 March 2025	Year ended 31 March 2024
Sale of goods	6,572.89	7,796.56
Job work	3.20	3.28
	6,576.09	7,799.84

(₹ in Mn)

Geographical markets	Year ended 31 March 2025	Year ended 31 March 2024
India	4,788.29	5,648.40
America	873.12	1,041.63
Others	914.68	1,109.81
	6,576.09	7,799.84

Reconcile the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Mn)

Description	Year ended 31 March 2025	Year ended 31 March 2024
Revenue recognised during the year	6,576.09	7,799.84
Less: Discount, rebates, credits etc.	-	-
Revenue as per the contract	6,576.09	7,799.84

Timing of Revenue recognition:

(₹ in Mn)

Description	Year ended 31 March 2025	Year ended 31 March 2024
Revenue recognised at point in time		
Sale of goods	6,572.89	7,796.56
Revenue recognised over time		
Job work	3.20	3.28
	6,576.09	7,799.84

Note - 44

Derivative financial instruments and hedge accounting

The Company is exposed to foreign currency risk from foreign currency borrowings and highly probable forecasted sales, primarily denominated in USD and EURO. The Company has a risk management policy which aims to hedge foreign currency and interest rate arising from its borrowings denominated in a currency other than the functional currency of the Company. The Company uses cross currency swap and interest rate swaps to hedge its exposure to foreign currency and interest rate risk. The Company designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in cash flow hedges.



Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company uses dollar offset method using a hypothetical derivatives, dollar offset method is a quantitative method that consists of comparing the change in fair value or cash flows of the hedging instrument with the change in fair value or cash flows of the hedged item attributable to the hedged risk.

The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

Impact of hedging activities

(a) Disclosures of effects of hedge accounting on balance sheet:

As on 31 March 2025

(₹ in Mn)

Type of hedge and risks	Notional amount	Carrying amount of hedging instruments		Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets (₹ in mn)	Liabilities (₹ in mn)					
Cash flow hedge								
<i>Foreign exchange risk</i>								
(i) Cross currency swaps	EUR 6.46	-	-	Jun 2020 - Dec 2024	1:1	78.18	10.31	(10.31)
<i>Interest rate risk</i>								
(ii) Interest rate swaps	USD -	-	-			-	(8.23)	8.23

As on 31 March 2024

(₹ in Mn)

Type of hedge and risks	Notional amount	Carrying amount of hedging instruments		Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets (₹ in mn)	Liabilities (₹ in mn)					
Cash flow hedge								
<i>Foreign exchange risk</i>								
(i) Cross currency swaps	EUR 6.46	-	10.31	Jun 2020 - Dec 2024	1:1	78.18	(13.83)	13.83
<i>Interest rate risk</i>								
(ii) Interest rate swaps	USD -	-	-			-	(22.52)	22.52

(b) Disclosure of effects of hedge accounting on statement of profit and loss

For the year ended 31 March 2025

(₹ in Mn)

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
Cash flow hedge				
Foreign exchange risk	10.31	-	-	Revenue
Interest rate risk	(8.23)	-	-	Finance cost

For the year ended 31 March 2024

(₹ in Mn)

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
Cash flow hedge				
Foreign exchange risk	(13.83)	-	28.79	Revenue
Interest rate risk	(22.52)	-	-	Finance cost

(c) Movement in cash flow hedging reserve

(₹ in Mn)

	Year ended 31 March 2025	Year ended 31 March 2024
<u>Cash flow hedge reserve</u>		
Opening Balance	(2.08)	(0.87)
Add: Changes in fair value of hedging instruments	2.08	(36.34)
Less: Amounts reclassified to profit or loss	-	28.79
Less: Deferred tax relating to above (net)	-	6.34
Closing Balance	0.00	(2.08)

Note - 45

Lease related disclosures

The Company has leases for land, solar plants, flat and office building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability as a borrowings. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Short-term leases	6.24	5.75
Leases of low value assets	-	-
Variable lease payments	-	-

B Total cash outflow for leases for the year ended 31 March 2025 was Rs. 72.24 Mn (previous year 31 March 2024 was Rs. 46.61 Mn).

C The Company has total commitment for short-term leases of Rs. 6.67 Mn as at 31 March 2025 (previous year 31 March 2024 was Rs. 3.56 Mn).

D Amounts recognised in the statement of profit or loss:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Amortization on right-of-use assets	38.52	27.71
Interest on lease liabilities	45.95	23.48

E Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

(₹ in Mn)

31 March 2025	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	78.63	78.52	77.67	63.87	48.97	791.42	1,139.08
Interest expense	47.05	44.04	40.92	37.76	36.42	379.17	585.36
Net present values	31.58	34.48	36.75	26.11	12.55	412.25	553.72

31 March 2024	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	44.67	46.57	48.67	51.00	37.64	356.62	585.17
Interest expense	26.22	24.41	22.23	19.68	16.98	161.25	270.77
Net present values	18.45	22.16	26.44	31.32	20.66	195.37	314.40



F Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2025 is Nil (31 March 2024 is of Rs.Nil).

G Information about extension and termination options

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Land	7	20-91 years	53 years	3	4	3
Residential flat*	4	70-75 years	73 years	0	4	0
Factory premises	1	4 years	4 years	1	0	1
Solar plants	3	20-25 years	24 years	3	3	3

Note - 46

ESOP Related Disclosure

a. Description of share based payment arrangements

i. Share Options Schemes

The Hi-Tech Gears Limited Stock Incentives Plan, 2021

The Scheme has been adopted by the Board of Directors on 12 April 2021, read with the Special Resolution passed by the Members of the Company on 29 September 2021 and shall be deemed to come into force with effect from 29 September 2021 being the date of approval by the Members. The maximum number of options that can be granted to any eligible employee were reserved at 600,000 Equity shares representing 3.20% of the outstanding number of shares issued by the company on the date when the plan is approved. For vesting, there shall be a lock in of minimum period of one year between Grant of options and its vesting. Vesting of Options will take place over period of four years in the manner as under:

- On completion of Year 3 from date of Grant: 50% of options granted
- On completion of Year 4 from date of Grant: 50% of options granted
- Employee's continuity in the organization
- No disciplinary proceeding pending against the Participants on the date of vesting

Nomination and Remuneration Committee has approved revised vesting period for Options granted on 5th November 2022, 22th November 2022 and 09th January 2024 as follows:-

Vesting Schedule: end of		
1st Year	2nd Year	3rd Year
34%	33%	33%

Further, Nomination And Remuneration Committee has granted options on 12 February 2025 with revised vesting period as follows:-

Vesting Schedule: end of			
1st Year	2nd Year	3rd Year	4th Year
20%	20%	30%	30%

Set out below is a summary of options granted under the plan:

	31 March 2025		31 March 2024	
	Weighted average exercise price per share option (INR)	Number of options	Weighted average exercise price per share option (INR)	Number of options
Opening balance	10	47,122	10	81,887
Granted during the year	10	9,224	10	17,583
Exercised during the year	10	(15,031)	10	(10,186)
Forfeited/expired during the year	10	(1,308)	10	(42,162)
Closing balance	10	40,007	10	47,122
Vested and exercisable	10	6,504	10	4,185

Share options outstanding at the end of the year has following exercise prices and weighted average remaining contractual life:

Grant date	31 March 2025			31 March 2024		
	Exercise price	Share options	weighted average remaining contractual life	Exercise price	Share options	weighted average remaining contractual life
05 November 2022	10	-	-	10	3,666	3.10
05 November 2022	10	3,666	3.10	10	3,666	4.10
22 November 2022	10	2,877	1.15	10	4,185	2.15
22 November 2022	10	2,792	2.15	10	9,011	3.15
22 November 2022	10	9,011	3.15	10	9,011	4.15
09 January 2024	10	835	2.28	10	5,981	3.28
09 January 2024	10	5,801	3.28	10	5,801	4.28
09 January 2024	10	5,801	4.28	10	5,801	5.28
12 February 2025	10	1,845	3.37	-	-	-
12 February 2025	10	1,845	4.37	-	-	-
12 February 2025	10	2,767	5.37	-	-	-
12 February 2025	10	2,767	6.37	-	-	-

b. Measurement of fair values

The fair values are measured based on the Black-Scholes-Merton model. The fair value of the options and inputs used in the measurement of the grant date and measurement date fair values of the equity -settled and cash settled share based payments are as follows:

Options granted on	Fair value per Option at grant date (in INR)	Share price at grant date (in INR)	Exercise price (in INR)	Expected volatility	Expected life (in years)	Expected dividend yield	Risk-free interest rate
05 November 2022	211.94	225.85	10	59.71%	3.50	0.66%	6.96%
05 November 2022	211.94	225.85	10	55.49%	4.50	0.66%	7.07%
05 November 2022	211.94	225.85	10	53.10%	5.50	0.66%	7.13%
22 November 2022	244.12	258.10	10	59.71%	3.50	0.58%	6.81%
22 November 2022	244.12	258.10	10	55.49%	4.50	0.58%	6.91%
22 November 2022	244.12	258.10	10	53.10%	5.50	0.58%	6.97%
09 January 2024	469.93	488.40	10	55.78%	3.50	0.51%	6.78%
09 January 2024	469.93	488.40	10	58.62%	4.50	0.51%	6.80%
09 January 2024	469.93	488.40	10	56.48%	5.50	0.51%	6.82%
12 February 2025	669.5	702.20	10	52.50%	3.50	0.71%	6.33%
12 February 2025	669.5	702.20	10	53.70%	4.50	0.71%	6.34%
12 February 2025	669.5	702.20	10	56.80%	5.50	0.71%	6.37%
12 February 2025	669.5	702.20	10	54.80%	6.50	0.71%	6.40%

c. Effect of employee stock option schemes on the statement of profit and loss

Particulars	31 March 2025	31 March 2024
Employee stock option scheme expense	3.62	1.38
	3.62	1.38



Note - 47

Ratio	Numerator	Denominator	31 March 2025	31 March 2024	% Change
Current ratio	Current Assets	Current Liabilities	1.89	1.53	22.93%
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.24	0.33	(29.17%)
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses+Interest	Debt service = Interest & Lease Payments + Principal Repayments	1.27	1.23	3.14%
Return on Equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	10.39%	11.74%	(1.35%)
Inventory Turnover ratio	Cost of goods sold	Average Inventory	3.82	5.07	(24.62%)
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.09	5.31	(4.05%)
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	4.93	5.17	(4.74%)
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	5.32	7.45	(28.57%)
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	7.20%	6.32%	0.89%
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	14.08%	15.82%	(1.75%)
Return on Investment	Change in value of investment and dividend income	Investment	(94.78%)	0.41%	(95.19%)

Note - 48

OTHER STATUTORY INFORMATION

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company has borrowings from banks and others on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks and others are in agreement with the books of accounts.

Note - 49

Disclosures pursuant to regulation 34 of Securities and Exchange Board of India (listing obligations and disclosure requirements) regulations, 2015 and section 186 of the companies Act, 2013

	31 March 2025			31 March 2024		
	Subsidiary Company			Subsidiary Company		
	2545887 Ontario Inc., Canada	Neo -Tech Smart Solutions Inc. Canada	Neo -Tech Auto Systemz Inc. USA	2545887 Ontario Inc., Canada	Neo -Tech Smart Solutions Inc. Canada	Neo -Tech Auto Systemz Inc. USA
Investments made are given under the respective heads(Refer note.8)	1,534.55	2.15	0.64	1,534.55	2.15	0.64
Loan given are given under the respective heads *(Refer note.9)	70.06	0.00	0.00	78.34	0.00	0.00
Maximum Amount outstanding during the year	78.34	0.00	0.00	80.37	0.00	0.00

* The loan given to the subsidiary was unsecured and carried an interest @ 5.90% p.a. (monthly cumulative) during the previous year.

For YAPL & Co.
Chartered Accountants
Firm Registration No. 017800N

CA. Sakshi Garg
(Partner)
Membership No. 553997
UDIN: 25553997BMGXMC8263

Place: Ludhiana
Date: May 29, 2025

For and on behalf of
The Hi-Tech Gears Limited

Deep Kapuria
Executive Chairman
DIN 00006185
Place: New Delhi

Kapil Rajora
Chief Financial Officer
Place: Gurgaon

Pranav Kapuria
Managing Director
DIN 00006195
Place: New Delhi

Naveen Jain
Company Secretary
Place: Gurgaon



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE HI-TECH GEARS LIMITED Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements 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"), which comprise the consolidated Balance Sheet as at March 31, 2025, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors on separate financial statements of subsidiaries the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matters	Auditor's Response
1. Contingent liabilities	
There are legal and tax cases against the Company which have been identified as a. key audit matter due to the uncertainties involved in these tax and legal claims and significant judgement is required. Refer to the note no.38 "Contingent liabilities" to the notes to the standalone financial statements.	Audit procedures in respect of this area: - We gained an understanding of the process of identification of legal and tax cases and evaluated the design and implementation of controls in respect of these contingent liabilities. - For legal and tax matters, our procedures included testing key controls surrounding litigation and tax procedures; discussing matters with the Company's litigation and tax teams; and assessing management's conclusions through understanding precedents set in similar cases. - Validated the completeness and appropriateness of the related disclosures with regard to the facts and circumstances of the legal and tax matters.
2. Investments	
As disclosed in Note 8 of the standalone financial statements, the Company has investments in subsidiaries and unquoted investments which are significant to the financial statements.	Our audit procedures included the following: - Assessed the Company's accounting policy for investments in subsidiaries and unquoted investments. - Tested the design and operating effectiveness of key internal financial controls over the investments. - Examined the Company's assessment for indicators of impairment in subsidiaries. In cases where such indicators existed, tested the estimates and assumption made by the Company of the recoverable amounts, and the allowance for impairment for these investments, where applicable. - Examined the company's assessment in respect of fair value adjustment of equity instrument of unquoted co. We have analysed valuation report issued by the specialist in respect of fair value of equity share of above stated co. - We have analysed the key assumptions used by management in developing the forecasts by applying sensitivities and evaluating plausible downside scenarios, where applicable.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion & Analysis Report and Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon. The Management Discussion & Analysis Report and Board's

Report including Annexures to Board's Report, are expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, joint ventures and associates audited by

the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, joint ventures and associates, is traced from their financial statements audited by the other auditors.

When we read Management Discussion & Analysis Report and Boards Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group 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 are responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding

company, which is a company incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and material audit findings, including any material deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the consolidated annual financial statements of one subsidiary (including its four step-down subsidiaries) and financial statements of other two subsidiaries included in the consolidated financial results, whose annual financial statements reflect total assets of Rs. 3221.42 million and Rs 8.22 million at 31 March 2025, as well as the total revenue of Rs. 2831.36 million and Rs.3.40 million, total net profit/(loss) after tax of Rs. (72.89) million and Rs 2.38 million, total comprehensive income/(loss) of Rs. (104.56) million and Rs. 2.39 million for the quarter and year ended on that date respectively and net cash outflow Rs. (29.72) million for the year ended 31 March 2025.

The subsidiaries stated above are located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries. The consolidated annual financial statements of one subsidiary (including its four step-down subsidiaries) and financial



statements of other two subsidiaries have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited the conversion adjustments of subsidiaries made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the basis of consideration of report of the auditor on a separate financial statement and the other information of the subsidiaries, as noted in the Other Matters paragraph, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2025 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group. - Refer Note 40 to the consolidated financial statements.
 - ii) The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 45A to the Financial Statements
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
 - iv) a) The respective management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies),

including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

- b) The respective management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- c) Based on such audit procedures that the we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) a) The company has declared final dividend during the previous year no interim dividend was paid during current year, the company has complied with Section 123 of the Act.
- b) Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Further, in regard to above mentioned Subsidiaries and step-down subsidiaries, this rule is not applicable for Companies incorporated outside India (refer Para 17 of Guidance note on Audit Trail, issued by ICAI)
- vii) CARO 2020 is not applicable on the Report of the other Auditors of the subsidiary companies.
- 3 With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

FOR YAPL & CO.
CHARTERED ACCOUNTANTS
FRN. 017800N

(CA SAKSHI GARG)
PARTNER

PLACE : Ludhiana
DATED : May 29, 2025

M.NO. 553997
UDIN: 25553997BMGXME2406

Annexure 'A' To the Independent Auditors' Report of even date on the Consolidated Financial Statement of The Hi-Tech Gears Limited

(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements section of our report of even date to the Members of The Hi-Tech Gears Limited)

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

In conjunction with our audit of the consolidated financial statements of the Company for the year ended March 31, 2025, we have audited the internal financial controls over financial reporting of The Hi-Tech Gears Limited (hereinafter referred to as "the Company" or the "Holding Company") which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements.

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

Opinion

In our opinion, the Holding Company, which is a company incorporated in India, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on "the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the Holding Company, which is a Company incorporated in India. In respect of one subsidiary (including its four step-down subsidiaries) and financial statements of other two subsidiaries included in the consolidated financial results, the requirement of section 143(3)(i) of the Act is not applicable.

**FOR YAPL & CO.
CHARTERED ACCOUNTANTS
FRN. 017800N**

**(CA SAKSHI GARG)
PARTNER**

M.NO. 553997

UDIN: 25553997BMGXME2406

**PLACE : Ludhiana
DATED : May 29, 2025**



The Hi-Tech Gears Limited

Consolidated Balance Sheet as at 31 March 2025

(₹ in Mn)

	Note	31 March 2025	31 March 2024
Assets			
Non-current assets			
Property, plant and equipment	6	3,111.94	3,416.67
Capital work-in-progress	6	11.79	36.72
Right-of-use assets	7A	625.04	408.58
Goodwill	7	304.18	319.97
Other intangible assets	7	413.52	478.58
Financial assets			
Investments	8	6.37	122.54
Loans	9 A	1.41	0.67
Other financial assets	10 A	59.33	86.95
Deferred tax assets (net)	21 A	2.48	-
Other non-current assets	11 A	57.12	54.70
Total non-current assets		4,593.18	4,925.38
Current assets			
Inventories	12	1,254.68	1,236.34
Financial assets			
Trade receivables	13	1,530.44	2,004.10
Cash and cash equivalents	14	114.33	139.81
Other bank balances	15	243.06	398.62
Loans	9 B	3.34	2.40
Other financial assets	10 B	49.02	61.25
Current tax assets (net)	16 A	13.49	31.29
Other current assets	11 B	239.25	284.99
Total current assets		3,447.61	4,158.80
Total assets		8,040.79	9,084.18
Equity and liabilities			
Equity			
Equity share capital	17	187.93	187.78
Other equity	18	4,647.82	4,473.75
Total equity		4,835.75	4,661.53
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19 A	216.91	530.30
Lease liabilities	19 A(i)	1,053.72	904.85
Provisions	20 A	37.26	38.14
Deferred tax liabilities (net)	21 B	38.61	3.40
Other non-current liabilities	22 A	8.06	8.82
Total non-current liabilities		1,354.56	1,485.51
Current liabilities			
Financial liabilities			
Borrowings	19 B	593.69	1,415.73
Lease liabilities	19 B(i)	157.57	133.67
Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises		70.52	111.19
- total outstanding dues of creditors other than micro enterprises and small enterprises		769.23	965.25
Other financial liabilities	24	165.49	221.59
Other current liabilities	22 B	66.90	52.88
Provisions	20 B	21.45	36.83
Current tax liabilities (net)	16 B	5.63	-
Total current liabilities		1,850.48	2,937.14
Total equity and liabilities		8,040.79	9,084.18

Summary of significant accounting policies and accompanying notes form an integral part of these consolidated financial statements.
This is the consolidated balance sheet referred to in our report of even date.

For YAPL & Co.
Chartered Accountants
Firm Registration No. 017800N

CA. Sakshi Garg
(Partner)
Membership No. 553997
UDIN: 25553997BMGXME2406

Place: Ludhiana
Date: May 29, 2025

Deep Kapuria
Executive Chairman
DIN 00006185
Place: New Delhi

Kapil Rajora
Chief Financial Officer
Place: Gurgaon

For and on behalf of
The Hi-Tech Gears Limited

Pranav Kapuria
Managing Director
DIN 00006195
Place: New Delhi

Naveen Jain
Company Secretary
Place: Gurgaon

The Hi-Tech Gears Limited

Consolidated statement of profit and loss for the year ended 31 March 2025

(₹ in Mn)

	Note	31 March 2025	31 March 2024
Revenue			
Income from operations	25	9,269.64	11,069.05
Other income	26	117.17	99.30
Total Income		9,386.81	11,168.35
Expenses			
Cost of materials consumed	27	4,515.73	5,486.35
Purchase of traded goods	28	156.36	210.20
Changes in inventories of finished goods and work-in-progress	29	(50.90)	(3.64)
Employee benefits expense	30	1,635.43	1,967.10
Finance costs	31	213.71	377.70
Depreciation and amortisation expense	6 , 7 & 7A	634.66	611.73
Other expenses	32	1,654.16	1,909.66
Total expenses		8,759.15	10,559.10
Profit before execeptional items and tax		627.66	609.25
Income from execeptional items		-	770.06
Profit before and tax		627.66	1,379.31
Tax expense			
Current tax	33	170.98	169.02
Deferred tax charge/(credit)	33	35.63	69.71
Earlier years tax adjustments (net)		17.42	(1.95)
Profit for the year		403.63	1,142.53
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gain on defined benefit plans		0.97	6.62
Equity Instruments through Other Comprehensive Income		(116.17)	0.48
Income tax relating to items that will not be reclassified to profit and loss		21.39	(1.67)
Items that will be reclassified to profit or loss			
Effective portion of gain/ (loss) on fair value hedge		2.08	(7.55)
Exchange differences on translating foreign operations		(31.66)	13.74
Income tax relating to items that will be reclassified to profit and loss		(19.47)	6.34
Other Comprehensive Income, net of tax		(142.86)	17.96
Total comprehensive income for the year		260.77	1,160.49
Earnings per equity share (₹ 10 per share)	34		
Basic (₹)		21.49	60.86
Diluted (₹)		21.46	60.73

Summary of significant accounting policies and accompanying notes form an integral part of these consolidated financial statements.
This is the consolidated statement of profit or loss referred to in our report of even date

For YAPL & Co.
Chartered Accountants
Firm Registration No. 017800N

For and on behalf of
The Hi-Tech Gears Limited

CA. Sakshi Garg
(Partner)
Membership No. 553997
UDIN: 25553997BMGXME2406

Deep Kapuria
Executive Chairman
DIN 00006185
Place: New Delhi

Pranav Kapuria
Managing Director
DIN 00006195
Place: New Delhi

Place: Ludhiana
Date: May 29, 2025

Kapil Rajora
Chief Financial Officer
Place: Gurgaon

Naveen Jain
Company Secretary
Place: Gurgaon



The Hi-Tech Gears Limited

Consolidated statement of changes in equity for the year ended 31 March 2025

A Equity share capital*

(₹ in Mn)

Particulars	Opening balance as at 1 April 2023	Changes during the year	Balance as at 31 March 2024	Changes during the year	Balance as at 31 March 2025
Equity share capital	187.68	0.10	187.78	0.15	187.93

B Other equity**

(₹ in Mn)

Particulars	Reserves and surplus			Stock Options Outstanding	Other Comprehensive Income			Total
	General reserve	Security Premium	Retained earnings		Foreign currency translation reserve	Cash flow hedge reserve	FVOCI - equity investments	
Balance as at 1 April 2023	308.08	-	2,680.27	4.34	299.39	(0.87)	65.37	3,356.58
Profit for the year	-	-	1,142.53	-	-	-	-	1,142.53
Other comprehensive income for the year (net of tax impact)	-	-	4.95	-	13.74	(1.21)	0.48	17.96
Share option charge during the year	-	2.36	-	1.24	-	-	-	3.60
Dividend paid during the year including tax impact refer note no.41	-	-	(46.92)	-	-	-	-	(46.92)
Balance as at 31 March 2024	308.08	2.36	3,780.83	5.58	313.13	(2.08)	65.85	4,473.75
Profit for the year	-	-	403.63	-	-	-	-	403.63
Other comprehensive income (net of tax impact)	-	-	(17.99)	-	(31.66)	2.08	(94.54)	(142.11)
Share option charge during the year	-	4.72	-	1.72	-	-	-	6.44
Dividend paid during the year including tax impact (refer note no.41)	-	-	(93.89)	-	-	-	-	(93.89)
Balance as at 31 March 2025	308.08	7.08	4,072.58	7.30	281.47	(0.00)	(28.69)	4,647.82

*Refer note 17 for details

**Refer note 18 for details

Summary of significant accounting policies and accompanying notes form an integral part of these consolidated financial statements. This is the statement of change in equity referred to in our report of even date.

For YAPL & Co.
Chartered Accountants
Firm Registration No. 017800N

CA. Sakshi Garg
(Partner)
Membership No. 553997
UDIN: 25553997BMGXME2406

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Pranav Kapuria
Managing Director
DIN 00006195
Place: New Delhi

Naveen Jain
Company Secretary
Place: Gurgaon

The Hi Tech Gears Limited

Consolidated cash flow statement for the year ended 31 March 2025

(₹ in Mn)

	31 March 2025	31 March 2024
A Cash flow from operating activities		
Profit before tax	627.66	1,379.31
Adjustments for:		
Depreciation and amortisation expense	634.66	611.73
Gain on disposal of property, plant and equipment (net)	(6.93)	(774.39)
Interest income classified as investing cash flows	(32.07)	(37.68)
Income recognised on account of government assistance	(0.76)	(1.42)
Employee compensation	3.62	3.60
Dividend income classified as investing cash flows	(0.03)	(0.02)
Provisions written back	-	(2.85)
Provision for doubtful debts	4.00	(17.48)
Unrealised foreign exchange rate difference (net)	(36.20)	34.93
Unrealised (profit)/loss on mark to market of forward contracts	2.08	(7.55)
Finance costs	213.71	377.70
Operating profit before working capital changes	1,409.74	1,565.88
Movement in working capital		
(Increase)/decrease in inventories	(18.35)	(1.47)
(Increase)/decrease in other financial assets	12.23	25.68
(Increase)/decrease in trade receivables	469.40	87.15
(Increase)/decrease in other non-current assets	(0.44)	2.50
(Increase)/decrease in other current assets	45.75	(62.01)
Increase/(decrease) in other financial liability	(48.90)	(108.77)
Increase/(decrease) in other current liability	14.02	(51.24)
Increase/(decrease) in provision	13.48	23.02
Increase/(decrease) in trade and other payables	(240.57)	(131.52)
Cash flow from operating activities post working capital changes	1,656.36	1,349.22
Income tax paid (net)	(165.96)	(174.72)
Net cash flows from operating activities (A)	1,490.40	1,174.50
B Cash flows from investing activities		
Payments for property, plant and equipment and capital work-in-progress	(240.45)	(340.05)
Proceeds from sale of property, plant and equipment	9.97	1,707.75
Proceeds/(Payments) for of margin money and bank deposits	186.18	23.91
Proceeds/(Repayment) of loans and advances	0.36	3.68
Interest received	32.07	37.68
Dividend received	0.03	0.02
Net cash used in investing activities (B)	(11.84)	1,432.99
C Cash flows from financing activities*		
Finance cost paid	(213.10)	(374.17)
Proceeds from issue of equity share capital	0.15	0.10
Payment of lease liability	(72.52)	(81.23)
Proceeds from borrowings	(0.00)	79.64
Repayment of borrowings	(1,124.68)	(2,379.63)
Dividends paid (including tax)	(93.89)	(46.92)
Net cash flow from financing activities (C)	(1,504.04)	(2,802.21)
Net increase (decrease) in cash and cash equivalents (A+B+C)	(25.48)	(194.73)
Cash and cash equivalents at the beginning of the year	139.81	334.53
Cash and cash equivalents at the end of the year	114.33	139.80

*Refer note 19 for reconciliation of liabilities arising from financing activities

This is the consolidated cash flow statement referred to in our report of even date.

Note: The above consolidated cash flow statement has been prepared under the "Indirect method" as set out in the Indian Accounting Standard (IND AS-7) statement of cash flow.

Cash flows from operating activities include Rs. 10.21 Mn (31 March 2024 Rs. 2.80 Mn) being expenses towards Corporate Social Responsibility initiatives.

For YAPL & Co.
Chartered Accountants
Firm Registration No. 017800N

CA. Sakshi Garg
(Partner)
Membership No. 553997
UDIN: 25553997BMGXME2406

Place: Ludhiana
Date: May 29, 2025

Deep Kapuria
Executive Chairman
DIN 00006185
Place: New Delhi

Kapil Rajora
Chief Financial Officer
Place: Gurgaon

For and on behalf of
The Hi-Tech Gears Limited

Pranav Kapuria
Managing Director
DIN 00006195
Place: New Delhi

Naveen Jain
Company Secretary
Place: Gurgaon



Notes to the consolidated financial statements for the year ended 31 March 2025

1. Corporate Information

The Hi -Tech Gears Limited ("the Company") together with its subsidiaries (collectively referred to as 'Group') is a Company domiciled in India and limited by shares (CIN: L29130HR1986PLC081555). The shares of the Company are publicly traded on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The address of the Company's registered office is Plot no 24,25,26 Sector-7 IMT Manesar Gurgaon-122050, Haryana, India.

The Company is an auto component manufacturer (a Tier 1 supplier).

2. General information

These Consolidated Financial Statements of the Group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The Group has uniformly applied the accounting policies for the periods presented.

These consolidated financial statements for the year ended 31 March 2025 in accordance with Ind AS 110 and the same were also approved for issue by the Board of Directors on 29 May 2025.

3. Basis of Preparation of Consolidated Financial Statement

3.1 Compliance with Ind AS

These Consolidated Financial Statements are prepared on going concern basis following accrual basis of accounting and comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013.

3.2 Basis of measurement/Use of Estimates

- (i) The Consolidated Financial Statements are prepared on going concern and accrual basis under the historical cost convention except certain financial assets, financial liabilities and defined benefits plans- plan assets that are measured at fair value. The methods used to measure fair values are given below:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefits (assets)/liability	Fair value of plan assets less present value of defined benefits obligations.

- (ii) The preparation of Consolidated Financial Statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the Consolidated Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Major Estimates are discussed in note no. 5.18.

3.3 New Standards/ Amendments and Other Changes adopted Effective 1 April 2024 or thereafter

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2024 to amend / adopt the following Ind AS which are effective for annual periods beginning on or after April 1, 2024. The Group has reviewed amendments to be effective from April 1, 2024.

Ind AS 117, Insurance Contracts, which replaces Ind AS 104, provides comprehensive guidance on the recognition, measurement, presentation, and disclosure of insurance contracts; however, it had no impact on the Consolidated financial statements as the Group has not entered into any insurance contracts.

Ind AS 116, Leases, relating to lease liabilities arising from sale and leaseback transactions, was also notified. One of the Subsidiary Company has undertaken the sale and lease back transactions in the preceding financial years. Requirement of newly inserted Para 102A of the amendment does not have any effect on consolidated financial statements.

Further, there are amendments to Ind AS 21- The Effects of Changes in Foreign Exchange Rates & Ind AS 101- First-time Adoption of Indian Accounting Standards, that have been notified but are not effective on reporting date.

The Group does not expect the effect of the amendments on the financial statements to be material, based on preliminary evaluation.

3.4 Functional and presentation currency

These Consolidated Financial Statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Million (up to two decimals), except as stated otherwise.

4. Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Group and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represents the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss (including other comprehensive income ('OCI')) is attributed to the equity holders of the Group and to the non-controlling interests' basis their respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

5. Material accounting policies

A summary of the material accounting policies applied in the preparation of the Consolidated Financial Statements are as given below. These accounting policies have been applied consistently to all periods presented in the Consolidated Financial Statements.

5.1 Property, plant and equipment (PPE)

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. Any trade discount and rebates are deducted in arriving at the purchase price. Property, plant and equipment purchased on deferred payment basis are recorded at equivalent cash price. The difference between the cash price equivalent and the amount payable is recognised as interest expense over the deferred payment period.

Spares having useful life of more than one year and having material value in each case, are capitalised under the respective heads as and when available for use.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Taking into account these factors, the Group have decided to apply depreciation on Buildings and Plant and Equipment is charged on pro-rata basis on Straight Line Method based on the life assigned to each asset in accordance with Schedule II of Companies Act, 2013. Depreciation on rest of the property, plant and equipment has been provided on Written Down Value basis based on the life assigned to each asset in accordance with Schedule II of Companies Act, 2013.

In respect of subsidiary companies, Property, plant and equipment are recorded at cost less applicable investment tax credits and accumulated amortisation.

Depreciation is recorded over the estimated useful lives of the assets at the following annual rates:

Buildings	- 4% declining balance
Automobiles	- 20% declining balance
Dies and tooling	- 10% declining balance
Manufacturing equipment	- 10% declining balance
Office equipment	- 20% declining balance
Leasehold improvements	- As per term of the lease
Furniture & Fixtures	- 20% declining balance

5.2 Intangible assets

Goodwill

Goodwill is an asset that represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is assigned as of the date of acquisition. Goodwill is not amortized. Goodwill is tested for impairment at least annually. When the carrying amount exceeds its recoverable amount, which is the higher of fair value less cost of disposal and value-in-use, an impairment loss is recognized in an amount equal to the excess. The impairment loss, however, cannot exceed the carrying amount of goodwill.

Other intangible assets

Recognition and initial measurement

Intangible assets purchased, including those acquired in business combinations, are measured at cost or fair value as of the date of acquisition where applicable less accumulated amortization and accumulated impairment, if any.

Subsequent measurement (amortisation)

Computer Software are amortized over their respective individual estimated useful life on written down value basis commencing from the date, the asset is available to the Group for its use. In respect of subsidiary companies, Customer relationships, non-competition arrangements and brand names are recorded at cost less accumulated amortisation and are amortised on a straight line basis over their estimated useful lives as follows:

Estimated useful lives of assets are as follows:

Type of asset	Estimated useful life
Computer software	5 years
Customer relationship	16 years
Non-compete arrangement	5 years
Brand name	2 years

5.3 Inventories

Inventories are valued as follows:

Raw materials, loose tools and stores and spares

Raw materials, loose tools and stores and spares are valued at lower cost and net realizable value. Cost of raw materials, loose tools and

stores and spares is determined on weighted average -FIFO (First in first out) basis.

Work-in-progress and finished goods

Work-in-progress and finished goods is measured at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Scrap

Scrap is measured at net realizable value.

5.4 Revenue recognition

Revenue arises mainly from the sale of manufactured and traded goods. Revenue is recognised upon transfer of control of promised products or services to customers for an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. Revenue excludes taxes or duties collected on behalf of the government.

To determine whether to recognise revenue, the Group follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligation(s) are satisfied.

Sale of goods

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

Sale of services

Revenue from services is recognised when Group satisfies the performance obligations by transferring the promised services to its customers.

Export benefits

Export benefits constituting Duty Draw back and Export Promotion Capital Goods scheme (EPCG) are accounted for on accrual basis when there is reasonable assurance that the Group will comply with the conditions attached to them and the export benefits will be received. Export benefits under Duty Draw back scheme and EPCG are considered as other operating income.

Interest

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

5.5 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged as expense to the statement of profit and loss in the period for which they relate to.

5.6 Leases

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value



assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

5.7 Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

5.8 Foreign currency

Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange difference

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the statement of profit and loss in the year in which they arise.

5.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Asset

Initial recognition and measurement

At initial recognition, the Group measures a financial assets at its fair value and in the case of financial assets not recorded at fair value

through profit or loss at transaction costs that are attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss is expensed in the Statement of Profit or Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

Debt Instruments:

Subsequent measurement of debts instruments depends on the Group's business model for managing the assets and the cash flows of the assets. The Group classifies its financial assets in the following categories:

i) **Financial assets at amortised cost**- Assets that are held for collection of contractual cashflows on specified dates where those cashflows represent solely payments of principal and interest are measured at amortised cost.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables and Loans.

ii) **Financial assets at fair value through other comprehensive income (FVTOCI)** – Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are on specified dates are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income from these financial assets is included in finance income using the effective interest rate method and impairment losses, if any are recognised in the Statement of Profit and Loss.

When the financial asset is derecognition, the cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss.

iii) **Financial assets at fair value through profit or loss (FVTPL)** - Financial assets which are not classified in any of the categories above are FVTPL.

Investments in other equity instruments – Investments in equity instruments which are held for trading are classified at Fair Value Through Profit or Loss (FVTPL). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value Through Profit or Loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Derecognition

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

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using effective interest method. Financial liabilities carried at fair value

through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. For trade and other payable maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Forward contracts

The Group has entered into certain forward (derivative) contracts to hedge risks which are not designated as hedges. These derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any profit or loss arising on cancellation or renewal of such derivative contract is recognised as income or as expense in statement of profit and loss.

5.10 Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Group assesses on forward looking basis the expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

5.11 Income taxes

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates (and tax laws) that have been enacted or substantively enacted at the

reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity).

5.12 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services are recognized as an expense as the related service is rendered by employees.

Defined Contribution Plan

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Group has no further obligations. Payments to defined contribution retirement benefit schemes (such as Provident Fund, Employee's State Insurance Corporation) are charged to the statement of profit and loss of the year in which contribution to such schemes becomes due.

Defined Benefit Plan

For defined benefit schemes, the cost of providing benefits is determined using Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

The retirement benefit obligation recognized in the Consolidated Balance Sheet represents the present value of the defined benefit obligations as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets.

The Group in India makes annual contribution to the Employee's Gratuity-cum-Life Assurance scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death or on termination of employment.

Other long-term employee benefits

Liability in respect of leave encashment becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of discounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of leave encashment becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Share based payments

The fair value on grant date of equity-settled share-based payment arrangements granted to eligible employees of the Group under the Employee Stock Option Scheme ('ESOS') is recognised as employee stock option scheme expenses in the Statement of profit and loss, in relation to options granted to employees of the Group (over the vesting period of the awards), with a corresponding increase in other equity. The amount recognised as an expense to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. The increase in equity recognised in connection with a share based payment transaction is presented in the "Employee stock options outstanding account", as separate component in other equity. For share-based payment awards with market conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. At the end of each period, the Group revises its estimates of the number of options that are expected to be vested based on the non-market performance conditions at the vesting date.



If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

5.13 Provisions

Provisions are recognized when the Group has a present obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Provisions are discounted to their present values, where the time value of money is material.

5.14 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the Basis of preparation.

The financial statements have been prepared on going concern basis in accordance with generally accepted accounting principles in India. Further, the financial statements have been prepared on a historical cost basis except for following items:

occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

5.15 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

5.16 Derivative financial instruments and hedge accounting

Derivative financial instruments are accounted for at fair value through profit and loss (FVTPL) except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Company only applies fair value hedge accounting for

hedging foreign exchange risk on recognised assets and liabilities.

Cash Flow Hedge

The Group has designated certain derivative contracts as hedging instruments in cash flow hedge relationships.

The Group applied hedge accounting requirements in Ind AS 109 prospectively from 1 April 2019 to derivative instruments which could be designated as effective cash flow hedges. These arrangements had been entered into to mitigate foreign currency exchange risk and interest rate risk arising from highly probable forecasted sales and debt instruments denominated in foreign currency, in accordance with the Group's risk management policy.

To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss.

At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

5.17 Government Grant

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received. Government grants are recognised in the Statement of profit and loss on a systematic basis over the periods in which the Group recognises the related costs as expenses, if any, for which the grants are intended to compensate.

5.18 Significant management judgement and estimates

When preparing the consolidated financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Government grants – Grants receivables are based on estimates for utilisation of grant as per the regulations as well as analysing actual outcomes on a regular basis and compliance with stipulated conditions. Changes in estimates or non-compliance of stipulated conditions could lead to significant changes in grant income and are accounted prospectively over the balance life of asset.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Provisions – estimate for provisions recognised is based on management best estimate of the expenditure required to settle the present obligation at the year end and is based on historical experience, expected changes in economic conditions, changes in exchange rates.

Note - 6

Property, plant and equipment

(₹ in Mn)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Total	Capital work-in-progress
Gross carrying amount								
At 1 April 2023	510.40	833.71	7,710.35	60.29	120.97	78.74	9,314.46	131.61
Additions	-	115.56	127.98	1.16	3.50	-	248.20	146.91
Net exchange differences	4.04	3.89	29.77	0.07	0.33	0.32	38.42	0.05
Disposals	(85.79)	(170.02)	(32.12)	(1.85)	(6.81)	(0.62)	(297.21)	(0.88)
Capitalised during the year	-	-	-	-	-	-	-	(240.97)
Balance as at 31 March 2024	428.65	783.14	7,835.98	59.67	117.99	78.44	9,303.87	36.72
Additions	-	-	240.43	0.03	2.46	21.90	264.82	236.92
Net exchange differences	(8.16)	1.17	(67.41)	(0.18)	(1.01)	(0.93)	(76.52)	(0.12)
Disposals	-	-	(33.01)	-	(0.10)	-	(33.11)	-
Capitalised during the year	-	-	-	-	-	-	-	(261.73)
Balance as at 31 March 2025	420.49	784.31	7,975.99	59.52	119.34	99.41	9,459.06	11.79
Accumulated depreciation								
At 1 April 2023	-	329.14	4,921.94	40.98	111.77	57.58	5,461.41	-
Charge for the year	16.09	23.56	473.20	4.53	2.92	4.09	524.39	-
Net exchange differences	-	1.36	16.27	0.06	0.33	0.28	18.30	-
Adjustments for disposals	-	(81.69)	(26.38)	(1.75)	(6.49)	(0.59)	(116.90)	-
Balance as at 31 March 2024	16.09	272.37	5,385.03	43.82	108.53	61.36	5,887.20	-
Charge for the year	27.34	24.66	470.27	3.38	2.08	6.44	534.17	-
Net exchange differences	(0.99)	1.03	(42.29)	(0.19)	(0.94)	(0.81)	(44.19)	-
Adjustments for disposals	-	-	(29.97)	0.00	(0.09)	-	(30.06)	-
Balance as at 31 March 2025	42.44	298.06	5,783.04	47.01	109.58	66.99	6,347.12	-
Net carrying amount as at 31 March 2024	412.56	510.77	2,450.95	15.85	9.46	17.08	3,416.67	36.72
Net carrying amount as at 31 March 2025	378.05	486.25	2,192.95	12.51	9.76	32.42	3,111.94	11.79



a) CWIP Ageing Schedule as at 31 March 2025

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress:-					
Plant & Machinery	7.27	-	-	4.52	11.79
Total	7.27	-	-	4.52	11.79

b) CWIP whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2025

Capital Work in Progress	CWIP to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress:-					
Plant & Machinery	7.27	-	-	4.52	11.79
Total	7.27	-	-	4.52	11.79

c) CWIP Ageing Schedule as at 31 March 2024

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress:-					
Plant & Machinery	29.49	0.16	2.69	4.38	36.72
Total	29.49	0.16	2.69	4.38	36.72

d) CWIP whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2024

Capital Work in Progress	CWIP to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress:-					
Plant & Machinery	29.49	0.16	2.69	4.38	36.72
Total	29.49	0.16	2.69	4.38	36.72

Refer Note 19 for information on property, plant and equipment hypothecated/mortgaged as security by the Group.

Refer Note 40(B) for disclosure of contractual commitment for acquisition of property, plant and equipment.

Note - 7

Goodwill & Other Intangible Assets

(₹ in Mn)

Particulars	Other intangible assets				Goodwill
	Customer relationship and brand name	Non-compete fees	Softwares	Total	
Gross carrying amount					
At 1 April 2023	867.74	12.14	109.64	989.52	557.17
Additions	-	-	2.20	2.20	-
Net exchange differences	8.54	0.12	-	8.66	5.48
Balance as at 31 March 2024	876.28	12.26	111.84	1,000.38	562.65
Additions	-	-	1.33	1.33	-
Net exchange differences	(24.58)	(0.34)	-	(24.92)	(15.79)
Balance as at 31 March 2025	851.70	11.92	113.17	976.79	546.86
Accumulated amortisation					
At 1 April 2023	348.73	12.14	102.33	463.20	242.68
Amortisation charge for the year	52.84	-	2.23	55.07	-
Net exchange differences	3.41	0.12	-	3.53	-
Balance as at 31 March 2024	404.98	12.26	104.56	521.80	242.68
Charge for the year	-	-	-	-	-
Amortisation charge for the year	52.80	-	1.41	54.21	-
Net exchange differences	(12.40)	(0.34)	-	(12.74)	-
Balance as at 31 March 2025	445.38	11.92	105.97	563.27	242.68
Net carrying amount as at 31 March 2024	471.30	-	7.28	478.58	319.97
Net carrying amount as at 31 March 2025	406.32	(0.00)	7.20	413.52	304.18

Impairment of goodwill

Goodwill on consolidation is attributed to respective subsidiary entity "CGU" within the Group.

The carrying amount of goodwill is attributable to the following CGU / group of CGUs:

Particulars	31 March 2025	31 March 2024
2545887 Ontario Inc., Canada	304.18	319.97
Total	304.18	319.97

During the year, Impairment is NIL (Previous year NIL) recorded in respect of goodwill, while on account of net exchange difference decrease Rs. 15.79 mn (Previous year increase Rs. 5.48 Mn).

Note - 7A

Right of use

(₹ in Mn)

Particulars	Land	Residential flats	Buildings	Plant and equipment	Total
Gross block					
At 1 April 2023	22.73	4.55	65.76	261.11	354.15
Additions	1.46	-	176.64	-	178.10
Adjustments/disposals	-	(0.51)	(65.76)	-	(66.27)
Exchange impact	-	-	-	-	-
Balance as at 31 March 2024	24.19	4.04	176.64	261.11	465.98
Additions	0.53	-	-	265.08	265.61
Adjustments/disposals	-	(1.40)	-	-	(1.40)
Exchange impact	-	-	(2.27)	-	(2.27)
Balance as at 31 March 2025	24.72	2.64	174.37	526.19	727.92
Accumulated depreciation					
At 1 April 2023	2.34	1.69	58.28	28.78	91.09
Charge for the year	0.42	0.06	21.63	10.16	32.27
Adjustments for disposals	-	(0.20)	(65.76)	-	(65.96)
Exchange impact	-	-	(0.00)	-	(0.00)



Particulars	Land	Residential flats	Buildings	Plant and equipment	Total
Balance as at 31 March 2024	2.76	1.55	14.15	38.94	57.40
Charge for the year	0.42	0.05	26.89	18.92	46.28
Adjustments	-	(0.52)	-	-	(0.52)
Exchange impact	-	-	(0.28)	-	(0.28)
Balance as at 31 March 2025	3.18	1.08	40.76	57.86	102.88
Net block as at 31 March 2024	21.43	2.49	162.49	222.17	408.58
Net block as at 31 March 2025	21.54	1.56	133.61	468.33	625.04

Note - 8

(₹ in Mn)

	31 March 2025	31 March 2024
A Investments - non current		
Equity instruments		
Investment in Equity Instrument (quoted, measured at FVOCI)		
2100 Equity shares of Rs. 1/- each fully paid up of State Bank of India (previous year 31 March 2024 : 2100 Equity shares of Rs. 1/- each fully paid up)	1.62	1.58
Other Investment (un quoted, at measured at fair value)		
8200 Equity shares of Rs. 1/- each fully paid up of Altigreen Propulsion Labs Pvt. Ltd. * (previous year 31 March 2024 : 8200 Equity shares of Rs. 1/- each fully paid up)	4.75	120.96
	6.37	122.54
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	1.62	1.58
Aggregate amount of unquoted investments	4.75	120.96

* During the year, Company has made downward fair valuation adjustment of Rs 116.20 million in the equity shares of Altigreen Propulsion Labs Private Limited in the Other Comprehensive Income (OCI) based on the share valuation report of Registered Valuer. The fair value of the equity instrument is designated through OCI.

Note - 9

(₹ in Mn)

	31 March 2025	31 March 2024
A Loans - non current		
(Unsecured, considered good)		
Loan to employees	1.41	0.67
	1.41	0.67
B Loans - current		
(Unsecured, considered good)		
Loan to employees	3.34	2.40
	3.34	2.40

Note - 10

(₹ in Mn)

	31 March 2025	31 March 2024
A Other financial assets - non-current		
(Unsecured, considered good)		
Balance held as margin money (against letter of credit and bank guarantees)*	4.59	3.01
Security deposits with government bodies	54.74	53.30
Security deposits - others	-	30.64
	59.33	86.95
*Margin money deposits having remaining maturity of more than 12 months.		
B Other financial assets - current		
Security deposits - others	32.48	33.35
Other receivable*		
Considered good	5.82	23.10
Considered credit impaired (refer note below)	2.05	2.05
Less: Impairment loss allowance	(2.05)	(2.05)
Amount receivable	10.72	4.80
	49.02	61.25

*It includes amount receivable from customers for new product development like making, changing in nature of specific components on demand of customers, insurance claim receivable, provision for rate revision in case of steel cost.

Note: One employee (Mr. K. P. Yadav, Assistant Manager in finance & accounts) had embezzled money by making unauthorised withdrawal of Rs.2.23 Mn in his personal account during the period December 2017 to April 2018. On detecting the above fraud, the Company immediately terminated him from his services and lodged the FIR against him. Till now, the Company has made recovery of Rs.0.18 Mn out of above amount and created the provision for the balance amount as on 31.03.2019. Appropriate actions for discovery, prevention of fraud and strengthening of Internal controls has been put in place by the Company.

Note - 11

(₹ in Mn)

	31 March 2025	31 March 2024
A Other non-current assets		
(Unsecured, considered good)		
Capital advance*	56.22	54.24
Prepaid expenses	0.90	0.46
	57.12	54.70

*For capital commitments refer Note - 40

B Other current assets		
Advances to suppliers	31.21	46.14
Advances to employees	0.30	0.27
Prepaid expenses	48.94	64.27
Balance with statutory authorities	150.18	160.65
Others	8.62	13.66
	239.25	284.99

Note - 12

(₹ in Mn)

	31 March 2025	31 March 2024
Inventories		
(Valued at lower of cost or net realisable value)		
Finished goods (Goods in transit)	303.40	270.30
Raw materials and components	191.15	214.52
Stores and spares	402.30	410.98
Work-in-progress	357.28	339.48
Scrap (at realizable value)	0.55	1.06
	1,254.68	1,236.34

Note - 13

(₹ in Mn)

	31 March 2025	31 March 2024
Trade receivables*		
(Unsecured)		
Considered good	1,532.04	1,999.05
Having significant increase in credit risk	15.44	18.81
Credit impaired	0.75	0.03
	1,548.23	2,017.89
Less: Impairment loss allowance	(17.79)	(13.79)
	1,530.44	2,004.10



Trade receivables ageing schedule is as follows:

Particulars	As at 31 March 2025							
	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	1,287.96	220.83	23.25	-	-	-	1,532.04
(ii) Undisputed Trade Receivables – Significant increase in credit risk	-	-	-	-	7.21	1.94	6.29	15.44
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	0.75	0.75
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	1,287.96	220.83	23.25	7.21	1.94	7.04	1,548.23

Trade receivables ageing schedule is as follows:

Particulars	As at 31 March 2024							
	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	(68.34)	1,752.11	305.23	10.05	-	-	-	1,999.05
(ii) Undisputed Trade Receivables – Significant increase in credit risk	-	-	-	-	8.09	5.82	4.90	18.81
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	0.03	0.03
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	(68.34)	1,752.11	305.23	10.05	8.09	5.82	4.92	2,017.89

Note - 14

(₹ in Mn)

	31 March 2025	31 March 2024
Cash and cash equivalents		
Cash on hand	0.16	0.12
Balances with banks		
In current accounts	79.87	119.68
In CSR Escro accounts	0.10	-
Bank deposits with original maturity less than three months	34.20	20.01
	114.33	139.81

Note - 15

(₹ in Mn)

	31 March 2025	31 March 2024
Other bank balances		
Balance held as margin money (against bank guarantees)	1.40	7.38
Bank deposits with maturity of more than three months and up to twelve months	229.08	390.44
Bank deposits made out of CSR Escro account	11.70	-
Unpaid dividend	0.88	0.80
	243.06	398.62

Note - 16

(₹ in Mn)

	31 March 2025	31 March 2024
A Current tax assets (net)		
Advance income tax	184.71	204.16
Less: Provision for taxation	(171.22)	(172.87)
	13.49	31.29
B Current tax liabilities (net)		
Provision for taxation	5.63	-
	5.63	-

Note - 17

(₹ in Mn)

	31 March 2025		31 March 2024	
Equity share capital	Number	Amount	Number	Amount
i Authorised				
20,000,000 Equity shares of ₹ 10/- each with voting rights	20000000	200.00	20000000	200.00
		200.00		200.00
ii Issued, subscribed and fully paid up				
Equity share capital of face value of ₹ 10 /- each	1,87,93,217	187.93	1,87,78,186	187.78
		187.93		187.78
iii Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				
Equity shares				
Balance at the beginning of the year	1,87,78,186	187.78	1,87,68,000	187.68
Add : Shares issued during the year	15,031	0.15	10,186	0.10
Balance at the end of the year	1,87,93,217	187.93	1,87,78,186	187.78

iv Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares with paid up value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share on all resolutions submitted to shareholders. They have right to participate in the profits of the Company, if declared by the Board as interim dividend and recommended by the Board and declared by the members as final dividend. They are also entitled to bonus/right issue, as declared by Company from time to time. They have right to receive annual report of the Company, beside other rights available under the Companies Act and Listing Regulations.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, beside other rights available under the Companies Act.

The distribution will be in proportion to the number of equity shares held by the shareholders.

v Details of shareholders holding more than 5% share capital

	31 March 2025		31 March 2024	
Name of the equity shareholders	Number	% Held	Number	% Held
Vulcan Electro Controls Limited	1082000	5.76%	1082000	5.76%
Olympus Electrical Industries Private Limited	1745200	9.29%	1745200	9.29%
Hi-Tech Portfolio Investments Limited	1971876	10.49%	1971876	10.50%
Mr. Deep Kapuria	3114884	16.57%	3119461	16.61%



vi Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, by way of bonus shares and shares bought back for the period of 5 years immediately preceding the balance sheet date

The Company has not issued any shares pursuant to contract(s) without payment being received in cash.

No bonus shares have been issued in preceding 5 years.

The Company has not undertaken any buy back of shares.

vii Details of shares held by promoters

Particulars	Promoter Name	No. of shares at the beginning of the year 01 April 2024	Change during the year	No. of shares at the end of the year 31 March 2025	% of Total Shares	% change during the year
Equity shares of face value Rs 10/-	Master Abhay Kapuria	8,000	-	8,000	0.04%	0.00%
Equity shares of face value Rs 10/-	Deep Kapuria & Sons (Huf)	2,31,780	-	2,31,780	1.23%	0.00%
Equity shares of face value Rs 10/-	Deep Kapuria	31,19,461	(4,577)	31,14,884	16.57%	(0.15%)
Equity shares of face value Rs 10/-	Pranav Kapuria	8,48,102	-	8,48,102	4.51%	0.00%
Equity shares of face value Rs 10/-	Anuj Kapuria	8,44,062	4,577	8,48,639	4.52%	0.54%
Equity shares of face value Rs 10/-	Veena Kapuria	5,01,120	-	5,01,120	2.67%	0.00%
Equity shares of face value Rs 10/-	Adhiraj Kapuria	19,000	-	19,000	0.10%	0.00%
Equity shares of face value Rs 10/-	Adhiveer Kapuria	19,000	-	19,000	0.10%	0.00%
Equity shares of face value Rs 10/-	Aabha Kapuria	84,769	-	84,769	0.45%	0.00%
Equity shares of face value Rs 10/-	Megha Kapuria	84,232	-	84,232	0.45%	0.00%
Equity shares of face value Rs 10/-	Hi-Tech Portfolio Investments Ltd	19,71,876	-	19,71,876	10.49%	0.00%
Equity shares of face value Rs 10/-	Olympus Electrical Industries Pvt Ltd	17,45,200	-	17,45,200	9.29%	0.00%
Equity shares of face value Rs 10/-	Vulcan Electro Controls Ltd	10,82,000	-	10,82,000	5.76%	0.00%
Total		1,05,58,602	-	1,05,58,602	56.18%	
Total No of Equity shares		1,87,93,217				

Particulars	Promoter Name	No. of shares at the beginning of the year 01 April 2023	Change during the year	No. of shares at the end of the year 31 March 2024	% of Total Shares	% change during the year
Equity shares of face value Rs 10/-	Master Abhay Kapuria	8,000	-	8,000	0.04%	0.00%
Equity shares of face value Rs 10/-	Deep Kapuria & Sons (Huf)	2,31,780	-	2,31,780	1.23%	0.00%
Equity shares of face value Rs 10/-	Deep Kapuria	31,19,461	-	31,19,461	16.61%	0.00%
Equity shares of face value Rs 10/-	Pranav Kapuria	8,48,102	-	8,48,102	4.52%	0.00%
Equity shares of face value Rs 10/-	Anuj Kapuria	8,44,062	-	8,44,062	4.49%	0.00%
Equity shares of face value Rs 10/-	Veena Kapuria	5,01,120	-	5,01,120	2.67%	0.00%
Equity shares of face value Rs 10/-	Adhiraj Kapuria	19,000	-	19,000	0.10%	0.00%
Equity shares of face value Rs 10/-	Adhiveer Kapuria	19,000	-	19,000	0.10%	0.00%
Equity shares of face value Rs 10/-	Aabha Kapuria	80,811	3,958	84,769	0.45%	4.90%
Equity shares of face value Rs 10/-	Megha Kapuria	80,311	3,921	84,232	0.45%	4.88%
Equity shares of face value Rs 10/-	Hi-Tech Portfolio Investments Ltd	19,71,876	-	19,71,876	10.50%	0.00%
Equity shares of face value Rs 10/-	Olympus Electrical Industries Pvt Ltd	17,45,200	-	17,45,200	9.29%	0.00%
Equity shares of face value Rs 10/-	Vulcan Electro Controls Ltd	10,82,000	-	10,82,000	5.76%	0.00%
Total		1,05,50,723	7,879	1,05,58,602	56.23%	
Total No of Equity shares		1,87,78,186				

Note - 18

(₹ in Mn)

	31 March 2025	31 March 2024
Other Equity		
Reserve & Surplus		
General Reserve		
Balance at the beginning of the year	308.08	308.08
Add: Transfer from retained earnings	-	-
Total (A)	308.08	308.08
Share options outstanding account		
Balance at the beginning of the year	5.58	4.34
Employee stock option expense	1.72	1.24
Total (B)	7.30	5.58
Security Premium		
Balance at the beginning of the year	2.36	-
Add: Addition during the year	4.72	2.36
Total (C)	7.08	2.36
Retained earnings		
Balance at the beginning of the year	3,780.83	2,680.27
Add: Profit/(Loss) for the year	403.63	1,142.53
Add: Other comprehensive income (net of tax impact)	(17.99)	4.95
Less: Dividend paid during the year including tax impact, refer note no. 41	(93.89)	(46.92)
Total (D)	4,072.58	3,780.83
Total (E=A+B+C+D)	4,395.04	4,096.85
Other Comprehensive Income (OCI)		
Equity instrument through Other Comprehensive Income		
Balance at the beginning of the year	65.85	65.37
Add: Movement in OCI (Net) during the year	(94.54)	0.48
Total (F)	(28.69)	65.85
Foreign currency translation reserve		
Balance at the beginning of the year	313.13	299.39
Add: Movement in OCI (Net) during the year	(31.66)	13.74
Total (G)	281.47	313.13
Cash flow hedge reserve		
Balance at the beginning of the year	(2.08)	(0.87)
Add: Movement in OCI (Net) during the year	2.08	(1.21)
Total (H)	(0.00)	(2.08)
Total (I=F+G+H)	252.78	376.90
Total Other Equity (E+I)	4,647.82	4,473.75

(i) Nature and purpose of other reserves
General reserve

General reserve is created out of the accumulated profits of the Company as per the provisions of Companies Act.

Share options outstanding account

The account is used to recognise the grant date value of options issued to employees under Employee stock option plan and adjusted as and when such options are exercised or otherwise expire.

Retained earnings

All the profits made by the Company are transferred to retained earnings from statement of profit and loss.

Equity instrument through other comprehensive income

Equity instrument through other comprehensive income represents balance arising on account of changes in fair value of equity instruments carried at fair value through other comprehensive income and gain/(loss) booked on re-measurement of defined benefit plans.

Foreign currency translation reserve

The Group recognised exchange differences arising on translation of the foreign operations in other comprehensive income and accumulated in foreign currency translation reserve in other equity.

Cash flow hedge reserve

The Company has taken a cross currency and interest rate swap to hedge the foreign currency risk of highly probable forecasted sales and foreign currency borrowings. To the extent hedge is effective, the change in fair value of hedging instrument is recognised in cash flow reserve.



Note - 19

(₹ in Mn)

	31 March 2025	31 March 2024
A Borrowings non-current		
Secured		
Term loans		
From banks		
Rupee Loan	80.00	304.12
Housing loan	67.68	73.19
Others	69.23	152.99
	216.91	530.30
A (i) Lease Liabilities		
Lease liabilities	1,053.72	904.85
	1,053.72	904.85

(₹ in Mn)

Particulars	Nature of security	Terms of repayment	Interest Rate	Maturity	31 March 2025	31 March 2024
Canadian Imperial Bank of Commerce	First charge by way of mortgage of company guest house property at 6 Carlaw Place, Guelph, Ontario, Canada.	300 monthly instalments of CAD 6,943.59 @ 2.740% p.a. interest is fixed for first 60 months starting May 2017. Effective May 2022, interest is reset for another 60 instalments @ 5.740% and thereafter to be fixed as per the prevailing rate.	3.79 % p.a. (previous year 5.740 % p.a.)	May, 2042	71.14	73.71
Equipment Finance-Scotia Bank	Hypothecation of specified assets at such as machines and equipment 361, Speedvale Avenue West, Guelph Ontario.	Blended monthly instalments of \$119,857,	4.85 % p.a. (previous year 4.85 % p.a.)	Jan, 2027	148.70	230.89
'Bajaj Finance Limited	1) First pari passu charge on movable fixed assets of the company both present and future. 2) First pari passu charge on the following immovable fixed assets of the company: a) A-589, Industrial Complex, Bhiwadi, District, Alwar, Rajasthan-301019*. b) Plot No 24-26, Sector 7, IMT Manesar, Gurgaon, Haryana 122050 c) SPL-146, Industrial Complex, Bhiwadi-304019, District Alwar, Rajasthan	20 equal quarterly instalments starting from the 15th month from the date of first disbursement	10.45% (Previous year 10.45%)	Aug, 2026	-	50.00
HDFC Bank Ltd - Term Loan.	1) First charge by way of hypothecation in favor of the Lender, on company's movables including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets, present and future for Expansion Project. 2) First charge by way of assignment or creation of charge in favour of the lenders of (i) all the right, title, interest, benefits, claims and demands whatsoever of the company in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time in respect to Expansion Project; 3) First pari passu charge by way of hypothecation in favour of the Lender, of company's movables including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets, present and future which are not exclusively charged to any other lenders. 4) First pari passu charge over the present and future immovable fixed assets of the company as given below:	Repayment in 16 quarterly instalment starts from December, 2020	9.65%/9.75% (Previous year 9.65%/9.75%)	Dec, 2024	-	89.59

Particulars	Nature of security	Terms of repayment	Interest Rate	Maturity	31 March 2025	31 March 2024
	a) A-589, Industrial Complex, Bhiwadi, District, Alwar, Rajasthan-301019. b) Plot No 24-26, Sector 7, IMT Manesar, Gurgaon, Haryana 122050 c) SPL-146, Industrial Complex, Bhiwadi-304019, District Alwar, Rajasthan d) Plot No. A-7 & A-8, G K Industrial Park, Trichy District Tamil Nadu					
Federal Bank Limited	1) 'First Pari Passu charge on Moveable fixed assets of the Company, both present & future. 2) First Pari Passu charge Immoveable fixed assets situated at : a) Plot No. 24,25 & 26, Sector-7, IMT Manesar, Haryana-122050, b) A-589, RIICO Industrial Area, Bhiwadi, District Alwar, Bhiwadi- 301019, Rajasthan and c) SPL-146A Industrial Complex, Bhiwadi, Rajasthan	18 equal quarterly instalments of 13.2 million each and 1 quarterly installment of 12.4 million starting from the 15th month from the date of first disbursement.	9.40% (Previous year 9.40%)	Nov, 2027	-	197.20
HDFC Bank Ltd - Term Loan .	1) First charge by way of hypothecation in favor of the Lender, on company's movables including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets, present and future for Expansion Project. 2) First charge by way of assignment or creation of charge in favour of the lenders of (i) all the right, title, interest, benefits, claims and demands whatsoever of the company in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time in respect to Expansion Project; 3) First pari passu charge by way of hypothecation in favour of the Lender, of company's movables including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets, present and future which are not exclusively charged to any other lenders. 4) First pari passu charge over the present and future immovable fixed assets of the company as given below: a) A-589, Industrial Complex, Bhiwadi, District, Alwar, Rajasthan-301019. b) Plot No 24-26, Sector 7, IMT Manesar, Gurgaon, Haryana 122050 c) SPL-146, Industrial Complex, Bhiwadi-304019, District Alwar, Rajasthan	Repayment in 20 quarterly instalment starts from June, 2025	8.25% (Previous year 8.50%)	March, 2030	100.00	100.00
Federal Bank Limited	1) 'First Pari Passu charge on Moveable fixed assets of the Company, both present & future. 2) First Pari Passu charge Immoveable fixed assets situated at : a) Plot No. 24,25 & 26, Sector-7, IMT Manesar, Haryana-122050, b) A-589, RIICO Industrial Area, Bhiwadi, District Alwar, Bhiwadi- 301019, Rajasthan and c) SPL-146A Industrial Complex, Bhiwadi, Rajasthan	11 equal quarterly instalments starting from the 5th Feb 2024. '60 monthly instalments of CAD 2324.61	9.00%	Aug, 2026	-	50.00



Particulars	Nature of security	Terms of repayment	Interest Rate	Maturity	31 March 2025	31 March 2024
Lease Liabilities	Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.	Monthly instalments	6%/9.17% (Previous year 6%/9.17%)		1,211.29	1,038.52
Unamortised upfront fees on borrowing					-	(0.62)
Total borrowings					1,531.13	1,829.29
Less: Current maturities of long term borrowings					260.50	394.14
Non current borrowings					1,270.63	1,435.15

(₹ in Mn)

	31 March 2025	31 March 2024
B Borrowings - current		
i) Secured loans		
Working capital loans repayable on demand from banks	418.46	950.65
Current maturity of long term debts	102.93	260.47
ii) Unsecured		
Working capital - Sales Invoice Discounting	72.30	204.61
	593.69	1,415.73
B (i) Lease Liabilities		
Lease liabilities	157.57	133.67
	157.57	133.67

Particulars	Nature of security	Interest rate	31 March 2025	31 March 2024
Standard chartered bank - Packing credit	• First parri passu charge on all stock and book debts present and future of the Company.	SOFR + 1.75% (previous year SOFR+ 1.75% p.a)	0.00	67.56
YES Bank Ltd- Working capital loan	• First Pari Passu charge by way of hypothecation of the Company's on current assets both present and future.	8.05% p.a. (previous year Nil)	87.50	-
Federal Bank - Cash Credit account	• First Pari Passu Charge over all Current Assets of the Borrower (present and future).	10.10% p.a. (previous year NIL)	1.62	-
Federal Bank - PCRE	• First Pari Passu Charge over all Current Assets of the Borrower (present and future).	SOFR + 1.75% (previous year SOFR+ 1.75% p.a)	0.00	88.37
Federal Bank Ltd-Working capital loan	• First Pari Passu Charge over all Current Assets of the Borrower (present and future).	8.10% p.a. (previous year 8.20% p.a.)	82.50	80.00
HDFC Bank Ltd - Working capital loan	• First pari pasucharge on stocks and receivables of the Company, both present and future.	8.10% p.a. (previous year 8.50% p.a)	140.00	90.00
ICICI Bank Limited-Packing credit	• First Pari Passu charge by way of hypothecation of the Company's all current assets both present and future.	SOFR + 1.79% (SOFR + 1.79%)	-	141.80
ICICI Bank Ltd- Working capital loan	• First Pari Passu charge by way of hypothecation of the Company's all current assets both present and future.	8.15%/8.25% p.a. (previous year Nil)	70.00	-

Particulars	Nature of security	Interest rate	31 March 2025	31 March 2024
Pathward-Working capital loan (earlier known as Crestmark)	*First charge on accounts receivable and inventory of The Hi-Tech Gears Canada Inc. Second charge on all other assets existing and future of borrower and guarnter including intellectual property and equipment registered in all appropriate jurisdiction.	Prime Rate + 1.00% with a floor of 5.25%. Advances under the CAD facility bear interest at the Canadian Dollar Prime Rate (as determined by CIBC) +2.00% with a floor of 5.25%(Previous year Prime Rate + 1.00% with a floor of 5.25%. Advances under the CAD facility bear interest at the Canadian Dollar Prime Rate (as determined by CIBC) +2.00% with a floor of 5.25%)	36.84	482.92
Total			418.46	950.65

Particulars	Nature of security	Interest rate	31 March 2025	31 March 2024
Federal Bank - Sales Invoice Discounting	Unsecured	7.85% p.a (previous year 8.10% p.a)	72.30	204.61
Total			72.30	204.61

Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

(₹ in Mn)

Particulars	Long-term borrowings	Short-term borrowings	Lease obligations	Total
01 April 2023	3,012.07	1,320.26	240.35	4,572.68
Cash flows:				
- Repayment	(2,379.63)	-	(81.23)	(2,460.86)
- Proceeds	102.91	(165.00)	-	(62.09)
Other non cash changes:				
- Foreign exchange	36.44	-	-	36.44
- Amortisation charge of transaction cost	18.98	-	879.40	898.38
31 March 2024	790.77	1,155.26	1,038.52	2,984.55
Cash flows:				
- Repayment	(462.97)	(693.37)	(72.52)	(1,228.86)
- Proceeds	-	-	265.61	265.61
Other non cash changes:				
- Foreign exchange	(8.58)	28.87	(20.32)	(0.03)
- Amortisation charge of transaction cost	0.62	-	-	0.62
31 March 2025	319.84	490.76	1,211.29	2,021.89

Note - 20

(₹ in Mn)

	31 March 2025	31 March 2024
A Provisions - non current		
Provisions for employee benefits		
Compensated absences	37.26	38.14
	37.26	38.14

For movements in each class of provision during the financial year, refer note 43

B Provisions - current		
Provisions for employee benefits		
Compensated absences	5.14	5.61
Provision on rate difference	16.31	31.22
	21.45	36.83

For movements in each class of provision during the financial year, refer note 43 & 44



Note - 21

(₹ in Mn)

	31 March 2025	31 March 2024
Deferred tax		
A Deferred tax assets (net)	2.48	0.55
B Deferred tax liabilities (net)	(38.61)	(3.95)
Net Deferred tax assets/(liabilities)	(36.13)	(3.40)
Net deferred tax (asset) / liabilities		
Deferred tax liabilities		
Property, plant & equipment	89.66	65.28
Fair valuation of equity instruments	-	21.63
Deferred government grant	0.19	0.36
Right-of-use asset	123.09	73.83
Sub-total (a)	212.94	161.10
Deferred tax asset		
Cash flow hedge reserve	0.00	19.47
Right-of-use liabilities	144.64	103.45
Provision for rate difference	4.16	7.86
Provision for leave encashment	10.67	11.01
Plant and machinery recognised on account of government grant	0.19	0.36
Provision for bonus	11.58	11.01
Provision for doubtful debts and advances	4.99	3.99
Provision for profit elimination on unsold inventory	0.58	0.55
Sub-total (b)	176.81	157.70
Net deferred tax (asset) / liabilities [(a)-(b)]	(36.13)	(3.40)

(i) Movement in deferred tax liabilities (net)

(₹ in Mn)

Particulars	01 April 2024	Recognised/ reversed through profit and loss	Recognised/ reversed in other comprehensive income	31 March 2025
Deferred tax assets/liabilities arising on account of :				
Property, plant & equipment	(65.28)	(24.38)	-	(89.66)
Fair valuation of equity instruments	(21.63)	-	21.63	-
Deferred government grant	(0.36)	0.17	-	(0.19)
Cash flow hedge reserve	19.47	0.00	(19.47)	0.00
Right-of-use asset	(73.83)	(49.26)	-	(123.09)
Right-of-use lease liabilities	103.45	41.19	-	144.64
Provision for rate difference	7.86	(3.70)	-	4.16
Provision for leave encashment	11.01	(0.34)	-	10.67
Plant and machinery recognised on account of government grant	0.36	(0.17)	-	0.19
Provision for bonus	11.01	0.57	-	11.58
Provision for doubtful debts and advances	3.99	1.00	-	4.99
Provision for profit elimination on unsold inventory	0.55	0.03	-	0.58
Total	(3.40)	(34.89)	2.16	(36.13)

Particulars	01 April 2023	Recognised/ reversed through profit and loss	Recognised/ reversed in other comprehensive income	31 March 2024
Deferred tax assets/liabilities arising on account of :				
Property, plant & equipment	30.52	(95.80)	-	(65.28)
Fair valuation of equity instruments	(21.63)	(2.81)	2.81	(21.63)
Deferred government grant	(0.59)	0.23	-	(0.36)
Cash flow hedge reserve	11.55	(0.00)	7.92	19.47
Right-of-use asset	(54.94)	(18.89)	-	(73.83)
Right-of-use lease liabilities	59.56	43.89	-	103.45
Provision for rate difference	4.05	3.81	-	7.86
Provision for leave encashment	11.52	(0.51)	-	11.01
Plant and machinery recognised on account of government grant	0.59	(0.23)	-	0.36
Derivatives not designated as hedges	(3.35)	3.35	-	-
Provision for bonus	10.47	0.54	-	11.01
Provision for doubtful debts and advances	9.15	(5.16)	-	3.99
Provision for profit elimination on unsold inventory	0.66	(0.11)	-	0.55
Total	57.56	(71.69)	10.73	(3.40)

Note - 22

(₹ in Mn)

	31 March 2025	31 March 2024
A Other non - current liabilities		
Deferred income*	8.06	8.82
	8.06	8.82

* Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment accounted for as government grant and being amortised over the useful life of such assets.

B Other current liabilities		
Payable to statutory authorities	42.53	30.41
Advance from customers	24.37	22.47
	66.90	52.88

Note - 23

(₹ in Mn)

	31 March 2025	31 March 2024
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	70.52	111.19
- total outstanding dues of creditors other than micro enterprises and small enterprises	769.23	965.25
	839.75	1,076.44

Trade payables ageing

Particulars			As at 31 March 2025				
	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed- MSME	-	70.52	-	-	-	-	70.52
(ii) Undisputed- Others	0.24	694.33	70.67	3.12	0.42	-	768.78
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	0.45	0.45
Total	0.24	764.85	70.67	3.12	0.42	0.45	839.75



Trade payables ageing

Particulars			As at 31 March 2024				
	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed- MSME	-	111.19	-	-	-	-	111.19
(ii) Undisputed- Others	57.09	478.17	428.24	0.61	0.13	0.56	964.80
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	0.45	0.45
Total	57.09	589.36	428.24	0.61	0.13	1.01	1,076.44

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2025, 31 March 2024:

(₹ in Mn)

Particulars		31 March 2025	31 March 2024
i	Principal amount remaining unpaid to any supplier as at the end of the accounting year;	70.52	111.19
ii	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	-	-
iii	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iv	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
v	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
vi	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

Note - 24

(₹ in Mn)

Other financial liabilities - current	31 March 2025	31 March 2024
Interest accrued but not due	1.10	0.76
Earnest money and security deposits	4.29	3.71
Unclaimed dividend	0.88	0.80
Derivative liability	-	10.31
Others*	159.21	206.01
	165.49	221.59

*Others include reimbursement of expenses, provision for expenses, liabilities related to compensation/claim, etc.

Note - 25

(₹ in Mn)

	31 March 2025	31 March 2024
Revenue from operations		
Sale of products:		
Transmission gears and shafts - domestic	4,277.91	5,433.00
Transmission gears and shafts - export	4,545.71	5,139.10
Sale of Services:		
Sales job work	244.45	265.62
Other operating income:		
Export incentives	46.61	54.40
Scrap sales	154.96	176.93
	9,269.64	11,069.05

Note - 26

(₹ in Mn)

	31 March 2025	31 March 2024
Other income		
Interest income		
Bank deposits	27.80	34.02
Others	4.27	3.66
Provision written Back	-	2.85
Rent	-	0.46
Dividend	0.03	0.02
Gain on foreign exchange fluctuations (Net)	28.95	17.97
Gain on sale of property, plant and equipment (Net)	6.93	4.33
Provisions written back - trade receivables	-	17.48
Income recognised on account of government assistance	0.76	1.42
Miscellaneous income	48.43	17.09
	117.17	99.30

Note - 27

(₹ in Mn)

	31 March 2025	31 March 2024
Cost of materials consumed		
Opening stock of raw material (steel rod and forgings)	214.52	263.49
Add: Purchase during the year (net of discount)	4,492.36	5,437.38
	4,706.88	5,700.87
Less: Closing stock of raw material (steel rod and forgings)	191.15	214.52
	4,515.73	5,486.35

Note - 28

(₹ in Mn)

	31 March 2025	31 March 2024
Purchase of traded goods		
Opening stock of purchase of traded goods (transmission gears and shafts)	-	-
Add: Purchase during the year (transmission gears and shafts)	156.36	210.20
	156.36	210.20
Less: Closing stock of purchase of traded goods (transmission gears and shafts)	-	-
	156.36	210.20

Note - 29

(₹ in Mn)

	31 March 2025	31 March 2024
Changes in inventories of finished goods and work-in-progress		
Inventories at the end of the year:		
Finished goods (transmission gears and shafts)	303.40	270.30
Work-in-progress (transmission gears and shafts)	357.28	339.48
Inventories at the beginning of the year:		
Finished goods (transmission gears and shafts)	270.30	277.12
Work-in-progress (transmission gears and shafts)	339.48	329.02
	(50.90)	(3.64)

Note - 30

(₹ in Mn)

	31 March 2025	31 March 2024
Employee benefits expense		
Salaries, wages and other benefits	1,471.52	1,794.69
Contributions to provident and other funds	30.65	36.41
Gratuity fund contributions	8.58	8.72
Employee compensation expense	3.62	1.38
Staff welfare expenses	121.06	125.90
	1,635.43	1,967.10



Note - 31

(₹ in Mn)

	31 March 2025	31 March 2024
Finance costs		
Interest on:		
Loans from banks & others	84.03	215.75
Lease liabilities	97.51	55.39
Others	25.68	45.56
Bank commission and charges	6.49	61.00
	213.71	377.70

Note - 32

(₹ in Mn)

	31 March 2025	31 March 2024
Other expenses		
Water electricity and allied charges	341.22	413.26
Stores and spares consumed	746.07	888.73
Professional charges	63.97	112.03
Repair and maintenance		
Plant and machinery	58.37	56.51
Buildings	39.14	16.16
Insurance	67.45	74.90
Rates and taxes	15.10	16.87
Rent (refer note 45)	6.24	5.75
Corporate social responsibility expenses (refer note (i) below)	10.21	2.80
Provision for doubtful debts	4.00	-
Auditor's remuneration*	2.51	2.76
Balances written off	0.00	0.68
Director's sitting fee	1.16	1.44
Freight and handling expenses	87.71	118.25
Charity and donation	0.05	0.04
Loss on exchange fluctuation other than finance cost	1.66	-
Miscellaneous expenses	209.30	199.48
	1,654.16	1,909.66

*Remuneration to auditors comprises of:		
Audit fees	2.21	2.20
Reimbursement of expenses	0.00	0.18
Other services	0.30	0.38
	2.51	2.76

Income from exceptional items		
Income from sale of Land & Building	-	770.06
	-	770.06

(i) Details of CSR expenditure:	31 March 2025	31 March 2024
a) Gross amount required to be spent by the company during the year	12.58	11.59
b) Amount approved by the Board to be spent during the year	12.71	11.80
c) Amount spent during the year :		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	6.21	2.80
	6.21	2.80

d) Unspent amount in relation to: - Ongoing project
For the year ended 31 March 2025

Opening Balance		Amount required to be spent during the year	Amount spent		Closing Balance	
with Company	In seprate CSR unspent A/c		From Company's bank a/c	From Separate CSR Unspent A/c	with company	In seprate CSR unspent account
-	9.00	13.03	6.21	4.00	-	11.82

* include interest earned of Rs.0.32 Mn on balance in unspent account during FY 2024-25 (PY FY 2003-24 is Nil)

For the year ended 31 March 2024

Opening Balance		Amount required to be spent during the year	Amount spent		Closing Balance	
with Company	In seprate CSR unspent A/c		From Company's bank a/c	From Separate CSR Unspent A/c	with company	In seprate CSR unspent account
-	-	11.80	2.80	-	-	9.00

i Corporate social responsibility expenses

The requisite disclosure relating to CSR expenditure in terms on Guidance Note on Corporate Social Responsibility (CSR) issued by Institute of Chartered Accountants of India:

a) Amount spent during the financial year ended 31 March 2025 and 31 March 2024 on:

(₹ in Mn)

Particulars	Period	Bank payment	Yet to be paid in cash	Total
Education, technical education including research and development	31-Mar-25	5.11	-	5.11
	31-Mar-24	2.00	-	2.00
Prime Minister National Relief Fund	31-Mar-25	-	-	-
	31-Mar-24	0.50	-	0.50
Setting up homes for women and orphans/Setting up old age homes, day care centres and such other facilities for senior citizens	31-Mar-25	1.00	-	1.00
	31-Mar-24	0.20	-	0.20
Others	31-Mar-25	0.10	-	0.10
	31-Mar-24	0.10	-	0.10
Total	31-Mar-25	6.21	-	6.21
	31-Mar-24	2.80	-	2.80

Note - 33

(₹ in Mn)

	31 March 2025	31 March 2024
Income tax		
Tax expense comprises of:		
Current tax	170.98	169.02
Deferred tax credit	35.63	69.71
Earlier years tax adjustments (net)	17.42	(1.95)
Income tax expense reported in the statement of profit and loss	224.03	236.78
Accounting profit before income tax	627.66	609.25
At India's statutory income tax rate of 25.167%	157.96	153.33
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of expenses which will never be allowed	0.83	(0.37)
Earlier years tax adjustments (net)	17.42	(1.95)
Others	47.82	85.77
Income tax expense	224.03	236.78



Note - 34

(₹ in Mn)

	31 March 2025	31 March 2024
Earnings per share		
Net profit attributable to equity shareholders		
Net profit for the year	403.63	1,142.53
Nominal value of equity share (₹)	10.00	10.00
Total number of equity shares outstanding at the beginning of the year	18778186	18768000
Total number of equity shares outstanding at the end of the year	18793217	18778186
Weighted average number of equity shares	18780163	18773093
Number of dilutive potential equity shares	24327	33932
No. of equity shares used to compute diluted earnings per share	18804490	18812118
(1) Basic (₹)	21.49	60.86
(2) Diluted (₹)	21.46	60.73

Note - 35A

Financial instruments

(i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

(₹ in Mn)

Particulars	31 March 2025			31 March 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investment in equity instrument through OCI	-	6.37	-	-	122.54	-
Trade receivables	-	-	1,530.44	-	-	2,004.10
Loans	-	-	4.76	-	-	3.07
Cash and cash equivalents	-	-	114.33	-	-	139.81
Other bank balances	-	-	243.06	-	-	398.62
Other financial assets	-	-	108.34	-	-	148.20
Total financial assets	-	6.37	2,000.93	-	122.54	2,693.80
Financial liabilities						
Borrowings	-	-	2,022.99	-	-	2,985.30
Trade payables	-	-	839.75	-	-	1,076.44
Derivate Liabilities	-	-	-	10.31	-	-
Other financial liabilities	-	-	164.39	-	-	210.52
Total financial liabilities	-	-	3,027.13	10.31	-	4,272.26

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

(₹ in Mn)

Particulars	Fair value	
	31 March 2025	31 March 2024
Unquoted equity investments	4.75	120.96

Sensitivity analysis

(₹ in Mn)

Description	31 March 2025	31 March 2024
Impact on fair value if change in share price of investment in equity shares		
- Impact of increase in discount rate by 0.5 %	4.80	129.36
- Impact of decrease in discount rate by 0.5 %	4.70	(113.35)

The following table presents the changes in level 3 items for the periods ended 31 March 2025 and 31 March 2024:

(₹ in Mn)

Particulars	Unquoted equity shares
As at 31 March 2023	120.96
Gain/(loss) recognised in other comprehensive income	-
As at 31 March 2024	120.96
Gain/(loss) recognised in other comprehensive income	(116.21)
As at 31 March 2025	4.75

(iii) Financial assets measured at fair value - recurring fair value measurements

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis at 31 March 2025 and 31 March 2024 :

(₹ in Mn)

Particulars	Period	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets						
Investments at fair value through other comprehensive income						
Equity investments	31 March 2025	6.37	1.62	-	4.75	6.37
	31 March 2024	122.54	1.58	-	120.96	122.54
At fair value through profit or loss						
Derivative financial liability	31 March 2025	-	-	-	-	-
	31 March 2024	10.31	-	10.31	-	10.31

(iv) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

(₹ in Mn)

Particulars	Level	31 March 2025		31 March 2024	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Loans	Level 3	4.76	4.76	3.07	3.07
Other financial assets	Level 3	108.34	108.34	148.20	148.20
Total financial assets		113.10	113.10	151.27	151.27
Financial liabilities					
Borrowings	Level 3	2,022.99	2,022.99	2,985.30	2,985.30
Total financial liabilities		2,022.99	2,022.99	2,985.30	2,985.30

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the Group's interest-bearing borrowings, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2025 was assessed to be insignificant.
- The fair values of the Group's interest-bearing borrowings, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.
- The use of quoted market prices for quoted equity instruments.
- Fair value of unquoted equity shares was determined based on the fair market value per share by the registered valuer for the year ended March 31, 2025.
- The use of quoted market prices for derivative contracts at balance sheet date. For hedge related disclosures, refer note 44.

During the financial year 2024-25 and 2023-24, there were no transfer between Level 1, Level 2 and Level 3 fair value measurements.



Note - 35B

Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk. The respective group companies board of directors has overall responsibility for the establishment and oversight of the risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, other financial assets	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required.
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.
Market risk - security price	Investments in equity securities.	Sensitivity analysis	Portfolio diversification.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

The Group provides for expected credit loss based on the following:

Asset groups	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables and other financial asset	Life time expected credit loss or 12 month expected credit loss
High credit risk	Trade receivables and other financial asset	Life time expected credit loss fully provided for

Life time expected credit loss is provided for trade receivables.

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

(₹ in Mn)

Credit rating	Particulars	31 March 2025	31 March 2024
A: Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	476.86	812.24
B: Moderate credit risk	Trade receivables and other financial asset	1,532.04	1,999.05
C: High credit risk	Trade receivables and other financial asset	18.24	20.88

ii) *Concentration of trade receivables*

The Group's exposure to credit risk for trade receivables is presented as below. Loans and other financial assets majorly represents loans to employees and deposits given for business purposes.

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Original equipment manufacturer	889.12	1,013.09
Other	659.11	1,004.80
Total	1,548.23	2,017.89

b) **Credit risk exposure**

(i) **Provision for expected credit losses**

The Group provides for 12 month expected credit losses for following financial assets –

As at 31 March 2025

(₹ in Mn)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	114.33	-	114.33
Investment	6.37	-	6.37
Other bank balances	243.06	-	243.06
Loans	4.76	-	4.76
Other financial assets	110.39	2.05	108.34

As at 31 March 2024

(₹ in Mn)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	139.81	-	139.81
Investment	122.54	-	122.54
Other bank balances	398.62	-	398.62
Loans	3.07	-	3.07
Other financial assets	150.25	2.05	148.20

Reconciliation of loss provision – lifetime expected credit losses

(₹ in Mn)

Reconciliation of loss allowance	Trade receivables	Other financial asset
Loss allowance on 1 April 2023	34.33	2.05
Impairment loss recognised/reversed during the year	(20.54)	-
Loss allowance on 31 March 2024	13.79	2.05
Impairment loss recognised/reversed during the year	4.00	-
Loss allowance on 31 March 2025	17.79	2.05

(B) **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.



(₹ in Mn)

31 March 2025	Less than 1 year	1-2 years	More than 2 year	Total
Borrowings	102.93	92.35	124.56	319.84
Lease Liabilities	81.36	88.56	1,041.37	1,211.29
Trade payable	839.75	-	-	839.75
Derivative financial liabilities	-	-	-	-
Other financial liabilities	164.38	-	-	164.38
Total	1,188.42	180.91	1,165.93	2,535.26

(₹ in Mn)

31 March 2024	Less than 1 year	1-2 years	More than 2 year	Total
Borrowings	260.19	195.12	335.47	790.78
Lease Liabilities	66.02	73.37	899.12	1,038.51
Trade payable	1,076.44	-	-	1,076.44
Derivative financial liabilities	10.31	-	-	10.31
Other financial liabilities	210.52	-	-	210.52
Total	1,623.48	268.49	1,234.59	3,126.56

The Group had access to following funding facilities :

As at 31 March 2025

(₹ in Mn)

Funding facilities	Total facility	Drawn	Undrawn
Less than 1 year	2,295.45	490.76	1,804.69
Above 1 year	-	-	-
Total	2,295.45	490.76	1,804.69

As at 31 March 2024

(₹ in Mn)

Funding facilities	Total facility	Drawn	Undrawn
Less than 1 year	2,285.35	1,155.26	1,130.09
Above 1 year	-	-	-
Total	2,285.35	1,155.26	1,130.09

(C) Market risk

(i) Foreign exchange risk

The Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports and exports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency. The Group does not hedge its foreign exchange receivables/payables.

(ii) Derivative financial instrument

The Group uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates. The Group does not acquire or issue derivative financial instruments for trading or speculative purposes. The Group does not enter into complex derivative transactions to manage the risks. The derivative transactions are normally in the form of forward contracts and these are subject to the Group guidelines and policies.

The fair values of all derivatives are separately recorded in the balance sheet within current financial assets. Derivatives that are designated as hedges are classified as current depending on the maturity of the derivative. The use of derivatives can give rise to credit and market risk. The Group tries to control credit risk as far as possible by only entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

a) Fair value hedge

The fair value hedges relate to forward covers taken to hedge currency exposure risks. The Group uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions. Fair value changes on such forward contracts are recognized in profit or loss.

b) Non-qualifying/economic hedge

The Group enters into derivative contracts which are not designated as hedges for accounting purposes, but provide an economic hedge of a particular transaction risk or a risk component of a transaction. Fair value changes on such derivative instruments are recognized in profit or loss.

Foreign currency risk exposure:

(₹ in Mn)

Particulars	Currency	Amount in foreign currency (in Mn)		Amount in ₹ in Mn	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
Receivables					
Export trade receivable and advances	USD	9.66	13.00	825.53	1,084.41
	EURO	0.29	0.41	26.66	37.24
Payables					
Payable for imports and others	USD	(3.08)	(3.57)	(262.88)	(297.91)
	EURO	(0.01)	(0.00)	(0.60)	(0.17)
	GBP	-	(0.00)	-	(0.06)
	CHF	-	(0.02)	-	(1.90)

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in Mn)

Particulars	Currency	Exchange rate increase by 5%		Exchange rate decrease by 5%	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
Receivables					
Export trade receivable	USD	41.28	54.22	(41.28)	(54.22)
	EURO	1.33	1.86	(1.33)	(1.86)
Payables					
Payable for imports and others	USD	13.14	14.90	(13.14)	(14.90)
	EURO	0.03	0.01	(0.03)	(0.01)
	GBP	-	0.00	-	(0.00)
	JPY	-	0.09	-	(0.09)

(ii) Interest rate risk

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Variable rate borrowing	1,803.15	2,680.70
Fixed rate borrowing	219.84	304.60
Total borrowings	2,022.99	2,985.30

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Interest rates – increase by 50 basis points	9.02	13.40
Interest rates – decrease by 50 basis points	(9.02)	(13.40)

(iii) Price risk

The Group's exposure to price risk arises from investments held and classified as FVOCI/ FVTPL. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Sensitivity analysis

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Group's profit for the year -

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Price sensitivity		
Price increase by (5%) - FVOCI*	0.08	0.08
Price decrease by (5%) - FVOCI	(0.08)	(0.08)

* For sensitivity analysis in equity investment in shares of Altigreen, refer note 35 A, level 3 disclosure.



Note - 36

Disclosures as per Indian Accounting Standard (Ind AS) 108 "Operating Segments"

a) Operating segments

Management currently identifies the Group's three service areas as its operating segments as follows:

India
Canada
Others

b) Segment revenue and expenses

Revenue and expenses directly attributable to the segment is considered as 'Segment Revenue and Segment Expenses'.

c) Segment assets and liabilities

Segment assets and liabilities include the respective directly identifiable to each of the segments.

These operating segments are monitored by the chief operating decision maker and strategic decisions are made on the basis of segment operating results. Segment performance is evaluated based on the profit of each segment.

The following tables present revenue and profit information and certain asset and liability information regarding the reportable segments for the years ended 31 March 2025 and 31 March 2024.

(₹ in Mn)

Particulars	India		Canada		Others		Total	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Revenue								
Sales to external customers	6,389.93	7,590.34	2,574.32	3,169.91	240.87	263.16	9,205.12	11,023.41
Inter-segment sale	(137.05)	(185.69)	-	-	-	-	(137.05)	(185.69)
Segment revenue	6,252.88	7,404.65	2,574.32	3,169.91	240.87	263.16	9,068.07	10,837.72
Interest revenue	30.74	34.62	1.33	3.06	(0.00)	-	32.07	37.68
Interest expense	70.02	153.95	18.23	61.80	(4.22)	-	84.03	215.75
Depreciation and amortisation	327.71	316.14	306.95	295.58	-	-	634.66	611.73
Reversal of provisions	-	2.85	-	-	-	-	-	2.85
Dividend revenue	0.03	0.02	-	-	-	-	0.03	0.02
Gain (Loss) Disposals of of property, plant and equipment	6.93	4.32	-	-	-	-	6.93	4.32
Exceptional items				770.06				770.06
Segment result (profit before tax)	618.56	636.21	27.56	728.74	(18.46)	14.36	627.66	1,379.31
Income tax expense	161.91	154.57	62.12	82.21	-	-	224.03	236.78
Segment assets	5,058.46	5,502.25	2,976.92	3,578.89	5.41	3.04	8,040.79	9,084.18
Segment liabilities	1,997.85	2,589.85	1,205.23	1,830.93	1.96	1.88	3,205.04	4,422.65
Additions to non-current assets other than financial instruments, deferred tax assets, net defined benefit assets.	528.67	421.28	3.09	7.23	-	-	531.76	428.51

Information about major customer

During the year ended 31 March 2025 revenue of approximately 65.70% are derived from Four external customers (previous year: 64.05% are derived from four external customers).

Note - 37

Related party disclosures

a) List of related parties and relationships

i) Parties where control exists:

Subsidiary Company:

- (a) 2545887 Ontario Inc., Canada

Step down subsidiaries:

- | | |
|---|---------------------------------------|
| (i) The Hi-Tech Gears Canada Inc. | (iv) Teutech Leasing Corporation, USA |
| (ii) Teutech Holding Corporation, USA | (v) 2504584 Ontario Inc., Canada* |
| (iii) Teutech LLC, USA | (vi) 2323532 Ontario Inc., Canada* |
| (b) Neo Tech Auto Systems Inc., USA | |
| (c) Neo Tech Smart Solutions Inc., Canada | |

*Pursuant to restructuring process, two Step-Down Subsidiaries i.e., 2323532 Ontario Inc. and 2504584 Ontario Inc. have been Amalgamated with The Hi-Tech Gears Canada Inc. (Step down Subsidiary of the Company) w.e.f. 15/06/2023 (IST) by filing of Articles of Amalgamation and confirmation by the Ontario Business Registry by vide OCN 1000501804 and Transaction no 46460689 and both the aforesaid Step-Down Subsidiaries, viz 250 and 232 are ceased to exist w.e.f. 15/06/2023

ii) Key Management Personnel (KMP) and their relatives

- | | |
|--|--|
| (i) Mr. Deep Kapuria (Executive Chairman and Whole Time Director) | (xiv) Mr. Ramesh Shankarmal Pilani (Independent Director) ⁴ |
| (ii) Mr. Anant Jaivant Talaulicar (Vice Chairman and Non Executive Director) | (xv) Mr. Vikram Rupchand Jaisinghani (Independent Director) ² |
| (iii) Mr. Pranav Kapuria (Managing Director) | (xvi) Mr. Sameer Gupta (Independent Director) ² |
| (iv) Mr. Anuj Kapuria (Whole Time Director) | (xvii) Mr. Arjun Juneja (Independent Director) ² |
| (v) Mr. Sandeep Dinodia (Independent Director) ³ | (xviii) Mr. Deval Mahadev Desai (Independent Director) ² |
| (vi) Mr. Anil Kumar Khanna (Independent Director) ³ | (xix) Mr. Girish Narang (Whole Time Director and Key Managerial Personnel) ² |
| (vii) Mr. Krishna Chandra Verma (Independent Director) ³ | (xx) Mrs. Suchitra Rajendra (Independent Director) ⁶ |
| (viii) Ms. Malini Sud (Independent Director) ⁵ | (xxi) Mr. Kapil Rajora (Chief Financial Officer) |
| (ix) Mr. Amresh Kumar Verma (Whole-time Director) ¹ | (xxii) Mr. Naveen Jain (Company Secretary) |
| (x) Mr. Bidadi Anjani Kumar (Non Executive Director) | (xxiii) Mrs. Veena Kapuria (Wife of Mr. Deep Kapuria) |
| (xi) Mr. Rajiv Batra (Independent Director) | (xxiv) Mr. Subir Kumar Chowdhury (Whole-time Director designated as "Executive Director and President") ⁷ |
| (xii) Mr. Vinit Taneja (Independent Director) ³ | (xxv) Mr. Sumit Kumar (Chief Financial Officer) ⁸ |
| (xiii) Mr. Kawal Jain (Non Executive Director) | (xvii) Mr. William J Costantino.(Independent Director) |
| (xiv) Mr. Ramesh Shankarmal Pilani (Independent Director) ⁴ | (xviii) Mr. Rajesh Kumar (effective March 07, 2023) (Executive Director) |

1. Mr. Amresh Kumar Verma has taken early retirement from the office of Whole-time Director and Key Managerial Personnel w.e.f. the closure of Business hours of August 06, 2024.
2. Mr. Vikram Rupchand Jaisinghani, Mr. Sameer Gupta, Mr. Arjun Juneja, Mr. Deval Mahadev Desai and Mr. Girish Narang were appointed w.e.f. August 06, 2024
3. Mr. Sandeep Dinodia, Mr. Anil Kumar Khanna, Mr. Krishan Chandra Verma and Mr. Vinit Taneja have retired with effect from the closure of business hours of September 17, 2024.
4. Mr. Ramesh Shankarmal Pilani appointed as Non Executive Independent Director of the Company has resigned w.e.f the closure of Business hours of January 27, 2025.
5. Ms. Malini Sud retired from the position of Non-Executive - Independent Director w.e.f. February 12, 2025.
6. Mrs. Suchitra Rajendra appointed as Non-Executive - Independent Director of the company w.e.f. February 11, 2025.
7. Mr. Subir Kumar Chowdhury, Whole-time Director designated as Executive Director and President resigned from the Board of the Company w.e.f October 18, 2023.
8. Mr. Sumit Kumar resigned from the position of Chief Financial Officer and KMP with effect from closing of business hours dated August 14, 2023.

iii) Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions has been undertaken:-

- | | |
|---|--|
| (i) Aquarian Fibrecement Private Limited | (iv) The Hi-Tech Engineering Systems Private Limited |
| (ii) Vulcan Electro Controls Limited | (v) Novus Hi-Tech Robotic Systemz Private Limited |
| (iii) The Hi-Tech Robotic Systemz Limited | (vi) Summit Inport Services Limited |

(b) Transactions with related parties carried out in the ordinary course of business:

(₹ in Mn.)

S.No	Particulars	Year	Subsidiary Group	Related Parties							Total
				Enterprise over which Key Management personnel and their relatives exercise significant influence						Key Management Personnel and its relatives	
				Aquarian Fibrecement Private Limited	Vulcan Electro Controls Limited	The Hi-Tech Engineering Systems Private Limited	Summit Inport Services Limited	The Hi-Tech Robotic Systemz Limited			
1	Purchase of goods	31 March 2025 31 March 2024	- -	- 1,051.19 1,612.51	270.03 379.59	- -	- -	- -	1,321.22 1,992.10		
2	Sale of goods	31 March 2025 31 March 2024	- -	- 3.30 3.39	0.15 -	- -	- -	- -	3.45 3.39		
3	Rendering of job work/services	31 March 2025 31 March 2024	- -	- 0.00 0.02	4.54 9.10	- -	- -	- -	4.54 9.12		
4	Sale of assets	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	- -	- -		
5	Purchase of asset	31 March 2025 31 March 2024	- -	- -	65.11 -	- -	- -	- -	65.11 -		
6	Receiving of job work/services	31 March 2025 31 March 2024	- -	- 156.13 137.10	- -	- -	30.00 35.00	- -	186.13 172.10		
7	Leasing or hire purchase arrangements	31 March 2025 31 March 2024	- -	20.79 18.90	- -	- -	- -	- 4.85	20.79 23.75		
8	Remuneration paid*	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	152.27 146.65	152.27 146.65		
9	Commission paid	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	6.06 8.08	6.06 8.08		
10	Sitting fees	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	1.16 1.89	1.16 1.89		
11	Re-imbursement received	31 March 2025 31 March 2024	- -	- 0.10	- -	- -	- -	- -	- 0.10		
12	Loan Provided	31 March 2025 31 March 2024	- -	- -	- -	- -	- -	0.52 -	0.52 -		
13	Rent Paid	31 March 2025 31 March 2024	- -	- -	- -	0.03 -	- -	5.34 -	5.37 -		



* The remuneration of Key Managerial Personnel included in various schedules to statement of profit and loss is as under:

Particulars*	31 March 2025		31 March 2024	
Short term employee benefits		146.71		141.04
Defined contribution plan		5.56		5.60

* Does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

(c) Closing balance with related parties in the ordinary course of business :

(₹ in Mn.)

S.No	Particulars	Year	Related Parties							Total
			Subsidiary Group	Enterprise over which Key Management personnel and their relatives exercise significant influence				Key Management Personnel and its relatives		
				Aquarian Fibrecement Private Limited	Vulcan Electro Controls Limited	The Hi-Tech Engineering Systems Private Limited	Summit Inport Services Limited		The Hi-Tech Robotic Systemz Limited	
1	Trade payable	31 March 2025	-	-	123.34	153.04	-	2.70	-	279.08
		31 March 2024	-	-	256.52	85.49	-	5.40	-	347.41
2	Other payable	31 March 2025	-	-	-	-	0.03	-	13.61	13.64
		31 March 2024	-	-	-	-	-	-	5.98	5.98
3	Other receivable	31 March 2025	-	-	-	-	-	-	0.52	0.52
		31 March 2024	-	-	-	-	-	-	-	-

Terms and conditions of transactions with related parties

- All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis
- For the year ended 31 March, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2023-24: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(This space has been intentionally left blank)



Note - 38

Interest in other entities

The Group's subsidiaries at 31 March 2025 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group.

Name of entity	Country of incorporation	Functional currency	Ownership interest held by the Group		Principal activities
			31 March 2025	31 March 2024	
2545887 Ontario Inc	Canada	CAD	100%	100%	Asset ownership, real estate.
Neo- Tech Auto System Inc.	USA	USD	100%	100%	Manufacturing and sales of auto components.
The Hi-Tech Gears Canada Inc.	Canada	CAD	100%	100%	Manufacturing and sales of automotive parts/ components.
Teutech Holding Corporation	USA	USD	100%	100%	Asset ownership.
Teutech LLC	USA	USD	100%	100%	Machining and job work of automotive components.
Teutech Leasing Corporation	USA	USD	100%	100%	Asset ownership, real estate.
2504584 Ontario Inc	Canada	CAD	100%	NIL	Real estate.
Neo-Tech Smart Solutions Inc.	Canada	CAD	100%	100%	Manufacturing and sales of General Engineering, Industrial Components and Automotive Industry.
2323532 Ontario Inc	Canada	CAD	100%	NIL	Asset ownership, real estate.

Note - 39

Capital management

The Group's objectives when managing capital are to:

- To ensure Group's ability to continue as a going concern, and
- To provide adequate return to shareholders

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Group manages its capital requirements by overseeing the following ratios –

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Net debt*	1,908.67	2,845.50
Total equity	4,835.75	4,661.53
Net debt to equity ratio	0.39	0.61

*Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued - cash and cash equivalents

Note - 40

Contingent liabilities and commitments

(to the extent not provided for)

A Contingent liabilities

(1) Details of bank guarantees are as under:-

(₹ in Mn)

S.No	Name of the beneficiary	31 March 2025	31 March 2024
1	Dy. Commissioner Customs Export, Tughlakabad, Delhi	0.15	0.15
2	Chief Engineer NPP and RA Rajasthan Rajya Vidut Prasaran Nigam Ltd	0.02	-
3	Chief Engineer NPP and RA Rajasthan Rajya Vidut Prasaran Nigam Ltd	0.01	-
4	The President of India (Through Asstt. / Dy Commissioner of Customs)	0.48	0.48
5	Rajasthan Rajya Vidut Prasaran Nigam Limited	0.03	0.03
6	Haryana City Gas Distribution (Bhiwadi) LTD	2.78	2.78
7	Haryana City Gas Distribution (Bhiwadi) LTD	0.70	0.70
8	The Chief Engineer (NPP And RA), Vidyut Bhawan	-	2.45
9	Ministry of Heavy Industries, Government of India, represented by IFCI Limited	10.00	10.00
10	Rajasthan Renewable Energy Corporation Limited	-	2.25
11	Rajasthan Renewable Energy Corporation Limited	1.70	1.70
	Total	15.87	20.54

(2) Contingent liabilities on account of statutory demands not provided for in the books of account are as follows:-

a) Direct Tax

(₹ in Mn)

S.No	Particulars	Period to which the amount relates	31 March 2025	31 March 2024
1	Income Tax Act, 1961 (Assistant Commissioner of Income Tax(TDS))	Assessment Year 2019-20	2.66	2.66
2	Income Tax Act, 1961	Assessment Year 2019-20	0.30	0.30
3	Income Tax Act, 1961	Assessment Year 2019-20	0.05	0.05
	Total		3.01	3.01

b) Indirect Tax

(₹ in Mn)

S.No	Particulars	Period to which the amount relates	31 March 2025	31 March 2024
1	Central Excise Act, 1944 (Additional Commissioner, Central Excise, Gurgaon, Haryana)	April 2005 to March 2018	1.04	1.04
2	Central Excise Act, 1944 (Additional Commissioner, Central Excise, Gurgaon, Haryana)	August 2014 to July 2015	2.02	2.02
3	Central Excise Act, 1944 (Additional Commissioner, Central Excise, Gurgaon, Haryana)	August 2015 to February 2017	3.62	3.62
4	Central Excise Act, 1944 (Deputy Commissioner, CGST, Gurugram, Haryana)	March 2017 to September 2017	1.60	1.60
5	Central Goods & Service Tax Act, 2017 (Deputy Commissioner, State GST Circle-B,-Bhiwadi)*	July 2017 To December 2018	-	62.87
6	Central Goods & Service Tax Act, 2017 (Deputy Commissioner, State GST Circle-B,-Bhiwadi)	Jan 2019 To March 2019	2.30	2.30
7	Central Goods & Service Tax Act, 2017 (Deputy Commissioner, State GST Circle-B,-Bhiwadi)	September 2016 to September 2016	0.10	0.10
	Total		10.68	73.55

* Goods & Service tax demand of Rs.62.87 Mn has been dropped, vide order dated 29.04.2025 passed in favour of The Hi-Tech Gears Limited (the company) by Honourable Commissioner Appeal (CGST Central Excise & Customs, Jaipur)

- (3) There are three legal cases filed by past employees against the Company for re-instatement/settlement of their dues/remuneration related matters. All cases are pending at various stages at Camp Court, Bhiwadi, Rajasthan. There is one case filed in NCLT under the provision of IBC Act related to commercial dispute with parties. The financial impact of these cases, if any, is not identifiable and hence the same has not been provided in the financial statements of the Company.

B Commitments (net of advance):

Estimated amount of contracts remaining to be executed on capital accounts ₹ 27.97 Mn after adjusting advances (Previous years: 31 March 2024: ₹ 111.92 Mn).

Note - 41

Dividends

- A The Board of Directors at its meeting held on May 29, 2025 have recommended a Final dividend of ₹ 5.00/- per equity share of ₹ 10/- each i.e. @ 50% on paid-up equity share capital of the company subject to approval of members at its ensuing Annual General Meeting.

- B Dividend declared and paid in earlier years are as follows –

(₹ in Mn)

Nature	31 March 2025	31 March 2024
Final dividend	93.89	46.92



Note - 42

Leases disclosure as lessee

The Group has leases for land, solar plants, flat and office building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability as a borrowings. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Short-term leases	6.24	5.75
Leases of low value assets	-	-
Variable lease payments	-	-

B Total cash outflow for leases for the year ended 31 March 2025 was Rs. 169.01 Mn (previous year 31 March 2024 was Rs. 46.61 Mn).

C The Company has total commitment for short-term leases of Rs. 6.67 Mn as at 31 March 2025 (previous year 31 March 2024 was Rs. 3.56 Mn).

D Amounts recognised in the statement of profit or loss:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Amortization on right-of-use assets	46.28	27.71
Interest on lease liabilities	97.51	23.48

E Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

(₹ in Mn)

31 March 2025	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	175.40	175.78	176.85	165.02	152.15	1,196.94	2,042.14
Interest expense	94.05	87.22	79.89	72.05	65.53	432.11	830.85
Net present values	81.35	88.56	96.96	92.97	86.62	764.83	1,211.29

31 March 2024	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	44.67	46.57	48.67	51.00	37.64	356.62	585.17
Interest expense	26.22	24.41	22.23	19.68	16.98	161.25	270.77
Net present values	18.45	22.16	26.44	31.32	20.66	195.37	314.40

F Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2025 is Nil (31 March 2024 is of Rs.Nil).

G Information about extension and termination options

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Land	7	20-91 years	53 years	3	4	3
Residential flat	4	70-75 years	73 years	0	4	0
Factory premises	2	3-9 years	6 years	2	0	2
Solar plants	3	20-25 years	24 years	3	3	3

Note - 43

Employee benefits

A Compensated absences-earned leave

Risk

Salary increases	Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

i) Amounts recognized in the consolidated balance sheet (₹ in Mn)

Particulars	31 March 2025	31 March 2024
Present value of the obligation at end	42.40	43.75
Net obligation recognised in balance sheet as provision	42.40	43.75
Current liability (amount due within one year)	5.14	5.61
Non-current liability (amount due over one year)	37.26	38.14

ii) Expenses recognized in consolidated statement of profit and loss (₹ in Mn)

Particulars	31 March 2025	31 March 2024
Current service cost	6.17	7.16
Interest cost	3.16	3.37
Actuarial (gain)/loss net on account of: Changes in experience adjustment	1.13	3.50
Cost recognized during the year	10.46	14.03

iii) Movement in the liability recognized in the consolidated balance sheet is as under: (₹ in Mn)

Particulars	31 March 2025	31 March 2024
Present value of defined benefit obligation at the beginning of the year	43.75	45.76
Current service cost	6.17	7.16
Interest cost	3.16	3.37
Actuarial (gain)/loss net	1.13	3.50
Benefits paid	(11.81)	(16.04)
Present value of defined benefit obligation at the end of the year	42.40	43.75

iv) (a) For determination of the liability of the Group the following actuarial assumptions were used:

Particulars	31 March 2025	31 March 2024
Discount rate	6.78%	7.23%
Salary escalation rate	8.50%	8.50%
Retirement Age (Years)	58.00	58.00
Ages	Withdrawal rate (%)	
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Leave		
Leave availment rate	5.00%	5.00%
Leave lapse rate while in service	0.00%	0.00%
Leave lapse rate on exit	0.00%	0.00%
Leave encashment rate while in service	5.00%	5.00%

Mortality rates inclusive of provision for disability -100% of IALM (2006 – 08)



iv) (b) Maturity Profile of defined benefit obligation

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
0 to 1 year	5.14	5.61
1 to 2 year	1.99	2.34
2 to 3 year	3.00	1.78
3 to 4 year	2.67	2.82
4 to 5 year	2.30	2.50
5 to 6 year	3.43	2.21
6 year onwards	23.87	26.48

v) Sensitivity analysis for compensated absences liability

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	42.40	43.75
Impact due to increase of 0.50 %	(1.71)	(1.85)
Impact due to decrease of 0.50 %	1.84	1.99
b) Impact of the change in salary increase		
Present value of obligation at the end of the year	42.40	43.75
Impact due to increase of 0.50 %	1.80	1.95
Impact due to decrease of 0.50 %	(1.69)	(1.83)

Sensitivities due to mortality and withdrawals are not material. Hence impact of change is not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

B Gratuity

Risk

Salary increases	Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

i) Amounts recognized in the consolidated balance sheet

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Present value of the obligation	145.43	142.89
Fair value of plan assets	154.05	156.55
Net (assets) / liability recognised in balance sheet as provision	(8.62)	(13.66)
Current (assets) liability (amount due within one year)	(8.62)	(13.66)

ii) Gain recognised in other comprehensive income:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Actuarial gains/(loss) on asset	0.02	(0.33)
Actuarial gains/(loss) on PBO	0.96	6.95
Gain recognised in other comprehensive income	0.98	6.62

iii) Actuarial (gain)/loss on obligation

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Actuarial (gain)/loss net on account of:		
Changes in demographic assumptions	-	-
Changes in financial assumptions	3.87	1.23
Changes in experience adjustment	(4.83)	(8.18)

iv) Expenses recognized in consolidated statement of profit and loss

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Current service cost	9.57	9.54
Interest cost	(0.99)	(0.82)
Cost recognized during the year	8.58	8.72

v) Major categories of plan assets (as percentage of total plan assets)

Particulars	31 March 2025	31 March 2024
Government of India Securities	0%	0%
State Government securities	0%	0%
High Quality Corporate Bonds	0%	0%
Equity Shares of listed companies	0%	0%
Funds managed by insurer	100%	100%
Bank Balance	0%	0%
Total	100%	100%

vi) Change in plan assets is as under:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Fair value of plan assets at the beginning of the period	156.55	156.76
Difference in Opening Fund	-	-
Actual return on plan assets	11.33	11.22
Employer contribution	2.57	4.63
Fund management charges	-	-
Benefits paid	(16.41)	(16.06)
Present value of defined benefit obligation at the end of the year	154.04	156.55

vii) Movement in the liability recognised in the consolidated balance sheet is as under:

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
Present value of defined benefit obligation at the beginning of the year	142.89	145.62
Current service cost	9.57	9.54
Interest cost	10.33	10.73
Actuarial (gain)/loss net	(0.95)	(6.95)
Benefits paid	(16.41)	(16.05)
Present value of defined benefit obligation at the end of the year	145.43	142.89

viii) (a) For determination of the liability of the Group the following actuarial assumptions were used:

Particulars	31 March 2025	31 March 2024
Discount rate	6.78%	7.23%
Salary escalation rate	8.50%	8.50%
Retirement age (Years)	58.00	58.00
Withdrawal rate		
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Weighted average duration of PBO	10.49	10.58

Mortality rates inclusive of provision for disability -100% of IALM (2006 – 08)



viii) (b) Maturity profile of defined benefit obligation

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
0 to 1 year	21.12	21.76
1 to 2 year	10.80	9.85
2 to 3 year	10.78	9.42
3 to 4 year	13.32	10.97
4 to 5 year	12.59	12.44
5 to 6 year	12.22	11.14
6 year onwards	64.60	67.31

ix) Sensitivity analysis for compensated absences liability

(₹ in Mn)

Particulars	31 March 2025	31 March 2024
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	145.43	142.89
Impact due to increase of 0.50 %	(4.33)	(4.35)
Impact due to decrease of 0.50 %	4.58	4.62
b) Impact of the change in salary increase		
Present value of obligation at the end of the year	145.43	142.89
Impact due to increase of 0.50 %	4.23	4.26
Impact due to decrease of 0.50 %	(4.05)	(4.08)

Sensitivities due to mortality and withdrawals are not material. Hence impact of change is not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Note - 44

Disclosure under Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Assets": Movements in each class of provision during the financial year, are set out below:

(₹ in Mn)

Particulars	Provision on rate differences*
As at 1 April 2023	16.09
Additional provision recognised	15.13
As at '31 March 2024	31.22
Additional provision recognised	(14.90)
As at '31 March 2025	16.32

*This provision reflects the amount that could be payable on account of foreign exchange adjustment on export.

Note - 45

Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of major changes on account of revenue recognised in the reporting period from the contract liability balance at the beginning of the period and other changes, as summarised below:

(₹ in Mn)

Description	31 March 2025	31 March 2024
Contract liabilities at the beginning of the year	22.47	55.30
Less: performance obligations satisfied in current year	(1.83)	(37.68)
Add: advance received during the year.	16.43	4.85
	37.07	22.47

Disaggregation of revenue

Revenue arises mainly from the sale of manufactured and traded goods, sale of software, and job work services.

(₹ in Mn)

Description	31 March 2025	31 March 2024
Sale of goods	9,025.19	10,803.43
Job work	244.45	265.62
	9,269.64	11,069.05

(₹ in Mn)

Description	31 March 2025	31 March 2024
India	4,788.29	5,648.40
America	2,818.15	4,334.94
Others	1,663.20	1,085.71
	9,269.64	11,069.05

Reconcile the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Mn)

Description	31 March 2025	31 March 2024
Revenue recognised during the year	9,269.64	11,069.05
Less: Discount, rebates, credits etc.	-	-
Revenue as per the contract	9,269.64	11,069.05

Timing of Revenue recognition:

(₹ in Mn)

Description	Year ended 31 March 2025	Year ended 31 March 2024
Revenue recognised at point in time		
Sale of goods	9,025.19	10,803.43
Revenue recognised over time		
Job work	244.45	265.62
	9,269.64	11,069.05

Note - 45A

Derivative financial instruments and hedge accounting

The Company is exposed to foreign currency risk from foreign currency borrowings and highly probable forecasted sales, primarily denominated in USD and EURO. The Company has a risk management policy which aims to hedge foreign currency and interest rate arising from its borrowings denominated in a currency other than the functional currency of the Company. The Company uses cross currency swap and interest rate swaps to hedge its exposure to foreign currency and interest rate risk. The Company designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in cash flow hedges.

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company uses dollar offset method using a hypothetical derivatives, dollar offset method is a quantitative method that consists of comparing the change in fair value or cash flows of the hedging instrument with the change in fair value or cash flows of the hedged item attributable to the hedged risk.

The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.



Impact of hedging activities

(a) Disclosures of effects of hedge accounting on balance sheet:

As on 31 March 2025

(₹ in Mn)

Type of hedge and risks	Notional amount	Carrying amount of hedging instruments		Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets (₹ in mn)	Liabilities (₹ in mn)					
Cash flow hedge								
<i>Foreign exchange risk</i>								
(i) Cross currency swaps	EUR 6.46	-	-0.00	Jun 2020 - Dec 2024	1:1	78.18	10.31	(10.31)
<i>Interest rate risk</i>								
(ii) Interest rate swaps	USD -	-	-				(8.23)	8.23

As on 31 March 2024

(₹ in Mn)

Type of hedge and risks	Notional amount	Carrying amount of hedging instruments		Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets (₹ in mn)	Liabilities (₹ in mn)					
Cash flow hedge								
<i>Foreign exchange risk</i>								
(i) Cross currency swaps	EUR 6.46	-	10.31	Jun 2020 - Dec 2024	1:1	78.18	(13.83)	13.83
<i>Interest rate risk</i>								
(ii) Interest rate swaps	USD -	-	-				(22.52)	22.52

(b) Disclosure of effects of hedge accounting on statement of profit and loss

For the year ended 31 March 2025

(₹ in Mn)

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
Cash flow hedge				
Foreign exchange risk	10.31	-	-	Revenue
Interest rate risk	(8.23)	-	-	Finance cost

For the year ended 31 March 2024

(₹ in Mn)

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve	Line item affected on reclassification
Cash flow hedge				
Foreign exchange risk	(13.83)	-	28.79	Revenue
Interest rate risk	(22.52)	-	-	Finance cost

(c) Movement in cash flow hedging reserve

(₹ in Mn)

	Year ended 31 March 2025	Year ended 31 March 2024
<u>Cash flow hedge reserve</u>		
Opening Balance	(2.08)	(0.87)
Add: Changes in fair value of hedging instruments	2.08	(36.34)
Less: Amounts reclassified to profit or loss	-	28.79
Less: Deferred tax relating to above (net)	-	6.34
Balance as at 31 March 2024	0.00	(2.08)

Note - 46

Notes to the consolidated financial statements for the year ended 31 March 2025

FORM AOC -1

Pursuant to first proviso to sub- section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014. Statement containing salient features of the financial statement of subsidiaries

Part - "A" : Subsidiaries

(₹ in Mn)

S.No	Name of Subsidiary	2545887 Ontario Inc. ('254')	2504584 Ontario Inc. ('250')	2323532 Ontario Inc. ('232')	The Hi-Tech Gears Canada Inc (Formerly known as Teutech Industries Inc.) ('Teutech')	Teutech Holding Corp. ('Teutech Holding')	Teutech Leasing Corporation	Teutech LLC	Neo-Tech Auto Systemz, Inc.	Neo-Tech Smart Solutions Inc.
1	Reporting period	April 24 to March 25	April 24 to March 25	April 24 to March 25	April 24 to March 25	April 24 to March 25	April 24 to March 25	April 24 to March 25	April 24 to March 25	April 24 to March 25
2	Reporting currency	CAD	CAD	CAD	CAD	USD	USD	USD	USD	CAD
3	Exchange rate	Rs 59.56/CAD for BSRs 60.76/CAD for PL	Rs 59.56/CAD for BSRs 60.76/CAD for PL	Rs 59.56/CAD for BSRs 60.76/CAD for PL	Rs 59.56/CAD for BSRs 60.76/CAD for PL	CAD 1.4376/ USD and then Rs 59.56/ CAD for BS Rs 60.76/ CAD for PL	CAD 1.4376/ USD and then Rs 59.56/ CAD for BS Rs 60.76/ CAD for PL	CAD 1.4376/ USD and then Rs 59.56/ CAD for BS Rs 60.76/ CAD for PL	Rs 85.47/ USD for BS Rs 84.54/ USD for PL	Rs 59.56/ CAD for BS Rs 60.76/ CAD for PL
4	Share Capital	1,534.55	-	-	2,456.99	162.03	0.00	-	0.64	13.78
5	Reserves & Surplus	(1,072.53)	-	-	(694.35)	226.30	146.26	(166.13)	2.81	(11.40)
6	Total Liabilities	2,383.18	-	-	1,896.97	4.57	326.66	445.64	1.96	0.43
7	Total Assets	2,845.20	-	-	3,659.61	392.90	472.92	279.51	5.41	2.81
8	Investments	2,764.87	-	-	187.39	-	-	-	-	-
9	Turnover	12.21	-	-	2,719.88	-	37.57	241.32	-	0.61
10	Profit/(Loss) before Taxation	5.03	-	-	169.13	(1.52)	31.10	(50.27)	2.24	0.14
11	Provision for Taxation/Earlier year Tax/DTA/DTL	-	-	-	47.42	8.87	9.70	(0.74)	-	-
12	Profit/(Loss) after Taxation	5.03	-	-	121.71	(10.39)	21.40	(49.53)	2.24	0.14
13	Proposed dividend	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
14	% of shareholding	100%	100% (step down subsidiary)	100% (step down subsidiary)	100% (step down subsidiary)	100% (step down subsidiary)	100% (step down subsidiary)	100% (step down subsidiary)	100%	100%

S.No	Name of Subsidiary	2545887 Ontario Inc. ('254')	2504584 Ontario Inc. ('250')	2323532 Ontario Inc. ('232')	The Hi-Tech Gears Canada Inc (Formerly known as Teutech Industries Inc.) ('Teutech')	Teutech Holding Corp. ('Teutech Holding')	Teutech Leasing Corporation	Teutech LLC	Neo-Tech Auto Systemz, Inc.	Neo-Tech Smart Solutions Inc.
1	Reporting period	April 23 to March 24	April 23 to March 24	April 23 to March 24	April 23 to March 24	April 23 to March 24	April 23 to March 24	April 23 to March 24	April 23 to March 24	April 23 to March 24
2	Reporting currency	CAD	CAD	CAD	CAD	USD	USD	USD	USD	CAD
3	Exchange rate	Rs 61.28/CAD for BS Rs 61.30/CAD for PL	Rs 61.28/CAD for BS Rs 61.30/CAD for PL	Rs 61.28/CAD for BS Rs 61.30/CAD for PL	Rs 61.28/CAD for BS Rs 61.30/CAD for PL	CAD 1.355/USD and then Rs 61.28/CAD for BS Rs 61.30/CAD for PL	CAD 1.355/USD and then Rs 61.28/CAD for BS Rs 61.30/CAD for PL	CAD 1.355/USD and then Rs 61.28/CAD for BS Rs 61.30/CAD for PL	Rs 83.41/USD for BS Rs 82.69/USD for PL	Rs 61.28/CAD for BS Rs 61.30/CAD for PL
4	Share Capital	1,534.55	-	-	2,456.99	162.03	0.00	-	0.64	13.78
5	Reserves & Surplus	(470.03)	-	-	(764.03)	224.43	121.49	(114.01)	0.52	(11.50)
6	Total Liabilities	1,950.37	-	-	2,616.15	3.06	316.37	394.09	1.88	1.06
7	Total Assets	3,014.89	-	-	4,309.11	389.52	437.86	280.08	3.04	3.35
8	Investments	2,844.66	-	-	192.80	-	-	-	-	-
9	Turnover	14.13	-	7.55	3,270.98	-	35.30	269.11	-	-
10	Profit/(Loss) before Taxation	(84.36)	-	1.52	143.31	(0.64)	29.31	(14.34)	(0.00)	(0.57)
11	Provision for Tax/Earlier year Tax Adj	-	-	0.45	120.46	-	1.66	0.76	-	-
12	Profit/(Loss) after Taxation	(84.36)	-	1.07	22.85	(0.64)	27.66	(15.10)	(0.00)	(0.57)
13	Proposed dividend	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
14	% of shareholding	100%	100% (step down subsidiary)	100% (step down subsidiary)	100% (step down subsidiary)	100% (step down subsidiary)	100% (step down subsidiary)	100% (step down subsidiary)	100%	100%

Notes:

- a) Subsidiary Company(ies) do not have any investment in the Holding Company.
b) There are no associate or joint venture of the Holding Company, hence Part - B of AOC - 1 is not applicable.



Note - 47

Additional information in pursuant to Schedule III of the Companies Act, 2013

For the year ended 31 March 2025

S.No	Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		% of consolidated net assets	Amount (₹ in Mn)	% of consolidated net assets	Amount (₹ in Mn)	% of consolidated OCI	Amount (₹ in Mn)	% of consolidated total OCI	Amount (₹ in Mn)
1	Holding	97.26%	4,703.17	117.37%	473.78	77.83%	(111.21)	139.03%	362.57
2	Subsidiaries								
	Neo-Tech Auto System, Inc., USA	0.07%	3.45	0.55%	2.24	(0.04%)	0.05	0.88%	2.29
	Neo-Tech Smart Solutions Inc., Canada	0.05%	2.38	0.04%	0.14	0.03%	(0.05)	0.04%	0.09
	2545887 Ontario Inc.	-10.17%	(491.64)	1.24%	5.03	22.17%	(31.67)	(10.22%)	(26.64)
3	Step down subsidiaries								
	The Hi-Tech Gears Canada Inc	10.14%	490.32	(9.66%)	(39.01)	0.00%	-	(14.96%)	(39.01)
	Teutech Holding Corporation	(0.67%)	(32.63)	(2.57%)	(10.39)	0.00%	-	(3.99%)	(10.39)
	Teutech LLC	(0.06%)	(3.11)	(12.27%)	(49.53)	0.00%	-	(18.99%)	(49.53)
	Teutech Leasing Corporation	3.39%	163.84	5.30%	21.40	0.00%	-	8.20%	21.40
	2504584 Ontario Inc	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	2323532 Ontario Inc	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Total	100.00%	4,835.78	100.00%	403.66	100.00%	(142.88)	100.00%	260.78

For the year ended 31 March 2024

S.No	Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		% of consolidated net assets	Amount (₹ in Mn)	% of consolidated net assets	Amount (₹ in Mn)	% of consolidated OCI	Amount (₹ in Mn)	% of consolidated total OCI	Amount (₹ in Mn)
1	Holding	94.97%	4,427.14	44.14%	504.33	23.53%	4.23	43.82%	508.56
2	Subsidiaries								
	Neo-Tech Auto System, Inc., USA	0.02%	1.16	0.00%	(0.00)	0.10%	0.02	0.00%	0.01
	Neo-Tech Smart Solutions Inc., Canada	0.05%	2.28	(0.05%)	(0.57)	0.17%	0.03	(0.05%)	(0.54)
	2545887 Ontario Inc.	(9.98%)	(465.00)	(7.38%)	(84.36)	76.21%	13.69	(6.09%)	(70.67)
3	Step down subsidiaries								
	The Hi-Tech Gears Canada Inc	11.36%	529.33	62.16%	710.15	0.00%	-	61.19%	710.15
	Teutech Holding Corporation	(0.48%)	(22.24)	(0.06%)	(0.64)	0.00%	-	(0.06%)	(0.64)
	Teutech LLC	1.00%	46.42	(1.32%)	(15.10)	0.00%	-	(1.30%)	(15.10)
	Teutech Leasing Corporation	3.06%	142.44	2.42%	27.66	0.00%	-	2.38%	27.66
	2504584 Ontario Inc	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	2323532 Ontario Inc	0.00%	-	0.09%	1.07	0.00%	-	0.09%	1.07
	Total	100.00%	4,661.53	100.00%	1,142.53	100.00%	17.96	100.00%	1,160.49



Note - 48

ESOP Related Disclosure

a. Description of share based payment arrangements

i. Share Options Schemes

The Hi-Tech Gears Limited Stock Incentives Plan, 2021

The Scheme has been adopted by the Board of Directors on 12 April 2021, read with the Special Resolution passed by the Members of the Company on 29 September 2021 and shall be deemed to come into force with effect from 29 September 2021 being the date of approval by the Members. The maximum number of options that can be granted to any eligible employee were reserved at 600,000 Equity shares representing 3.20% of the outstanding number of shares issued by the company on the date when the plan is approved. For vesting, there shall be a lock in of minimum period of one year between Grant of options and its vesting. Vesting of Options will take place over period of four years in the manner as under:

- On completion of Year 3 from date of Grant: 50% of options granted
- On completion of Year 4 from date of Grant: 50% of options granted
- Employee's continuity in the organization
- No disciplinary proceeding pending against the Participants on the date of vesting

Nomination and Remuneration Committee has approved revised vesting period for Options granted on 5th November 2022, 22th November 2022 and 09th January 2024 as follows:-

Vesting Schedule: end of		
1st Year	2nd Year	3rd Year
34%	33%	33%

Further, Nomination And Remuneration Committee has granted options on 12 February 2025 with revised vesting period as follows:-

Vesting Schedule: end of			
1st Year	2nd Year	3rd Year	4th Year
20%	20%	30%	30%

Set out below is a summary of options granted under the plan:

	31 March 2025		31 March 2024	
	Weighted average exercise price per share option (INR)	Number of options	Weighted average exercise price per share option (INR)	Number of options
Opening balance	10	47,122	10	81,887
Granted during the year	10	9,224	10	17,583
Exercised during the year	10	(15,031)	10	(10,186)
Forfeited/expired during the year	10	(1,308)	10	(42,162)
Closing balance	10	40,007	10	47,122
Vested and exercisable	10	6,504	10	4,185

Share options outstanding at the end of the year has following exercise prices and weighted average remaining contractual life:

Grant date	31 March 2025			31 March 2024		
	Exercise price	Share options	weighted average remaining contractual life	Exercise price	Share options	weighted average remaining contractual life
05 November 2022	10	0	3.10	10	3,666	3.10
05 November 2022	10	3666	3.10	10	3,666	4.10
22 November 2022	10	2877	1.15	10	4,185	2.15
22 November 2022	10	2792	2.15	10	9,011	3.15
22 November 2022	10	9011	3.15	10	9,011	4.15
09 January 2024	10	835	2.28	10	5,981	3.28
09 January 2024	10	5801	3.28	10	5,801	4.28
09 January 2024	10	5801	4.28	10	5,801	5.28
12 February 2025	10	1845	3.37	-	-	-
12 February 2025	10	1845	4.37	-	-	-
12 February 2025	10	2767	5.37	-	-	-
12 February 2025	10	2767	6.37	-	-	-

b. Measurement of fair values

The fair values are measured based on the Black-Scholes-Merton model. The fair value of the options and inputs used in the measurement of the grant date and measurement date fair values of the equity -settled and cash settled share based payments are as follows:

Options granted on	Fair value per Option at grant date (in INR)	Share price at grant date (in INR)	Exercise price (in INR)	Expected volatility	Expected life (in years)	Expected dividend yield	Risk-free interest rate
05 November 2022	211.94	225.85	10	59.71%	3.50	0.66%	6.96%
05 November 2022	211.94	225.85	10	55.49%	4.50	0.66%	7.07%
05 November 2022	211.94	225.85	10	53.10%	5.50	0.66%	7.13%
22 November 2022	244.12	258.1	10	59.71%	3.50	0.58%	6.81%
22 November 2022	244.12	258.1	10	55.49%	4.50	0.58%	6.91%
22 November 2022	244.12	258.1	10	53.10%	5.50	0.58%	6.97%
09 Janaury 2024	469.93	488.4	10	55.78%	3.50	0.51%	6.78%
09 Janaury 2024	469.93	488.4	10	58.62%	4.50	0.51%	6.80%
09 Janaury 2024	469.93	488.4	10	56.48%	5.50	0.51%	6.82%
12 February 2025	669.5	702.2	10	52.50%	3.50	0.71%	6.33%
12 February 2025	669.5	702.2	10	53.70%	4.50	0.71%	6.34%
12 February 2025	669.5	702.2	10	56.80%	5.50	0.71%	6.37%
12 February 2025	669.5	702.2	10	54.80%	6.50	0.71%	6.40%

c. Effect of employee stock option schemes on the statement of profit and loss

Particulars	31 March 2025	31 March 2024
Employee stock option scheme expense	3.62	1.38
	3.62	1.38

Note - 49**OTHER STATUTORY INFORMATION**

- The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- The Group do not have any transactions with companies struck off.
- The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- The Group has borrowings from banks and others on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks and others are in agreement with the books of accounts.

For YAPL & Co.
Chartered Accountants
Firm Registration No. 017800N

For and on behalf of
The Hi-Tech Gears Limited

CA. Sakshi Garg
 (Partner)
 Membership No. 553997
 UDIN: 25553997BMGXME2406

Deep Kapuria
 Executive Chairman
 DIN 00006185
 Place: New Delhi

Pranav Kapuria
 Managing Director
 DIN 00006195
 Place: New Delhi

Place: Ludhiana
Date: May 29, 2025

Kapil Rajora
 Chief Financial Officer
 Place: Gurgaon

Naveen Jain
 Company Secretary
 Place: Gurgaon



NOTICE

NOTICE is hereby given that the 39th Annual General Meeting ("AGM") of the Members of M/s. The Hi-Tech Gears Limited will be held on Saturday, September 27, 2025 at 5:00 P.M. (IST) at the registered office of the Company at Plot No. 24, 25, 26, Sector-7, IMT Manesar, Gurugram, Haryana-122050, along with the facility to attend the AGM through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare the final dividend @ 50% i.e. ₹ 5.00/- (Rupees five Only) per equity share of ₹ 10 each for the financial year 2024-2025 as recommended by the Board of Directors.
3. To appoint a director in place of Mr. Anant Jaivant Talaulicar (DIN-00031051) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Anuj Kapuria (DIN-00006366) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. **Approval of remuneration of Cost Auditor for the financial year 2025-2026.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s Kabra & Associates, Cost Accountants appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2025-2026, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this resolution, including necessary documentations and filing of necessary returns/forms to the appropriate authorities."

6. **Approval of appointment and remuneration of Secretarial Auditor.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Regulation 24A of the SEBI (LODR) Regulations, 2015, relevant circulars issued by SEBI (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendations of the Audit Committee and the approval of the Board of Directors of the Companies, approval of the members of the Company be and is hereby accorded to the appoint M/s. PG & Associates, Company Secretaries (FR No. S2004UP073600), as the Secretarial Auditors of the Company, for a period of five consecutive years commencing from financial year 2025-26 to 2029-30, to conduct the Secretarial Audit of the Company and to furnish the Secretarial Audit Report, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds

and things as may be deemed proper and expedient to give effect to this resolution, including necessary documentations such as issuance of appointment letter, detailing the terms & conditions, duties & responsibilities, filing of necessary returns/forms to the appropriate authorities."

7. **Re-appointment & Remuneration of Mr. Deep Kapuria (DIN-00006185) as "Executive Chairman" of the Company.**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as **a Special Resolution: -**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and Regulation 17(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 "SEBI (LODR) Regulations, 2015" and other applicable provisions of SEBI (LODR) Regulations, 2015, and subject to the other statutory approvals, if any, approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Deep Kapuria (DIN-00006185) as Chairman & Whole Time Director, to be designated as "Executive Chairman" of the Company, not liable to retire by rotation, for a period of three years effective from October 01, 2025 to September 30, 2028.

RESOLVED FURTHER THAT Mr. Deep Kapuria, Executive Chairman be paid (including the remuneration in the event of loss or inadequacy of profits in any financial year during the tenure of his re-appointment within the overall limits of Section 197 of the Companies Act, 2013) the following remuneration for a period of three years from October 01, 2025, to September 30, 2028 (both days Inclusive):

Salary, Allowances & Perquisites (all together) not to exceed as under:

From October 01, 2025 to September 30, 2026	Rs. 53.91 Million per annum
From October 01, 2026 to September 30, 2027	Rs. 62.00 Million per annum
From October 01, 2027 to September 30, 2028	Rs. 72.85 Million per annum

The allowances and perquisites payable shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/or allowance for utilisation of gas, electricity, water, furnishing and repairs; medical reimbursement and leave travel concession for self and family including dependents, club fees, medical insurance and personal accident insurance; and such other perquisites and/or allowances as may be determined from time to time upto the amounts specified above. The said allowances and perquisites shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any rules thereunder [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force].

RESOLVED FURTHER THAT pursuant to the provisions of Section 196 of the Companies Act, 2013, Rules made thereunder and other applicable provisions, if any, consent of the members of the Company be and is hereby accorded to continue the employment of Mr. Deep Kapuria as Executive Chairman, since he has attained the age of 70 years.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to make a proper remuneration package consisting of various components within the overall aforesaid limit and to do all such acts, deeds, matters and things as may be necessary, expedient, or desirable including approval of the other authorities as may be applicable in order to give effect to this resolution."

8. **Re-appointment & Remuneration of Mr. Pranav Kapuria (DIN-00006195) as "Managing Director" of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and Regulation 17(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 “SEBI (LODR) Regulations, 2015” and other applicable provisions of SEBI (LODR) Regulations, 2015, and subject to the other statutory approvals, if any, approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Pranav Kapuria (DIN-00006195) as “Managing Director” of the Company, liable to retire by rotation, for a period of three years effective from October 01, 2025 to September 30, 2028.

RESOLVED FURTHER THAT Mr. Pranav Kapuria, Managing Director of the Company be paid (including the remuneration in the event of loss or inadequacy of profits in any financial year during the tenure of his re-appointment within the overall limits of Section 197 of the Companies Act, 2013) the following remuneration for a period of three years from October 01, 2025, to September 30, 2028 (both days Inclusive):

Salary, Allowances & Perquisites (all together) not to exceed as under:

From October 01, 2025 to September 30, 2026	Rs. 35.93 Million per annum
From October 01, 2026 to September 30, 2027	Rs. 41.32 Million per annum
From October 01, 2027 to September 30, 2028	Rs. 48.55 Million per annum

The allowances and perquisites payable shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/or allowance for utilisation of gas, electricity, water, furnishing and repairs; medical reimbursement and leave travel concession for self and family including dependents, club fees, medical insurance and personal accident insurance; and such other perquisites and/or allowances as may be determined from time to time upto the amounts specified above. The said allowances and perquisites shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any rules thereunder [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force].

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to make a proper remuneration package consisting of various components within the overall aforesaid limit and to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including approval of the other authorities as may be applicable in order to give effect to this resolution.”

9. Re-appointment & Remuneration of Mr. Anuj Kapuria (DIN-00006366) as “Executive Director” of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and Regulation 17(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 “SEBI (LODR) Regulations, 2015” and other applicable provision of SEBI (LODR) Regulations, 2015, and subject to the other statutory approvals, if any, approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Anuj Kapuria (DIN-00006366) as Whole Time Director and Key Managerial Personnel to be designated as “Executive Director” of the Company, liable to retire by rotation, for a period of three years effective from October 01, 2025 to September 30, 2028.

RESOLVED FURTHER THAT Mr. Anuj Kapuria, Executive Director of the Company be paid (including the remuneration in the event of loss or inadequacy of profits in any financial year during the tenure

of his re-appointment within the overall limits of Section 197 of the Companies Act, 2013) the following remuneration for a period of three years from October 01, 2025, to September 30, 2028 (both days Inclusive):

Salary, Allowances & Perquisites (all together) not to exceed as under:

From October 01, 2025 to September 30, 2026	Rs. 35.93 Million per annum
From October 01, 2026 to September 30, 2027	Rs. 41.32 Million per annum
From October 01, 2027 to September 30, 2028	Rs. 48.55 Million per annum

The allowances and perquisites payable shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/or allowance for utilisation of gas, electricity, water, furnishing and repairs; medical reimbursement and leave travel concession for self and family including dependents, club fees, medical insurance and personal accident insurance, and such other perquisites and/or allowances as may be determined from time to time upto the amounts specified above. The said allowances and perquisites shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any rules thereunder [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force].

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to make a proper remuneration package consisting of various components within the overall aforesaid limit and to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including approval of the other authorities as may be applicable in order to give effect to this resolution.”

10. Appointment of Mr. Ramakrishnan Ramanathan (DIN-03394401) as a Non-Executive Independent Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”) (including any statutory modification, amendment or re-enactment thereof for the time being in force), the provisions of Articles of Association of the Company and based on the recommendations of the Nomination & Remuneration Committee (“NRC”) and the Board of Directors of the Company, approval of the Members be and is hereby accorded for appointment of Mr. Ramakrishnan Ramanathan (DIN-03394401), Non-Executive Independent Director of the Company to hold office for a term of five (5) consecutive years from the date of his appointment i.e., July 24, 2025 up to July 23, 2030 (both days Inclusive), not liable to retire by rotation, who has submitted a declaration that he meets the criteria of independence as laid under Section 149 of the Act and Regulation 16 of the SEBI (LODR) Regulations, 2015 and in respect of whom the Company has received a Notice in writing under the provisions of Section 160 of the Act proposing his candidature for the office of the Non-Executive Independent Director.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this resolution, including necessary documentations such as issuance of appointment letter, detailing the terms & conditions, duties & responsibilities (including a duly constituted Committee), filing of necessary returns/forms to the appropriate authorities.”



11. Appointment and Remuneration of Mr. Vijay Mathur (DIN-00006455) as Whole-Time Director & Key Managerial Personnel designated as “Executive Director” of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 160, 196 and 203 of the Companies Act, 2013 (“Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”) as amended from time to time, the consent of the Shareholders be and is hereby accorded for the appointment and terms of remuneration of Mr. Vijay Mathur (DIN-00006455) as a Whole-Time Director and Key Managerial Personnel designated as “Executive Director” of the Company for a period of three (3) years, effective from July 24, 2025 to July 23, 2028 (both days Inclusive), upon the terms and conditions as recommended by the Nomination and Remuneration Committee (“NRC”) and approved by the Board of Directors (“Board”) and in respect of whom the Company has received a Notice in writing under the provisions of Section 160 of the Act proposing his candidature for the office of Director as Whole Time Director & Key Managerial Personnel designated as “Executive Director” of the Company, being liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Vijay Mathur, Executive Director of the Company be paid (including the remuneration in the event of loss or inadequacy of profits in any financial year during the tenure of his re-appointment within the overall limits of Section 197 of the Companies Act, 2013) the following remuneration for a period of three years from July 24, 2025 to July 23, 2028 (both days Inclusive):

***Salary, Allowances & Perquisites (all together) not to exceed as under:**

From July 24, 2025 to July 23, 2028	Not to exceed Rs. 30 Lakhs per annum
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*The allowances and perquisites payable shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/or allowance for utilization of gas, electricity, water, furnishing and repairs; medical reimbursement and leave travel concession for self and family including dependents, club fees, medical insurance and personal accident insurance; and such other perquisites and/ or allowances as may be determined from time to time upto the amounts specified above. The said allowances and perquisites shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any rules thereunder [including any statutory modification(s) or reenactment(s) thereof, for the time being in force].”

RESOLVED FURTHER THAT pursuant to the provisions of Section 196 of the Companies Act, 2013, Rules made thereunder and other applicable provisions, if any, consent of the members of the Company be and is hereby accorded to continue the employment of Mr. Vijay Mathur as “Executive Director”, even after the age of 70 years during his tenure.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to make a proper remuneration package consisting of various components within the overall aforesaid limit and to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including approval of the other authorities as may be applicable in order to give effect to this resolution”

By order of the Board of Directors
The Hi-Tech Gears Limited

Sd/-

Naveen Jain

Company Secretary

Membership No: - A15237

Place: New Delhi

Date: 11/08/2025

Registered Office:

Plot No. 24,25,26, Sector-7,
IMT Manesar, Gurugram, Haryana 122050

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10 % of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided that the person does not act as proxy for any other shareholder. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate certified copy of the Board resolution to the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company at Plot No. 24, 25, 26, Sector-7, IMT Manesar, Gurugram, Haryana-122050, duly completed and signed, not less than 48 (forty-eight) hours before the commencement of the meeting. A proxy form for the AGM is enclosed.

- 1A.** Pursuant to the General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 22/2020 dated June 15, 2020, 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024 read with other relevant circulars issued by the Ministry of Corporate Affairs, Government of India (“MCA Circulars”), SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 read with earlier Circulars issued by SEBI (“SEBI Circulars”), and other applicable circulars issued in this regard, have allowed the companies to conduct their AGM through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) till September 30, 2025.
Hence, those members who are unable to attend the meeting physically may attend the meetings through VC or OAVM.
- 2.** A Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- 3.** Participation of Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act along with members physically present at the AGM Venue.
- 4.** Corporate Members are requested to send the details of their authorized representatives along with a duly certified copy of the Board Resolution to attend this meeting and to vote through remote e-voting in pursuant to Section 113 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder. The said Resolution/Authorization shall be sent electronically by email to the Scrutinizer at its registered e-mail address nirbhaykumar77@gmail.com
- 5.** National Securities Depositories Limited (“NSDL”) will be providing facility for voting through remote e-Voting and e-Voting during the Annual General Meeting for participation in the meeting through VC/OAVM.

6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings by logging into the NSDL's e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. The Board of Directors of the Company has recommended to the shareholders a final dividend @50% i.e. ₹ 5 (Rupees five Only) per equity share. If final dividend on shares is approved at the ensuing AGM, payment of such dividend will be made to those members, whose names appear in the Register of Members on September 19, 2025. In respect of the shares held in electronic form, the dividend will be payable to the beneficial owners of the shares as on the closing hours of business on September 19, 2025, as per the details furnished by the depositories.
8. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (LODR) Regulations, 2015, the Register of Members and the Share Transfer books of the Company shall remain closed from September 20, 2025, to September 27, 2025 (both days inclusive) for the purpose of payment of final dividend, if approved by the shareholders.
9. The Secretarial Auditor has issued Certificate that the ESOP Scheme is being implemented in accordance with Regulation 13 of SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and in accordance with the Resolution of the Shareholders of the Company and Nomination & Remuneration Committee of the Board of Directors.
10. Pursuant to Finance Act, 2020, Dividend income will be taxable in the hands of the shareholder w.e.f. 1st April 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to members at prescribed rates in the Income Tax Act, 1961 "IT Act". In general, to enable compliance with TDS requirements members are requested to complete and/or update their Residential status, PAN, Category as per the IT Act with their Depository Participant or in case shares are held in physical form, with the Company. However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received does not exceeds Rs. 10,000/- (Rupees Ten Thousand Only). The Company has also sent an email to all the shareholders at their registered email Ids in this regard. Members are requested to write to the RTA at investor@masserv.com for any queries/ questions in this regard.
11. The relevant details under Regulation 36(3) of SEBI (LODR) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

The Securities and Exchange Board of India ('SEBI') vide its circular no., SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, Master Circular No./ SEBI/HO/MIRSD/POD 1/P/CIR/2024/37 dated 7/ May./ 2024, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 read with circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, contact detail, KYC (complete address with pin-code), bank detail with MICR-Code & IFSC no., Email-ID, Mobile Number), Nomination details and specimen signature to the Registrar and Transfer Agent ('RTA') of the Company effective from January 01, 2022. Registrar will not process, any service requests or complaints received from the shareholder until unless above-

mentioned Pan, KYC detail and nomination details are completed by shareholder. Further, The SEBI vide its circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA 'In Person Verification' (IPV) or Post or electronic mode with e-sign; unless otherwise prescribed in the Companies Act, 2013 or the Rules issued thereunder or in SEBI Regulations or Circulars issued thereunder:

- i. PAN; (using ISR-1)
- ii. Nomination in Form No. SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
- iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address;
- iv. Bank Account details including Bank name and branch, Bank account number, IFS code;
- v. Specimen signature (using ISR-2).
- vi. Any cancellation or change in nomination shall be provided in Form No. SH-14.

All of above required documents/details are to be sent at the address of registered office of the RTA. The shareholders can download the forms mentioned in SEBI circular from the website of the Company or RTA website i.e. www.masserv.com.

12. In terms of Regulation 40(1) of SEBI (LODR) Regulations, 2015, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities.

Further, SEBI, in continuation of its efforts to enhance ease of dealing in securities market by investors, vide its circular SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed entities to issue securities for the following requests in dematerialized form: -

- i. Issue of duplicate securities certificate;
- ii. Claim from Unclaimed Suspense Account;
- iii. Renewal/ Exchange of securities certificate;
- iv. Endorsement;
- v. Sub-division/Splitting of securities certificate;
- vi. Consolidation of securities certificates/folios.
- vii. Transmission; and
- viii. Transposition.

In view of above, the Members holding shares in physical form are requested to consider the same and convert their holding into dematerialized form to eliminate all risk associated with the physical shares. Members can contact the Company or RTA for any further assistance in this regard. It may be noted that any service request can be processed only after the folio is KYC Compliant.

13. Pursuant to the provision of Section 124, 125 and other applicable provisions, if any, of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the amount of dividend which remains unpaid or unclaimed for a period of 7 (Seven) years from the date of transfer of the amount to unpaid dividend account would be eligible for transfer to the "Investor Education and Protection Fund (IEPF)" constituted by the Central Government and thereafter, the shareholders would not be able to make any claims as to the amount of dividend so transferred to the fund from the Company.



14. During the financial year 2024-25, the Company has transferred the unpaid or unclaimed dividends declared for the financial years FY 2017-18 (Interim Dividend) to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Subsequently, all shares in respect of which dividends remain unclaimed/unpaid for seven consecutive years or more are also transferred to IEPF Authority.
15. Adhering to various requirements set out in the IEPF Rules, the Company has taken appropriate action for transferring the shares to the Demat Account opened by the IEPF Authority. The Company has also uploaded details of such members whose shares are transferred to IEPF Account on its website at www.thehitechgears.com.
16. Pursuant to the provisions of Section 72 of the Companies Act, 2013, the member(s) holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat form may contact their respective Depository Participants for availing this facility. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM. With a view to helping us serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
17. As per the provision of Section 89 read with Section 90 of the Companies Act, 2013, every person who is holding a beneficial interest in the shares of the Company shall submit his/her declaration to the Company in the prescribed form and thereafter the Company shall intimate to the Registrar in the prescribed form along with such declaration.
- For the purpose of the above provisions every person means an individual who holds, directly or indirectly, beneficial interest of not less than 10% in the shares of the Company. Therefore, every member of the Company is requested to provide the declaration(s) regarding their beneficial interest, if any in the shares of the Company under the said provision of Act. The shareholders are further advised to refer Companies (Significant Beneficial Owners) Amendment Rules, 2019 before making declaration in respect of Beneficial Owner and Significant Beneficial Owner.
18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible.
19. Dispatch of Annual Report Through Electronic Mode: In Compliance with the MCA Circulars dated May 12, 2020, January 15, 2021, and SEBI Circular May 13, 2022, January 5, 2023, October 07, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, notice of AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/ Depository. Members may note that the notice of AGM and Annual Report 2024-25 will also be available on the Company's website at <https://www.thehitechgears.com/investors.php>, website of the Stock Exchanges where the shares of the company are listed i.e. BSE Ltd. at www.bseindia.com and National Stock Exchange of India Ltd. at www.nseindia.com.
20. The shareholders who have not registered their e-mail address or registered an incorrect email address and in consequence the Annual Report, Notice of AGM and e-voting details could not be serviced, for receiving all communications (including Annual Report) members may send a signed request letter providing the e-mail address, mobile number, self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via e-mail at the e-mail id investor@masserv.com or secretarial@thehitechgears.com for obtaining the Annual Report and Notice of AGM of the Company.
21. The physical copies of the documents will also be available at the Company's Registered Office for inspection during 09:00 A.M. to 5:00 P.M. on any working day except Sundays up to the date of the AGM. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by any permissible mode free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: secretarial@thehitechgears.com.
22. The SEBI (LODR) Regulations, 2015 have mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The companies and the registrar and share transfer agents are required to seek relevant bank details of shareholders from depositories/investors for making payment of dividends in electronic mode. Accordingly, shareholders are requested to provide or update (as the case may be) their bank details with the respective Depository Participants for the shares held in dematerialized form and with the Registrar in respect of shares held in physical form.
23. A member can inspect the proxies lodged at any time during the business hours of the Company from the period beginning 24 (twenty-four) hours before the time fixed for the commencement of the AGM and ending with the conclusion of the meeting, provided that not less than 3 (three) days of notice in writing is given to the Company before the commencement of the AGM.
24. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.
25. Route Map and details of Prominent Landmarks of the venue of the Annual General Meeting is annexed with this notice.
26. **Instruction for e-voting/voting through ballot paper and joining the AGM are as follows: -**
- The remote e-voting period commences on Wednesday, September 24, 2025, at 09:00 A.M. (IST) and will end on Friday, September 26, 2025, at 05:00 P.M. (IST). The e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 19, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 19, 2025.
- How do I vote electronically using NSDL e-Voting system?**
- The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*
- Step 1: Access to NSDL e-Voting system**
- A) Login method for e-Voting for Individual shareholders holding securities in demat mode**
- In terms of SEBI circular dated December 9, 2020, and SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see the e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to the e-Voting website of NSDL for casting your vote during the remote e-Voting period. - Existing IDEAS users can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDEAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. - If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDEAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of the e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will be opened. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see the e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to the e-Voting website of NSDL for casting your vote during the remote e-Voting period. - Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on    
Individual Shareholders holding securities in demat mode with CDSL	- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password. - After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. - If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see the e-voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or the e-voting service provider i.e. NSDL and you will be redirected to the e-voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above-mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.



Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will be opened. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services, i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 135227 then user ID is 135227001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. The password to

open the .pdf file is your 8-digit client ID for NSDL account, last 8-digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow the steps mentioned below in **process for those shareholders whose email IDs are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

STEP 2: - Cast your vote electronically and join the General Meeting on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to nirbhaykumar77@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney/ Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under the **"e-Voting"** tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will

need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, T301, 3rd Floor, Naman Chambers, G Block, Plot No - C-32, Bandra Kurla Complex, Bandra East, Mumbai - 400051 at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please complete PAN-KYC by using ISR-1, ISR2
2. In case shares are held in demat mode please generate password as given in e-voting instruction
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Instructions for members for attending the meeting through VC/OAVM are as under: -

- 1) Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- 2) Members are encouraged to join the Meeting through Laptops for better experience.
- 3) Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 4) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 5) Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@thehitechgears.com. The same will be replied by the company suitably.
- 6) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF THE 39TH ANNUAL GENERAL MEETING DATED AUGUST 11, 2025, IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND ADDITIONAL INFORMATION AS REQUIRED UNDER SEBI (LODR) REGULATIONS, 2015: -

Item No. 5

Approval of remuneration of Cost Auditor for the financial year 2025-2026.

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Kabra & Associates, Cost Accountants as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2025-26 at a fee of up to ₹ 1,25,000 (Rupees One Lakh Twenty-Five Thousands) plus applicable tax and out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, the consent of the members is sought by passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year 2025-26.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the agenda as set out at Item No. 5 of the Notice.

The Board, therefore, recommend the resolution as set out in the notice for the approval of the members of the Company by way of an **Ordinary Resolution**.

Item No. 06

Approval of appointment and remuneration of Secretarial Auditor.

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (“the Act”) and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”), M/s Grover Ahuja & Associates, Practicing Company Secretaries has served as Secretarial Auditors of the Company for the Financial Year 2024-2025.

Regulation 24A of the SEBI (LODR) Regulations, 2015, inter alia, provides that with effect from 1st April 2025, the Company is required to appoint a Practicing Company Secretary for not more than one term of five consecutive years or a firm of Practicing Company Secretaries as Secretarial Auditors for not more than two terms of five consecutive years, with the approval of the members at their Annual General Meeting (“AGM”) and such Secretarial Auditors must be peer reviewed and should not have incurred any of the disqualifications as specified under the SEBI (LODR) Regulations, 2015. Further, as per the said Regulation, any association of the individual or the firm as the Secretarial Auditor(s) with the Company before 31st March 2025 shall not be considered for the purpose of calculating the tenure of the Secretarial Auditor(s).

M/s. PG & Associates is a firm founded in 2004 by CS Preeti Grover. The firm brings deep domain knowledge and extensive experience in compliance requirements for listed companies, with specialization in Secretarial Audits, Company Law matters, and SEBI Regulations. CS Preeti Grover has over 28 years of experience. She is a certified CSR professional, a registered Social Impact Assessor, and an expert in start-up registrations with DPIIT. She is faculty at Institute of Directors (IOD), POSH Trainer and an Independent Director in three Listed Companies.

Further, the Company has received the written consent from M/s. PG & Associates confirming their eligibility and willingness to be appointed as the Secretarial Auditors of the Company. They have also confirmed that they meet the requirements to be appointed as Secretarial Auditors in accordance with the provisions of the Act and SEBI (LODR) Regulations, 2015, and they hold a valid certificate issued by the Peer Review Board of ICSI and that they have not incurred any of the disqualifications as specified by the SEBI. The appointment, if made, complies with the applicable provisions of the Act and SEBI (LODR) Regulations, 2015.

Taking into account the above requirements, along with an evaluation of proposals received by the Company and the consideration of factors such as technical skills, independence, industry experience, expertise and



quality of audit practices, the Board of Directors in their meeting held on Monday, August 11, 2025, on recommendations of the Audit Committee, has approved the appointment of M/s. PG & Associates, Company Secretaries, (Firm Registration No. S2004UP073600) as the Secretarial Auditors of the Company to hold the office, for a period of five consecutive years, commencing from financial year 2025-26 to 2029-30, subject to approval of the Members at the Annual General Meeting.

The Board of Directors based on the recommendation of the Audit Committee also approved the remuneration of ₹ 75,000 (Indian rupees Seventy-Five thousand) for the financial year 2025-2026 plus applicable taxes, along with reimbursement of out-of-pocket expenses, if any incurred in connection with the audit on an actual basis. Further, the Board is proposed to be authorised to fix the remuneration of the Secretarial Auditors for each of the other financial years during their term of appointment.

The payment for other permissible services in the nature of certifications will be in addition to the Secretarial audit fee and shall be determined by the managing director and/or Company Secretary.

The eligibility and qualification certificate, consent letter for appointment and the Peer review Certificate received from M/s. PG & Associates is available for inspection.

None of the directors and key managerial personnel of the Company, including their relatives, are in any way concerned or interested, financially or otherwise, in this resolution.

The Board, therefore, recommend the resolution as set out in the notice for the approval of the members of the Company by way of an **Ordinary Resolution**.

Item No. 07

Re-appointment & Remuneration of Mr. Deep Kapuria (DIN-00006185) as Chairman & Whole Time Director of the Company designated as "Executive Chairman" of the Company.

Mr. Deep Kapuria was re-appointed in his present term as Chairman & Whole Time Director designated as Executive Chairman of the Company for a period of 3 years. The appointment was effective from October 1, 2022. The approval for the same was accorded by the members in their 36th Annual General Meeting held on September 29, 2022.

In terms of the provisions of sections 196, 197, 198, Schedule-V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, re-appointment of the Whole Time Director and payment of remuneration requires approval of the members of the Company where the Company has inadequate profit or no profit. In view of this, the re-appointment and remuneration payable to Mr. Deep Kapuria as Chairman & Whole Time Director shall require a fresh approval of shareholders of the Company by way of Special Resolution.

Keeping in view the contribution made by Mr. Deep Kapuria since inception of the Company, Board of Directors upon the recommendation of the Nomination and Remuneration Committee ("NRC") and the Audit Committee, in respective meeting held on July 23, 2025, have considered & approved the re-appointment and remuneration payable to Mr. Deep Kapuria as Executive Chairman for a period of three years w.e.f. October 01, 2025 subject to the approval of shareholders of the Company and other concerned statutory, if applicable.

In terms of provisions of section 196 of Companies Act, 2013, Mr. Deep Kapuria has attained the age of 70 years. Hence continuation of his employment as Executive Chairman requires the approval of Shareholders by way of a special resolution. The NRC and Board of Directors of the Company, approve and recommend continuing the employment of Mr. Deep Kapuria as Executive Chairman since he has attained the age of 70 years. He is founder director of the Company and associated with the Company since inception. Keeping in view that he is a technocrat and expert in Gear Manufacturing & Designing, Business Management & Finance. He has great experience of dealing with customers, both domestic & overseas and understanding their requirements. Mr. Deep Kapuria has rich and varied experience in the industry and has been involved in the operations of the Company over a long period of time; it would be in the interest of the Company to continue the engagement of Mr. Deep Kapuria

as Chairman & Whole Time Director, designated as Executive Chairman, even he has already attained the age of 70 years.

Further, Mr. Deep Kapuria has confirmed that he is not debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI, Ministry of Corporate Affairs or any other Statutory Authority.

Further, the Company has not committed any default in payment of dues to any bank or public financial institutions or non-convertible debentures holders or any other secured creditor.

The particulars as required to be disclosed in accordance with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 and information/details as required by SEBI (LODR) Regulations, 2015 are given in **Annexure-A**.

Further, a brief profile along with additional information of Mr. Deep Kapuria is annexed herewith in **Annexure-C**, mentioning therein the nature of his expertise in specific functional areas and the name of the Company/ies in which he holds/held the position of a director and other information as required as per the SEBI (LODR) Regulations, 2015.

Except Mr. Deep Kapuria, Mr. Pranav Kapuria and Mr. Anuj Kapuria, Directors, being related to each other, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the agenda as set out at item no. 7 of the notice.

The Board, therefore, recommend the resolution as set out in the notice for the approval of the members of the Company by way of a **Special Resolution**.

Item No. 08

Re-appointment & Remuneration of Mr. Pranav Kapuria (DIN-00006195) as "Managing Director" of the Company.

Mr. Pranav Kapuria was re-appointed in his present term as Managing Director of the Company for a period of 3 years. The appointment was effective from October 01, 2022. The approval for the same was accorded by the members in their 36th Annual General Meeting held on September 29, 2022.

In terms of the provisions of sections 196, 197, 198, Schedule-V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, re-appointment of the Managing Director and payment of remuneration requires approval of the members of the Company where the Company has inadequate profit or no profit. In view of this the reappointment and remuneration payable to Mr. Pranav Kapuria as Managing Director shall require a fresh approval of shareholders of the Company by way of Special Resolution.

Taking into consideration of his managerial expertise, the size of the Company, future growth plans & remarkable contribution for the growth of the Company made by Mr. Pranav Kapuria, Board of Directors upon the recommendation of the Nomination and Remuneration Committee ("NRC") and the Audit Committee, in its meeting held on July 23, 2025, have considered & approved the re-appointment and remuneration payable to Mr. Pranav Kapuria as Managing Director for a period of three years w.e.f. October 01, 2025 subject to the approval of shareholders of the Company and other concerned statutory & other authorities, if applicable.

Further, the company has not committed any default in payment of dues to any bank or public financial institutions or non-convertible debentures holders or any other secured creditor.

Further, Mr. Pranav Kapuria has confirmed that he is not debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI, Ministry of Corporate Affairs or any other Statutory Authority.

The particulars as required to be disclosed in accordance with the provisions of Section-II of Part-II of Schedule-V of the Companies Act, 2013 and information/details as required by SEBI (LODR) Regulations, 2015 are given in **Annexure-A**.

Further, a brief profile along with additional information of Mr. Pranav Kapuria is annexed herewith in **Annexure-C**, mentioning therein the nature of his expertise in specific functional areas and the name of the Company/ies in which he holds/held the position of a director and other information as required as per the SEBI (LODR) Regulations, 2015.

Except Mr. Deep Kapuria, Mr. Pranav Kapuria and Mr. Anuj Kapuria, Directors, being related to each other, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the agenda as set out at item no. 8 of the notice.

The Board, therefore, recommend the resolution as set out in the notice for the approval of the members of the Company by way of a **Special Resolution**.

Item No. 09

Re-appointment & Remuneration of Mr. Anuj Kapuria (DIN-00006366) as "Executive Director" of the Company.

Mr. Anuj Kapuria was re-appointed in his present term as Executive Director of the Company for a period of 3 years. The appointment was effective from October 01, 2022. The approval for the same was accorded by the members in their 36th Annual General Meeting held on September 29, 2022.

In terms of the provisions of sections 196, 197, 198, Schedule-V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, re-appointment of the Whole Time Director and Key Managerial Personnel to be designated as Executive Director and payment of remuneration requires approval of the members of the Company where the Company has inadequate profit or no profit. In view of this, the re-appointment and remuneration payable to Mr. Anuj Kapuria as Executive Director shall require a fresh approval of shareholders of the company, by way of Special Resolution.

Taking into consideration his qualifications, experience & valuable contribution made by him towards the growth of the Company & the job responsibilities handled by Mr. Anuj Kapuria, Board of Directors upon the recommendation of the Nomination & Remuneration Committee and the Audit Committee, in respective meeting held on July 23, 2025, have considered and approved the re-appointment and remuneration payable to Mr. Anuj Kapuria as Whole Time Director and Key Managerial Personnel to be designated as "Executive Director" of the Company for a period of three years w.e.f. October 01, 2025 subject to the approval of shareholders of the Company and other concerned statutory & other authorities, if applicable.

Further, the company has not committed any default in payment of dues to any bank or public financial institutions or non-convertible debentures holders or any other secured creditor.

Mr. Anuj Kapuria has confirmed that he is not debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI, Ministry of Corporate Affairs or any other Statutory Authority.

The particulars as required to be disclosed in accordance with the provisions of Section-II of Part-II of Schedule-V of the Companies Act, 2013 and information/details as required by SEBI (LODR) Regulations, 2015 are given in **Annexure-B**.

Further, a brief profile along with additional information of Mr. Anuj Kapuria is annexed herewith in **Annexure-C**, mentioning therein the nature of his expertise in specific functional areas and the name of the Company/ies in which he holds/held the position of a director and other information as required as per the SEBI (LODR) Regulations, 2015.

Except Mr. Deep Kapuria, Mr. Pranav Kapuria and Mr. Anuj Kapuria, Directors, being related to each other, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the agenda as set out at item no. 9 of the notice.

The Board, therefore, recommend the resolution as set out in the notice for the approval of the members of the Company by way of a **Special Resolution**.

Item No. 10

Appointment of Mr. Ramakrishnan Ramanathan (DIN-03394401) as a Non-Executive Independent Director of the Company.

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors ('Board') at their Board meeting

held on July 23, 2025, appointed Mr. Ramakrishnan Ramanathan (DIN-03394401) as the additional Independent director of the Company with effect from July 24, 2025, to hold office of Non-Executive-Independent Director subject to the Shareholders' approval within three (3) months.

Mr. Ramakrishnan Ramanathan is a seasoned business leader with over 38 years of experience in the automotive and manufacturing sectors, primarily with Tata Motors Limited, where he held leadership roles across product strategy, sales, customer care, and global business operations. A Mechanical Engineering graduate from NIT Tiruchirappalli (1985), he has led major industry transformations including the introduction of multi-axle trucks, fully built vehicles, and the Prima range, while also driving innovations in customer engagement, channel modernization, and branded aftermarket solutions. With prior board experience across multiple Tata Motors subsidiaries and current directorships at Everest Kanto Cylinder Ltd (since June 2024) and CPI Holdings Inc., USA (since June 2025), Mr. Ramanathan brings deep strategic insight, governance experience, and a strong customer-first approach to board leadership.

Further, In the opinion of the NRC and Board of the Company, Mr. Ramakrishnan Ramanathan fulfils the conditions for his appointment as a **Non-Executive Independent Director** as specified in the Act and the SEBI (LODR) Regulations, 2015. He is a person of integrity and possesses relevant experience & expertise.

Mr. Ramanathan has given a declaration that he meets the criteria of independence provided under the provisions of Section 149 of the Act and Regulation 16 of SEBI (LODR) Regulations, 2015.

Further, a brief profile along with additional information of Mr. Ramanathan is annexed herewith in **Annexure-C**, mentioning therein the nature of his expertise in specific functional areas and the name of the Company/ies in which he holds/held the position of a director as per the SEBI (LODR) Regulations, 2015 and terms and conditions relating to his appointment.

This explanatory statement (together with Annexures thereto) will be available for inspection at the Registered office of the Company by Members of the Company during the e-voting period on working all days except Sunday and Bank Holidays during 9:00 A.M. to 5:00 P.M.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Ramanathan, is concerned or interested financially or otherwise, in the said resolution.

The Board, therefore, recommend the resolution as set out in the notice for the approval of the members of the Company by way of a **Special Resolution**.

Item No. 11

Appointment and Remuneration of Mr. Vijay Mathur (DIN-00006455) as Whole-Time Director & Key Managerial Personnel designated as "Executive Director" of the Company.

In terms of the provisions of sections 196, 197, 198, Schedule-V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, appointment of the Whole Time Director and Key Managerial Personnel to be designated as Executive Director and payment of remuneration requires approval of the members of the Company where the Company has inadequate profit or no profit. In view of this, the appointment and remuneration payable to Mr. Vijay Mathur as Executive Director shall require approval of shareholders of the company, by way of Special Resolution.

Taking into consideration his qualifications, experience, excellent skill set in finance, accounts, taxation & treasury management and based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors ('Board') at their Board meeting held on July 23, 2025, appointed Mr. Vijay Mathur (DIN-00006455) as Whole-time Director & Key Managerial Personnel designated as "Executive Director" of the Company for a period of 3 (three) years effective from July 24, 2025 to July 23, 2028 (both days inclusive) subject to the shareholders' approval within three (3) months.

Further, the company has not committed any default in payment of dues to any bank or public financial institutions or non-convertible debentures holders or any other secured creditor.



Mr. Vijay Mathur has confirmed that he is not debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI, Ministry of Corporate Affairs or any other Statutory Authority.

The particulars as required to be disclosed in accordance with the provisions of Section-II of Part-II of Schedule-V of the Companies Act, 2013 and information/details as required by SEBI (LODR) Regulations, 2015 are given in **Annexure-B**.

Further, a brief profile along with additional information of Mr. Vijay Mathur is annexed herewith in **Annexure-C**, mentioning therein the nature of his expertise in specific functional areas and the name of the Company/ies in which he holds/held the position of a director and other information as required as per the SEBI (LODR) Regulations, 2015.

Further, pursuant to the provisions of Section 196 of the Act, Rules made thereunder and other applicable provisions, if any, the NRC and the Board

recommended for the approval of shareholders of the Company, to continue Mr. Vijay Mathur as “Executive Director”, even after the age of 70 years.

The above explanatory statement (together with Annexures thereto) shall be construed to be memorandum setting out the terms of the appointment as specified under Section 190 of the Act and will be available for inspection at the Registered office of the Company by Members of the Company during the e-voting period on all days except Sunday and Bank Holidays during 9:00 A.M. to 5:00 P.M.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Vijay Mathur, is concerned or interested, financially or otherwise, in the said resolution.

The Board, therefore, recommend the resolution as set out in the notice for the approval of the members of the Company by way of a **Special Resolution**.



Details of Directors retiring by rotation seeking re-appointment at the Meeting (Refer Item No. 3 and 4): -

No.	Particulars	Mr. Anant Jaivant Talaulicar	Mr. Anuj Kapuria
1.	Directors Identification Number (DIN)	00031051	00006366
2.	Age	64 years (11-07-1961)	47 years (26-08-1978)
3.	Date of Initial appointment	21/05/2018	30/05/2005
4.	Date of current re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Anant Jaivant Talaulicar was appointed on the Board on May 21, 2018, and as he is liable to retire by rotation, he was re-appointed at the 37 th AGM held on September 28, 2023. Being eligible, he has now offered himself for re-appointment.	In terms of Section 152(6) of the Companies Act, 2013, Mr. Anuj Kapuria was appointed on the Board on May 30, 2005, and as he is liable to retire by rotation, he was re-appointed at the 37 th AGM held on September 28, 2023. Being eligible, he has now offered himself for re-appointment.
5.	Experience & Expertise	Mr. Anant Jaivant Talaulicar is a Master of Mechanical Engineering and Master of Business Administration. He has rich experience in the Engineering field, Corporate Strategy and General Management. He served as a financial analyst and held manufacturing engineering and product management positions in the Engine Business Unit. The Company stands to benefit from his experience and expertise. He became Chairman & Managing Director of Cummins India in 2004. He also served as a member of the Confederation of Indian Industries, Society of Indian Automobile Manufacturers and Automobile Components Manufacturers Association.	Mr. Anuj Kapuria joined the Company in the year 2005. He was re-appointed as Executive Director (Whole Time Director) w.e.f. May 15, 2015. He is an Engineer with a Master's degree in Robotics with specialization in Computer Vision, Artificial Intelligence and Intelligent Robotics from Carnegie Mellon University (CMU), U.S.A. Mr. Anuj Kapuria has been contributing to the growth of the Company through his enhanced knowledge in the field of Robotic Artificial Intelligence and automation. His visionary leadership and profound knowledge in the field have been instrumental in driving innovation and spearheading technological advancements within the Company.
6.	Qualification	1. Masters in engineering from the University of Michigan. 2. Masters in business administration from Tulane University.	Master's degree in Robotics with specialization in Computer Vision, Artificial Intelligence and Intelligent Robotics from Carnegie Mellon University (CMU), U.S.A.
7.	Board Membership of other Companies*	1. India Nippon Electricals Limited 2. Endurance Technologies Limited 3. Jakson Green Private Limited 4. Jakson Biofuels Private Limited 5. Pinnacle Industries Limited 6. Jakson Engineers Limited 7. Jakson Limited 8. Everest Industries Limited 9. KPIT Technologies Limited 10. Ushajaivant Foundation	1. Chetana Inlease Pvt. Ltd. 2. Summit Import Services Limited 3. Vulcan Electro Controls Limited 4. The Hi-Tech Robotic Systemz Limited 5. Novus Hi-Tech Robotic Systemz Pvt. Ltd. 6. Manu Farms Private Limited 7. Hi-Tech Portfolio Investments Limited
8.	Chairman/Member of the Committee of the Board of Directors *	KPIT Technologies Limited AC - Member NRC - Chairman and Member CSR - Chairman and Member RMC - Member Everest Industries Limited AC - Member NRC - Member RMC - Member SRC - Member CSR - Member India Nippon Electricals Limited AC - Chairman and Member NRC - Member RMC - Chairman and Member	Vulcan Electro Controls Ltd. NRC – Member CSR – Member AC – Member



No.	Particulars	Mr. Anant Jaivant Talaulicar	Mr. Anuj Kapuria
		Jakson Engineers Limited NRC (HR) - Chairman and Member AC - Member Jakson Limited NRC (HR) - Chairman and Member AC - Member Pinnacle Industries Limited AC - Chairman and Member	
9.	Details of Remuneration and remuneration last drawn	Details mentioned in the point IX of Corporate Governance Report forming part of Annual Report.	Details mentioned in the point IX of Corporate Governance Report forming part of Annual Report.
10.	Number of Board meetings attended during the year	Details mentioned in the point II of Corporate Governance Report forming part of Annual Report.	Details mentioned in the point II of Corporate Governance Report forming part of Annual Report.
11.	Number of shares held in the Company as on 31/03/2025	NIL	8,48,639
12.	Relationship with Directors	None	Mr. Anuj Kapuria is son of Mr. Deep Kapuria and Brother of Mr. Pranav Kapuria.

Note-

**For the purpose of Board and Membership of Committees/Chairman, Indian Companies are considered.*

In this above given table, NRC stands for Nomination and Remuneration Committee; CSR stands for Corporate Social Responsibility Committee, AC stands for Audit Committee, RMC stands for Risk Management Committee and SRC stands for Stakeholders Relationship Committee.

ANNEXURE TO THE EXPLANATORY STATEMENT

(The Statement containing additional information as required in Part-II of Section-II of Schedule-V of the Companies Act, 2013)

I.	General Information																														
Nature of Industry	The Company is an auto component manufacturer (Tier-1 supplier) of world class repute and is engaged in the business of manufacturing, selling, exporting, and dealing automobile parts. The Company spans a spectrum of products, including transmission and engine components, driveline components, engines design services and advanced technology-enabled products and solutions at the fore front of cutting-edge technology.																														
Date of commercial production:	Commercial production of the Company commenced on November 10, 1986, as per Certificate of Commencement of Business issued by Registrar of Companies, Delhi & Haryana.																														
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	Not applicable																														
Financial performance	The Standalone financial performance of the Company during the last three financial years is as under: (Amount in million (INR) except per share data) <table border="1" data-bbox="505 737 1511 1020"> <thead> <tr> <th>Financial Parameters</th><th>Year ended 31.03.2023</th><th>Year ended 31.03.2024</th><th>Year ended 31.03.2025</th></tr> </thead> <tbody> <tr> <td>Total Revenue</td><td>7906.05</td><td>7,892.93</td><td>6,696.12</td></tr> <tr> <td>Net Profit before Tax</td><td>693.95</td><td>647.26</td><td>635.69</td></tr> <tr> <td>Net Profit after tax</td><td>503.40</td><td>492.69</td><td>473.78</td></tr> <tr> <td>Paid Up Capital</td><td>187.68</td><td>187.78</td><td>187.93</td></tr> <tr> <td>Other Equity</td><td>3788.52</td><td>4,242.88</td><td>4,518.01</td></tr> <tr> <td>Basic Earnings Per Share (EPS)</td><td>26.82</td><td>26.24</td><td>25.23</td></tr> </tbody> </table>			Financial Parameters	Year ended 31.03.2023	Year ended 31.03.2024	Year ended 31.03.2025	Total Revenue	7906.05	7,892.93	6,696.12	Net Profit before Tax	693.95	647.26	635.69	Net Profit after tax	503.40	492.69	473.78	Paid Up Capital	187.68	187.78	187.93	Other Equity	3788.52	4,242.88	4,518.01	Basic Earnings Per Share (EPS)	26.82	26.24	25.23
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Foreign investments or collaborations, if any	The Company has seven (7) Foreign Wholly Owned Subsidiaries namely: 2545887 Ontario Inc., Canada - The Hi-Tech Gears Canada Inc., Canada - Teutech Holding Corporation, USA - Teutech, L.L.C., USA - Teutech Leasing Corp, USA - Neo-Tech Auto Systemz Inc., USA - Neo-Tech Smart Solutions Inc., Canada Non-resident holding in the Company is 2.51 % (as on June 30, 2025). The Company has no foreign collaboration as on date.																														
II.	Information about the appointee																														
Name of Appointee	Mr. Deep Kapuria	Mr. Pranav Kapuria																													
Background details	Mr. Deep Kapuria born on August 5, 1949, is founder Director of the Company and designated as the Executive Chairman of the Company. He is a technocrat and expert in Gear Manufacturing & Designing, Business Management & Finance. He possesses the following qualifications: - Bachelor of Engineering (Honors') from B.I.T.S., Pilani; - Advance Management Programme from Indian Institute of Management, Ahmedabad - Lead Assessor Course for ISO 9000 from P.E. Batalas Ltd., UK	Mr. Pranav Kapuria, born on July 16, 1975, is presently designated as Managing Director of the Company. He joined the Company as Whole Time Director. Taking into consideration the contribution made by him for the growth of business, he was promoted as Deputy Managing Director of the Company on 1st August 2005 & thereafter as Managing Director w.e.f. 01.08.2010. He has done Bachelor of Commerce with Honors from University of Delhi, also holds master's degree in business. Administration from Cardiff Business School, University of Cardiff, U.K. and Certificate program on Lean Manufacturing from University of Michigan, College of Engineering, USA.																													



	4. Owner Management Programme from Harvard Business School, USA 5. Honorary title of Doctorate of Philosophy - Industrial Management awarded by GNA University Mr. Deep Kapuria has vast experience of decades in the industry and has been instrumental in the growth of the Company.	Because of his continuous hard work and efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Automotive Parts Industry. Under his leadership, the Company has embraced efficient manufacturing processes and achieved exceptional levels of operational excellence.																
Past Remuneration (as Director)	The remuneration drawn by Mr. Deep Kapuria during the past three financial years is as under: <table><tr><th>Financial year</th><th>Amount in million</th></tr><tr><td>2022-23</td><td>38.79</td></tr><tr><td>2023-24</td><td>40.98</td></tr><tr><td>2024-25</td><td>47.92</td></tr></table>	Financial year	Amount in million	2022-23	38.79	2023-24	40.98	2024-25	47.92	The remuneration drawn by Mr. Pranav Kapuria during the past three financial years is as under: <table><tr><th>Financial year</th><th>Amount in million</th></tr><tr><td>2022-23</td><td>26.02</td></tr><tr><td>2023-24</td><td>27.41</td></tr><tr><td>2024-25</td><td>31.94</td></tr></table>	Financial year	Amount in million	2022-23	26.02	2023-24	27.41	2024-25	31.94
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Past Recognition or awards	Mr. Deep Kapuria has the distinction of being Chairman CII Northern Region, President of ACMA twice and has led various overseas CII/ACMA Delegations including at WTO ministerial. He regularly represents Indian Industry at the Indian Government /Ministerial Business Delegation across the globe. He was Co-Chairman for task force on "Digital Economy & Industry 4.0" at B20 Argentina. In the last two decades, Mr. kapuria has held a number of eminent positions in Industry and Govt. bodies & associations and has played an important role in many confederation of Indian Industry (CII) initiatives, such as the World Trade/ Multilateral talks. Mr. kapuria has led various overseas CII/ ACMA Delegations including the Mini PBD (2011) at Canada. In addition, he has also been invited as speaker for number of CII/ ACMA/ Industry conventions, seminars across the globe. He has been Chairman of CII MSME Council, CII Trade Fair Council & CII Design Council. He is a non-government member on various Govt. committees including Make in India, Skill Council & is a member of the PM fellowship Apex Council.	Under Mr. Pranav Kapuria leadership, manufacturing facilities of The Hi-Tech Gears have been awarded many internationally coveted awards and recognitions e.g., "Award for Excellence in Consistent TPM Commitment" by Japan Institute of Plant Maintenance (JIPM) for Excellence in Total Productive Maintenance (TPM), Shingo Silver Medallion for Manufacturing Excellence (first time in India), and Green Factory / Green Building awards by Indian Green Building Council (IGBC) for all the manufacturing facilities. Has been instrumental in getting ACMA Export Award for the Company. In addition, he has held following appointments: - Executive Committee member of Automotive Component Manufactures Association of India (ACMA). - Core member & Mentor of Manufacturing Cluster of ACMA Centre for Technology. - Automotive Component Manufactures Association of India (ACMA) - Member of Pillar 1- Business Development for 2021-22. - ACMA - Co-Chairman, Pillar-4 - 2018-2019 - Member of YPO since 2016. - ACMA - Chairman Raw Material Committee - 2015-16. - Chairman ACMA Aerospace, Defence & Railway Committee 2013-14. - He has been Young Business Leader Forum (YBLF) Coordinator for ACMA from 2008-09.																
Job profile and his suitability	Mr. Deep Kapuria is member of Board of Director since October 23, 1986. He has vast experience of decades in the field of business strategy and development, planning, marketing and distribution, finance, production technology etc. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business of all the industrial units of Company. Mr. Deep Kapuria plays a major role in providing thought leadership and strategic inputs to the Company. Under his vision and leadership, company has made its presence globally thru successful acquisition of some entities in Canada and the US. Due to his able guidance, Company is not confined to only domestic manufacturing facilities and exposure to global environment will lead to strong growth opportunities.	Mr. Pranav Kapuria, Managing Director is vested with substantial powers of the Company under the Superintendence, control and directions of the Board of Directors. The Company has been substantially benefitted by his vision, professional knowledge and managerial expertise and has made enormous progress. Your Company is exploring new avenues of further inorganic growth by way of mergers and also tapping new geographies, such as Canada and US. Despite headwinds being faced, your company made continued progress under his leadership. Considering the performance of existing projects and expansion plans, the Company is expected to register a growth in the years to come. He is devoting his full time in managing the business of the Company. He is, therefore, best suitable for the job.																

Remuneration Proposed	Remuneration - Salary, Allowances & Perquisites (all together) are as under:		Remuneration - Salary, Allowances & Perquisites (all together) are as under:	
	From 01.10.2025 to 30.09.2026	Rs. 53.91 million per annum	From 01.10.2025 to 30.09.2026	Rs. 35.93 million per annum
	From 01.10.2026 to 30.09.2027	Rs. 62.00 million per annum	From 01.10.2026 to 30.09.2027	Rs. 41.32 million per annum
	From 01.10.2027 to 30.09.2028	Rs. 72.85 million per annum	From 01.10.2027 to 30.09.2028	Rs. 48.55 million per annum
Comparative Remuneration Profile with respect to industry, size of the Company, profile of the position and Person	Keeping in view the job profile, position and responsibilities, remuneration being given or proposed is at par with the remuneration as per industry standards. However, the remuneration proposed to be paid to the above appointees is in congruence with the remuneration paid to the managerial personnel in other Companies engaged in the similar auto component Industry.			
Pecuniary relationship directly or indirectly with the Company or relationship with the personnel/ director if any.	Besides the remuneration proposed herein, Mr. Deep Kapuria has no other pecuniary relationship with the Company other than the dividend to the extent of his shareholding and rental income from a property leased to Company at market rate. Further, Mr. Deep Kapuria is Father of Mr. Pranav Kapuria and Mr. Anuj Kapuria.		Besides the remuneration proposed herein, Mr. Pranav Kapuria has no other pecuniary relationship with the Company other than the dividend to the extent of his shareholding and rental income from a property leased to Company at market rate. Further, Mr. Pranav Kapuria is son of Mr. Deep Kapuria and Brother of Mr. Anuj Kapuria.	
Board Meeting Attended and Shareholding	During the financial year 2024-25 and 2025-26 (upto the approval of this notice), he attended 4 and 3 Board Meetings respectively and is holding 3114884 (16.57%) equity shares of Rs. 10/- each.		During the financial year 2024-25 and 2025-26 (upto the approval of this notice), he attended 4 and 3 Board Meetings respectively and is holding 848102 (4.51%) equity shares of Rs. 10/- each.	
III.	Other Information			
Reasons of Loss or Inadequate Profits	In the recent years, the automobile industry has navigated a series of regulatory, geopolitical and economic challenges. The Company's profitability has been influenced by a combination of internal and external factors, including rising costs as well as heightened market competition. The ongoing geo-political tensions and war across various regions and a broader economic slowdown have led to subdued demand across the automotive sector & also impacted the profitability and revenue of the Company.			
Steps taken or proposed to be taken for improvement.	Many corrective actions have been taken by the Company such as cost control and has adopted the strategies such as Concentrated efforts to enhance efficiency at all levels, exploring new markets, focus on long-term value creation and pursuing manufacturing excellence, upholding top-tier product quality, to handle the adverse market conditions in the present global competitive scenario.			
Expected increase in Productivity and Profits in Measurable Terms	The profit is expected to grow considering the performance of the Company. However, it is extremely difficult to forecast any profit numbers under this extreme uncertain situation.			
IV.	DISCLOSURES			
	The requisite disclosures of remuneration package, details of fixed component and performance linked incentive etc. are duly disclosed under the heading of 'Corporate Governance' forming part of Board's Report. Board of Directors had passed the resolution for implementing "The Hi-Tech Gears Limited Stock Incentive Plan, 2021" to reward, attract, motivate and retain employees and Directors of the Company and its existing or future subsidiary companies, in or outside India which was subsequently approved by Shareholders in its meeting held on September 29, 2021.			



ANNEXURE-B

ANNEXURE TO THE EXPLANATORY STATEMENT

(The Statement containing additional information as required in Part-II of Section-II of Schedule-V of the Companies Act, 2013)

I.	General Information																														
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Date of commercial production:	Commercial production of the Company commenced on November 10, 1986, as per Certificate of Commencement of Business issued by Registrar of Companies, Delhi & Haryana.																														
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Name of Appointee	Mr. Anuj Kapuria	Mr. Vijay Mathur																													
Background details	Mr. Anuj Kapuria joined the Company in the year 2005. He was re-appointed as Executive Director (Whole Time Director) w.e.f. May 15, 2015. He is an Engineer with a Master's degree in Robotics with specialization in Computer Vision, Artificial Intelligence and Intelligent Robotics from Carnegie Mellon University (CMU), U.S.A. Mr. Anuj Kapuria has been contributing to the growth of the company through his enhanced knowledge in the field of Robotic Artificial Intelligence and automation.	Mr. Vijay Mathur is a commerce graduate, a Fellow member of Institute of Cost Accountant of India. Mr. Mathur has rich experience of almost 40 years in the varied field of finance, accounts, taxation and treasury management. He has worked with GEC of India Ltd and Ranbaxy Laboratories Ltd in his professional career before joining The Hi-Tech Gears Limited. He is associated with the Company for almost 35 years and currently designated as Senior General Manager, Finance. He has also acted as CFO of the company on earlier occasion.																													

Past Remuneration (as Director)	The remuneration drawn by Mr. Anuj Kapuria during the past three financial years is as under: <table><tr><th>Financial year</th><th>Amount in million</th></tr><tr><td>2022-23</td><td>26.02</td></tr><tr><td>2023-24</td><td>27.41</td></tr><tr><td>2024-25</td><td>31.94</td></tr></table>	Financial year	Amount in million	2022-23	26.02	2023-24	27.41	2024-25	31.94	NA
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2023-24	27.41									
2024-25	31.94									
Past Recognition or awards	Under Mr. Anuj Kapuria the Company have 100+ patents, over 60 granted in various geographies. He has been instrumental in Company winning many accolades that include: • Most Innovative MSME company by Govt of India (awarded by Prime Minister of India) • Most innovative company by NITI Aayog & CII • Served on Prime Minister Modi's Artificial Intelligence Task Force at Niti Aayog and co-authored white paper, developing the National AI vision. • Frost & Sullivan Best Practices Award: India Commercial Vehicles Safety & ADAS Technology • Safety Technology Award by Auto Tech Review • Listed by Gartner as Top AI companies in India in their Cool Vendor Report • Design Excellence Award by CII for Autonomous Mobile Robots • FICCI National Road Safety Award • Excellence in Innovation-Supplier Award by Daimler Mr. Anuj Kapuria is the member of CII Trade Fair Council for current year. He is also the member of India Japan Business Leaders Forum (IJBLF), constituted under the guidance of The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry.	He has worked with GEC of India Ltd and Ranbaxy Laboratories Ltd in his professional career before joining The Hi-Tech Gears Limited. He is associated with the Company for almost 35 years and currently designated as Senior General Manager, Finance. He has also acted as CFO of the company on earlier occasion. He is having rich experience in the following fields • Arrangement of long term & short-term financial resources • Finance Management & Control, • Budget & Forecasting • Functional Auditing & Internal Control • Fund Raising & Capital Market, • Business Process Improvement, • Financial Planning keeping in view the capex required. • Management of Financial Risks He has been assigned for many business decisions.								
Job profile and his suitability	Mr. Anuj Kapuria has been instrumental in keeping abreast with the latest technology for delivering the highest quality of products. He has inherited an enormous legacy and shouldered higher assignments during his tenure with the Company. His sincerity, commitment and ideas have resulted in opening up of new opportunities of the Company in the area of automatic Supply Chain Management and latest technologies in manufacturing sustainability. In view of his enriched experience, appreciable contribution and enlarged leadership, he is proposed by the Board of Directors for re-appointment.	Mr. Mathur has rich experience of almost 40 years in the varied field of finance, accounts, taxation and treasury management. Further, he has also acted as CFO of the Company on earlier occasion. Keeping in view of his strategic thinking and perspective, along with sound experience necessary to guide organization in the competitive Environment, the Board proposed his appointment for this designation.								
Remuneration Proposed	Remuneration - Salary, Allowances & Perquisites (all together) are as under: <table><tr><td>From 01.10.2025 to 30.09.2026</td><td>Rs. 35.93 million per annum</td></tr><tr><td>From 01.10.2026 to 30.09.2027</td><td>Rs. 41.32 million per annum</td></tr><tr><td>From 01.10.2027 to 30.09.2028</td><td>Rs. 48.55 million per annum</td></tr></table>	From 01.10.2025 to 30.09.2026	Rs. 35.93 million per annum	From 01.10.2026 to 30.09.2027	Rs. 41.32 million per annum	From 01.10.2027 to 30.09.2028	Rs. 48.55 million per annum	Remuneration - Salary, Allowances & Perquisites (all together) are as under: <table><tr><td>From 24.07.2025 to 23.07. 2028</td><td>Not to exceed Rs. 30 Lakhs per annum</td></tr></table>	From 24.07.2025 to 23.07. 2028	Not to exceed Rs. 30 Lakhs per annum
From 01.10.2025 to 30.09.2026	Rs. 35.93 million per annum									
From 01.10.2026 to 30.09.2027	Rs. 41.32 million per annum									
From 01.10.2027 to 30.09.2028	Rs. 48.55 million per annum									
From 24.07.2025 to 23.07. 2028	Not to exceed Rs. 30 Lakhs per annum									



Comparative Remuneration Profile with respect to industry, size of the Company, profile of the position and Person	Keeping in view the job profile, position and responsibilities, remuneration being given or proposed is at par with the remuneration as per industry standards. However, the remuneration proposed to be paid to the above appointees is in congruence with the remuneration paid to the managerial personnel in other Companies engaged in the similar auto component Industry.	
Pecuniary relationship directly or indirectly with the Company or relationship with the personnel/ director if any.	Besides the remuneration proposed herein, Mr. Anuj Kapuria has no other pecuniary relationship with the Company other than the dividend to the extent of his shareholding and rental income from a property leased to Company at market rate. Further, Mr. Anuj Kapuria is son of Mr. Deep Kapuria and Brother of Mr. Pranav Kapuria.	Besides the remuneration proposed herein, Mr. Vijay Mathur has no other pecuniary relationship with the Company.
Board Meeting Attended and Shareholding	During the financial year 2024-25 and 2025-26 (upto the approval of this notice), he attended 4 and 3 Board Meetings respectively and is holding 848639 (4.52%) equity shares of Rs. 10/- each.	During the financial year 2025-26 (upto the approval of this notice), he attended 1 Board Meeting and is holding 20 equity shares of Rs. 10/- each.
III.	Other Information	
Reasons of Loss or Inadequate Profits	In the recent years, the automobile industry has navigated a series of regulatory, geopolitical and economic challenges. The Company's profitability has been influenced by a combination of internal and external factors, including rising costs as well as heightened market competition. The ongoing geo-political tensions and war across various regions and a broader economic slowdown have led to subdued demand across the automotive sector & also impacted the profitability and revenue of the Company.	
Steps taken or proposed to be taken for improvement.	Many corrective actions have been taken by the Company such as cost control and has adopted the strategies such as Concentrated efforts to enhance efficiency at all levels, exploring new markets, focus on long-term value creation and pursuing manufacturing excellence, upholding top-tier product quality, to handle the adverse market conditions in the present global competitive scenario.	
Expected increase in Productivity and Profits in Measurable Terms	The profit is expected to grow considering the performance of the Company. However, it is extremely difficult to forecast any profit numbers under this extreme uncertain situation.	
IV.	DISCLOSURES	
	The requisite disclosures of remuneration package, details of fixed component and performance linked incentive etc are duly disclosed under the heading of 'Corporate Governance' forming part of Board's Report. Board of Directors had passed the resolution for implementing "The Hi-Tech Gears Limited Stock Incentive Plan, 2021" to reward, attract, motivate and retain employees and Directors of the Company and its existing or future subsidiary companies, in or outside India which was subsequently approved by Shareholders in its meeting held on September 29, 2021.	

ANNEXURE TO THE EXPLANATORY STATEMENT

Information about the directors proposed to be appointed/re-appointed pursuant to Regulation 36 of the SEBI (LODR) Regulations, 2015 and Secretarial Standard-2 is furnished below:

Name	Mr. Deep Kapuria	Mr. Pranav Kapuria	Mr. Anuj Kapuria	Mr. Ramakrishnan Ramanathan	Mr. Vijay Mathur
Directors Identification Number (DIN)	00006185	00006195	00006366	03394401	00006455
Date of Birth & Age	05-08-1949 & 76 Years (age)	16-07-1975 & 50 Years (age)	26-08-1978 & 47 Years (age)	17/10/1963 & 41 Years (age)	14/11/1957 & 68 Years (age)
Date of Initial appointment	October 23, 1986	May 25, 2000	May 30, 2005	July 24, 2025	July 24, 2025
Terms and Conditions of appointment	Appointment as Chairman and Whole-Time Director designated as "Executive Chairman" for a period of three years commencing from October 01, 2025 to September 30, 2028 (both days inclusive), not liable to retire by rotation.	Appointment as "Managing Director" for a period of three years commencing from October 01, 2025 to September 30, 2028 (both days inclusive), liable to retire by rotation.	Appointment as Whole-Time Director and Key Managerial Personnel designated as "Executive Director" for a period of three years commencing from October 01, 2025 to September 30, 2028, (both days inclusive), liable to retire by rotation.	Appointment as a Non-Executive Independent Director for a period of five years commencing from July 24, 2025, to July 23, 2030 (both days inclusive), not liable to retire by rotation.	Appointment as a Whole-Time Director and Key Managerial Personnel designated as Executive Director for a period of three years commencing from July 24, 2025, to July 23, 2028 (both days inclusive), liable to retire by rotation.
Brief Profile (Qualification, Experience & Expertise)	Mr. Deep Kapuria is founder Director of the Company and designated as the Executive Chairman of the Company, having vast experience of almost 39 years. He is a technocrat and expert in Gear Manufacturing & Designing, Business Management & Finance. He possesses the following qualifications: 1. Bachelor of Engineering (Honors') from B.I.T.S., Pilani; 2. Advance Management Programme from Indian Institute of Management, Ahmedabad 3. Lead Assessor Course for ISO 9000 from P.E. Batalas Ltd., UK 4. Owner Management Programme from Harvard Business School, USA	Mr. Pranav Kapuria is presently designated as Managing Director of the Company. He joined the Company as Whole Time Director. Taking into consideration the contribution made by him for the growth of business, he was promoted as Deputy Managing Director of the Company on 1st August 2005 & thereafter as Managing Director w.e.f. 01.08.2010. He has done Bachelor of Commerce with Honors from University of Delhi, also holds master's degree in business Administration from Cardiff Business School, University of Cardiff, U.K. and Certificate program on Lean Manufacturing from University of Michigan, College of Engineering, USA. Because of his continuous hard work	Mr. Anuj Kapuria is presently designated as Executive Director (Whole Time Director). He is an Engineer with a Master's degree in Robotics with specialization in Computer Vision, Artificial Intelligence and Intelligent Robotics from Carnegie Mellon University (CMU), U.S.A. Mr. Anuj Kapuria has been contributing to the growth of the company through his enhanced knowledge in the field of Robotic Artificial Intelligence and automation and extensive industry experience of almost 20 years.	Mr. Ramakrishnan Ramanathan is a seasoned and highly accomplished business leader with a Mechanical Engineering degree from the Regional Engineering College (now National Institute of Technology), Tiruchirappalli, graduated in January 1985. He brings with him 38 years of extensive industry experience, having held diverse leadership roles across critical business functions at Tata Motors Limited. During his distinguished tenure at Tata Motors, Mr. Ramanathan served in strategic capacities across New Product Introduction, Commercial Operations, Sales & Marketing, Product Strategy, Program Management, Customer Care, and P&L responsibilities.	Mr. Vijay Mathur is a seasoned professional with almost 40 years of experience in finance, accounts, taxation and Commercial negotiations. He possesses a sound and deep understanding and knowledge of Financial and taxation Management. Mr. Mathur is a commerce graduate and Fellow member of Institute of Cost Accountant of India. He has worked with GEC of India Ltd and Ranbaxy Laboratories Ltd in his professional career before joining The Hi-Tech Gears Limited. He is associated with the Company for almost 35 years and currently designated as Senior General Manager, Finance. He has also acted as CFO of THGL on an earlier occasion.



Name	Mr. Deep Kapuria	Mr. Pranav Kapuria	Mr. Anuj Kapuria	Mr. Ramakrishnan Ramanathan	Mr. Vijay Mathur
	5. Honorary title of Doctorate of Philosophy – Industrial Management awarded by GNA University Mr. Deep Kapuria has vast experience of decades in the industry and has been instrumental in the growth of the Company.	and efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Automotive Parts Industry. Under his vivid experience of 25 years and leadership, the Company has embraced efficient manufacturing processes and achieved exceptional levels of operational excellence.		In the latter part of his career, he successfully led a global business line comprising five significant revenue streams: Spare Parts, Aggregates, Allied Business, Prolife (Remanufacturing), and Maintenance Contracts. Mr. Ramanathan has been instrumental in numerous transformational initiatives in the Indian Commercial Vehicle industry. He pioneered the introduction of multi-axle trucks, factory-fitted cabins, fully built vehicles, radial tyres, and the world-class Prima range of trucks. His efforts also led to the institutionalization of Key Account Management, Customer Loyalty Programs, and notable marketing campaigns like “T1 Prima Truck Racing” and “Hamare Bus Ki Baat Hai,” emphasizing school bus safety. A strong proponent of innovation and channel transformation, he modernized the Commercial Vehicle Dealer Network, introduced “Dronas” for dealer training, and implemented the Channel Partner Scorecard (CPSC) to drive customer satisfaction. Under his leadership, Tata Motors launched branded consumables like Tata Motors Genuine Oil and Tata Genuine DEF, enhancing brand equity and customer trust. During his tenure, the Customer Care team earned several prestigious accolades,	Given hereunder is the snapshot of his core expertise areas: • Finance Management & Control, • Budget & Forecasting • Functional Auditing & Internal Control • Business Process Improvement, • Management of Financial Risks • Commercial Negotiations.

Name	Mr. Deep Kapuria	Mr. Pranav Kapuria	Mr. Anuj Kapuria	Mr. Ramakrishnan Ramanathan	Mr. Vijay Mathur
				including multiple Golden Peacock Awards for Innovation and Training, and the CII “Customer Obsession” Award in 2021, a testament to his customer-first approach. He has served on the boards of various Tata Motors subsidiaries, including FIAT India Automobiles, Concorde Motors, TML Distribution, Tata Motors Finance Solutions, Tata Insurance Broking Services, Tata Marcopolo Motors, Automobile Corporation of Goa, PT Tata Motors Indonesia, and TMLCV Mobility Solutions. Presently, Mr. Ramanathan is serving as a Independent Director on the Board of Everest Kanto Cylinder Limited, a listed entity, since June 2024, and on the board of CPI Holdings Inc., USA, an unlisted subsidiary, since June 2025.	
Relationship with Directors/KMP	Mr. Deep Kapuria is Father of Mr. Pranav Kapuria and Mr. Anuj Kapuria.	Mr. Pranav Kapuria is son of Mr. Deep Kapuria and Brother of Mr. Anuj Kapuria.	Mr. Anuj Kapuria is son of Mr. Deep Kapuria and Brother of Mr. Pranav Kapuria.	Mr. Ramakrishnan Ramanathan is not related to any director.	Mr. Vijay Mathur is not related to any director.
Board Memberships of other Companies in past 3 years*	- The Hi-Tech Robotic Systemz Limited - Novus Hi-Tech Robotic Systemz Private Limited - Global Innovation & Technology Alliance - Dev Darshan Construction Private Limited	- The Hi-Tech Robotic Systemz Limited - Hi-Tech Portfolio Investments Limited - Novus Hi-Tech Robotic Systemz Private Limited - Manu Farms Private Limited	- Chetana Inlease Pvt. Ltd. - Summit Import Services Limited - Vulcan Electro Controls Limited - The Hi-Tech Robotic Systemz Limited - Novus Hi-Tech Robotic Systemz Pvt. Ltd. - Manu Farms Private Limited Hi-Tech Portfolio Investments Limited	Everest Kanto Cylinder Limited	- Aquarian Fibrecement Private Limited - Olympus Electrical Industries Private Limited - Vulcan Electro Controls Limited - Indoi Systems Private Limited



Name	Mr. Deep Kapuria	Mr. Pranav Kapuria	Mr. Anuj Kapuria	Mr. Ramakrishnan Ramanathan	Mr. Vijay Mathur
Chairperson/ Member of the Committee of the Board of Directors in past 3 years*	The Hi-Tech Gears Limited STC - Chairman and Member FC - Chairman and Member CSR - Member	The Hi-Tech Gears Limited STC - Member FC - Member SRC - Member	The Hi-Tech Gears Limited STC - Member Vulcan Electro Controls Limited NRC - Member CSR – Member AC - Member	Everest Kanto Cylinder Limited AC - Member NRC - Member SRC - Chairman and Member RMC - Member	Vulcan Electro Controls Ltd. CSR - Chairman and Member
Details of Remuneration last drawn (as Director)	Refer Annexure-A	Refer Annexure-A	Refer Annexure-B	NIL	Refer Annexure-B
Number of Board meetings attended	Refer Annexure-A	Refer Annexure-A	Refer Annexure-B	NIL	Refer Annexure-B
Number of shares held in the Company	Refer Annexure-A	Refer Annexure-A	Refer Annexure-B	NIL	Refer Annexure-B
In case of Independent Director, the skills and capabilities required for the role	NA	NA	NA	Mr. Ramakrishnan Ramanathan brings over 38 years of leadership experience in the automotive and manufacturing sectors, with deep expertise in product strategy, sales, customer care, and global operations. His proven track record in driving industry transformation, innovation, and channel modernization equips him with strong strategic and operational insight. With prior board experience across Tata Motors subsidiaries and current independent directorships at Everest Kanto Cylinder Ltd and CPI Holdings Inc., USA, he possesses robust governance capabilities. His customer-centric approach, combined with industry knowledge and boardroom experience, make him well-suited for the role of an Independent Director.	NA

Note-

**For the purpose of Board and Membership of Committees/Chairman, Indian Companies are considered.*

In the above given table, NRC stands for Nomination and Remuneration Committee; CSR stands for Corporate Social Responsibility Committee, AC stands for Audit Committee, RMC stands for Risk Management Committee, SRC stands for Stakeholders Relationship Committee, FC stands for Finance Committee and STC stands for Share Transfer Committee.

By order of the Board of Directors
The Hi-Tech Gears Limited

Place: New Delhi
Date: 11-08-2025

Registered Office:
Plot No. 24, 25, 26, Sector-7,
IMT Manesar, Gurugram, Haryana-122050

Sd/-
Naveen Jain
Company Secretary
Membership No: - A15237

The Hi-Tech Gears Limited

Registered Office: - Plot No. 24,25,26, Sector-7,IMT Manesar, Gurugram, Haryana-122050
CIN- L29130HR1986PLC081555, Website: - www.thehitechgears.com
Tel.: +91(124)4715200, e-mail id: secretarial@thehitechgears.com

FORM NO. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):

Registered Address:

E-mail id:..... Folio No. / DP ID-Client ID.....

I/We, being the member (s) of shares of the The Hi-Tech Gears Limited, hereby appoint:

1.Name:.....resident of.....having an E-mail id: failing him / her;

2.Name:.....resident of.....having an E-mail id: failing him / her;

3.Name:.....resident of.....having an E-mail id: failing him / her;

whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39th Annual General Meeting of the Company, to be held on Saturday the 27th day of September, 2025 at 05:00 P.M. at registered office at Plot No. 24,25,26, Sector-7, IMT Manesar, Gurugram, Haryana 122050 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	No. of shares	For*	Against*
Ordinary Business:				
1	To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon.			
2	To declare the final dividend @ 50% i.e. ₹ 5.00/- (Rupees five Only) per equity share of ₹ 10 each for the financial year 2024-2025 as recommended by the Board of Directors.			
3	To appoint a director in place of Mr. Anant Jaivant Talaulicar (DIN-00031051) who retires by rotation and being eligible, offers himself for re-appointment.			
4	To appoint a director in place of Mr. Anuj Kapuria (DIN-00006366) who retires by rotation and being eligible, offers himself for re-appointment.			
Special Business:				
5	Approval of remuneration of Cost Auditor for the financial year 2025-2026. - Ordinary Resolution			
6	Approval of appointment and remuneration of Secretarial Auditor. - Ordinary Resolution			
7	Re-appointment & Remuneration of Mr. Deep Kapuria (DIN-00006185) as "Executive Chairman" of the Company.- Special Resolution			
8	Re-appointment & Remuneration of Mr. Pranav Kapuria (DIN-00006195) as "Managing Director" of the Company.- Special Resolution			
9	Re-appointment & Remuneration of Mr. Anuj Kapuria (DIN-00006366) as "Executive Director" of the Company - Special Resolution			
10	Appointment of Mr. Ramakrishnan Ramanathan (DIN-03394401) as a Non-Executive Independent Director of the Company - Special Resolution			
11	Appointment and Remuneration of Mr. Vijay Mathur (DIN-00006455) as Whole-Time Director & Key Managerial Personnel designated as "Executive Director" of the Company - Special Resolution			

Signed this day of..... 2025.

(Date)

(Month)

Signature of the Shareholder(s)

Signatures of:

Affix
Revenue
Stamp

.....
First Proxy Holder

.....
Second Proxy Holder

.....
Third Proxy Holder

Notes:-

- Please put a "tick" in the Box in the appropriate column. If you leave 'For' or 'Against' column blank in respect of any or all of the resolutions, your proxy will be entitled to vote in the matter as he/she thinks appropriate.
- Proxy need not to be a member of the Company. A person can act as proxy on behalf of for a maximum of fifty members and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- This form of proxy in order to be effective should be duly executed and deposited at the Registered Office of the Company at Plot No. 24,25,26 Sector- 7, IMT Manesar, Gurugram, Haryana 122050 at least 48 hours before the time of the Meeting.



ELECTRONIC VOTING PARTICULARS

The e-voting facility will be available during the following voting period:

The cut-off date (i.e. the record date) for the purpose of e-voting is September 19, 2025

TEAR HERE

The Hi-Tech Gears Limited

Registered Office: - Plot No. 24,25,26, Sector-7,IMT Manesar, Gurugram, Haryana-122050
CIN- L29130HR1986PLC081555, website: - www.thehitechgears.com
Tel.: +91(124)4715200, e-mail id: secretarial@thehitechgears.com

ATTENDANCE SLIP

I/We hereby record my presence at the 39th Annual General Meeting held on Saturday, September 27, 2025 at 05.00 PM at the registered office of the Company at Plot No. 24,25,26, Sector-7, IMT Manesar, Gurugram, Haryana-122050

Name of the Shareholder(s) or Proxy (In Block Letters)

No. of Shares Held	
1	100,000,000
2	100,000,000
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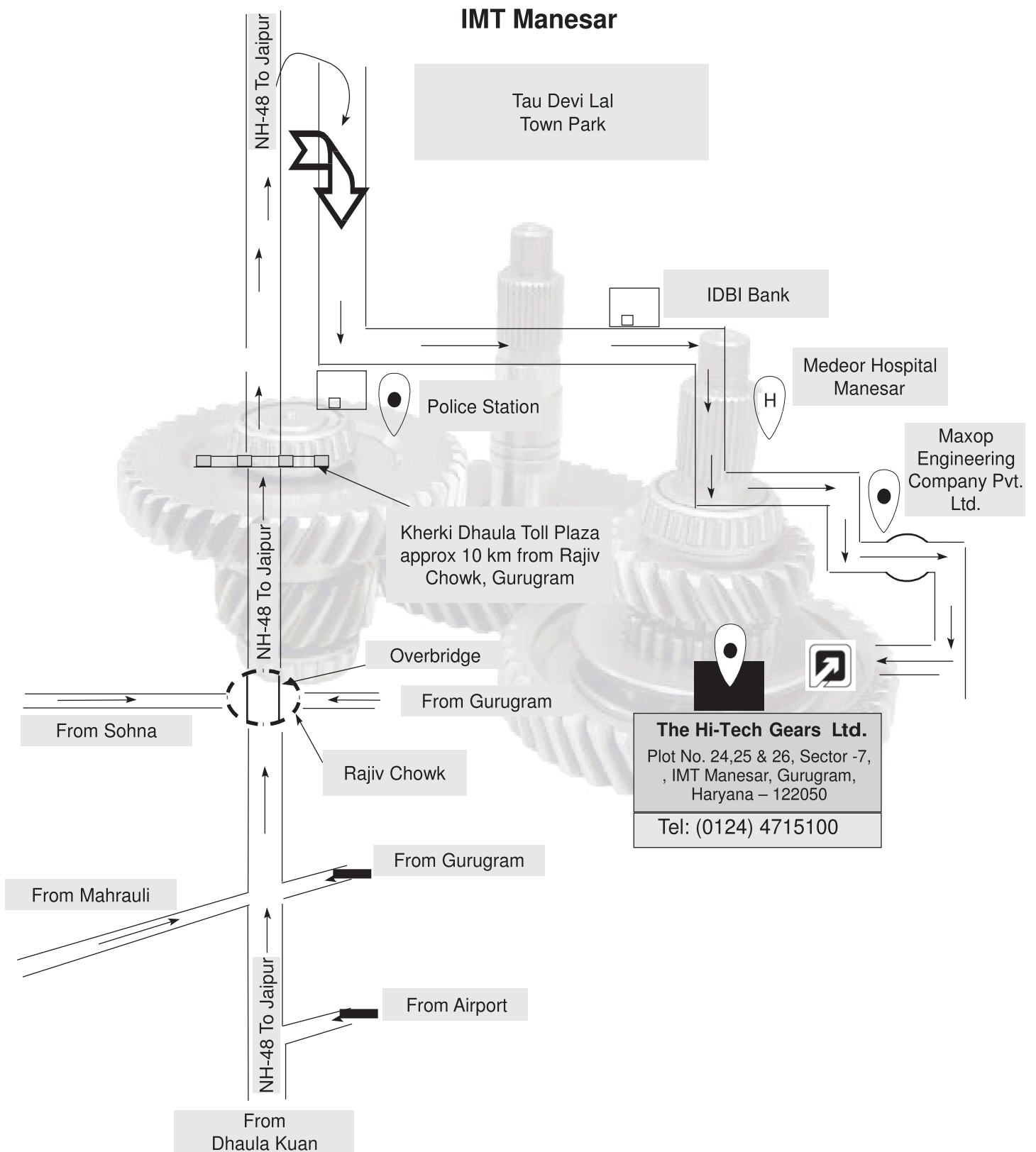
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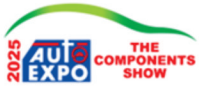
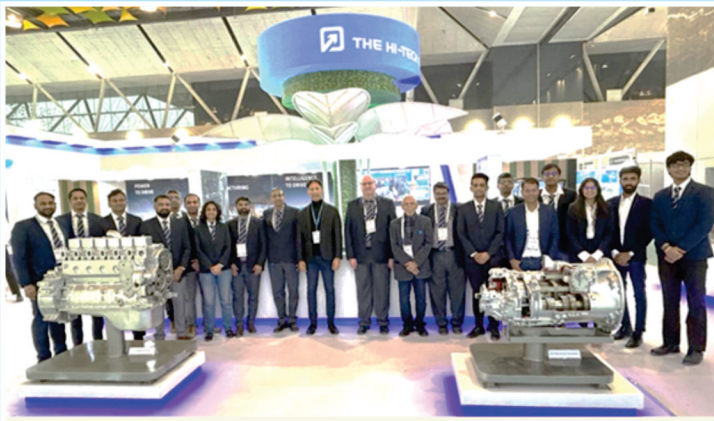
(Signature of the Shareholder/Proxy)

Note:

PLEASE COMPLETE THIS ATTENDENCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL.

ROUTE MAP





**Stand No.
H2-L6**

18-21, January 2025
Yashobhoomi, India International
Convention & Expo Centre,
Dwarka, New Delhi





THE HI-TECH GEARS LTD.

CIN- L29130HR1986PLC081555

Regd. Off. : Plot No. 24, 25 & 26, Sector -7, IMT Manesar, Gurugram, Haryana - 122050

Corp. Off. : Millennium Plaza, Tower-B, Sushant Lok-I, Sector-27

Gurugram-122002, Haryana. **Tel.:** +91(124) 4715100

Website : www.thehitechgears.com **E-mail:** secretarial@thehitechgears.com