



THE HI-TECH GEARS LTD.

CIN - L29130HR1986PLC081555

Regd. Office: Plot No. 24 - 26 Sector-7, IMT Manesar - 122050 Gurugram, Haryana INDIA

Tel.: +91 (124) 4715200; Website: www.thehitechgears.com

NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and MCA Circulars]

Voting commences on	Voting ends on
Friday, April 07, 2023, at 09.00 A.M. (IST)	Saturday, May 06, 2023, at 05.00 P.M. (IST)

Dear Members,
THE HI-TECH GEARS LIMITED (“Company”)

NOTICE is hereby given pursuant to the provisions of Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013, as amended (the “**Act**”), read together with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended (the “**Rules**”), General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 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 and 11/2022 dated December 28, 2022, issued by the Ministry of Corporate Affairs, Government of India (the “**MCA Circulars**”), Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (“**SS-2**”) and any other applicable law, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), that the resolution appended herein is proposing to appoint **Mr. Subir Kumar Chowdhury (DIN: 03633998) as Whole-time Director designated as “Executive Director & President”** of the Company, be passed by the members of the Company (as on the Cut-off Date i.e **Friday, March 31, 2023**), through postal ballot (the “**Postal Ballot**”) only by way of **remote e-voting (“e-voting”)** process.

The Board of Directors of the Company has appointed Mrs. Akarshika Goel (ICSI Membership No. A29525) partner of Grover Ahuja & Associates, Practising Company Secretary, as the (“**Scrutinizer**”) for conducting the postal ballot and e-voting process in a fair and transparent manner.

An Explanatory Statement pertaining to the resolution setting out the material facts and the rationale thereof form part of this Postal Ballot notice (“**Notice**”)

In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI LODR Regulations**”) and pursuant to the provisions of Sections 108 and 110 of the Act read with the rules framed thereunder and the MCA Circulars, the manner of voting on the proposed resolution is restricted only to e-voting i.e., by casting votes electronically instead of submitting postal ballot forms. Accordingly, the Notice and instructions for e-voting are being sent only through electronic mode to those Members whose email address is registered with the Company / depository participant(s). The details of the procedure to cast the vote forms part of the ‘**Notes**’ to this Notice.

Members desiring to exercise their vote through the e-voting process are requested to carefully read the instructions indicated in this Notice and record their assent (FOR) or dissent (AGAINST) by following the procedure as stated in the Notes forming part of the Notice. The e-voting period will commence on **Friday, April 07, 2023 at 09.00 A.M. (IST)** and will end on **Saturday, May 06, 2023 at 05.00 P.M.**

(IST). The e-voting facility will be disabled by NSDL immediately thereafter and the e-voting will not be allowed later than **Saturday, May 06, 2023 at 05.00 P.M. (IST)**.

The Scrutinizer will submit the report to the Chairman of the Company (the “**Chairman**”) or any other person authorized by the Chairman, and the result of the voting by Postal Ballot will be announced not later than 2 working days from the conclusion of the e-voting. The result declared along with the Scrutinizer’s report shall be communicated in the manner provided in this Notice.

The last date of e-voting, i.e. **Saturday, May 06, 2023** shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

SPECIAL RESOLUTION: -

Appointment of Mr. Subir Kumar Chowdhury (DIN: 03633998) as Whole-time Director designated as “Executive Director & President” and payment of remuneration thereof.

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 160 and 161(1) of the Companies Act, 2013 (“Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) as amended from time to time, the consent of the members be and is hereby accorded for the appointment and terms of remuneration of Mr. Subir Kumar Chowdhury (DIN: 03633998) as Whole-time Director designated as “Executive Director & President” of the Company for a period of 2 (two) years with effect from April 01, 2023 to March 31, 2025, liable to retire by rotation, upon the terms and conditions as recommended by the Nomination and Remuneration Committee (“NRC”) and approved by the Board of Directors (“Board”).

“**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 197, 198, Schedule V and other applicable provisions of the Act, read with the applicable rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) and other applicable provisions of SEBI LODR Regulations, 2015 Mr. Subir Kumar Chowdhury (DIN: 03633998), as Whole-time Director designated as “Executive Director & President” of the Company be paid the following remuneration effective from April 01, 2023, for a period of 2 (two) years (i.e. April 01, 2023 to March 31, 2025):

1. Remuneration (Fixed Pay+Variable Pay) - Salary, Allowances & Perquisites (all together) * not to exceed as under:

From April 01, 2023 to March 31 2024	Not exceeding INR 21.44 million per annum
From April 01, 2024 to March 31 2025	Not exceeding INR 23.16 million per annum

2. ESOP: ESOP to be granted by the Board/NRC under the Employee Stock Option Scheme “The Hi-Tech Gears Limited Stock Incentive Plan, 2021” from time to time.

*Salary, 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 up to 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** the Board of Directors be and 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
For **THE HI-TECH GEARS LIMITED**

Sd/-
Naveen Jain
Company Secretary & Compliance Officer
(Membership No.: A15237)

Date: 08th February 2023
Place: Gurugram

NOTES:

- a) The explanatory statement pursuant to Section 102 read with Section 110 of the Act read setting out the material facts relating to the aforesaid Resolution, additional information and the reasons thereof is annexed hereto and form part of this Notice.
- b) In accordance with the MCA Circulars, this Postal Ballot Notice is being sent via email only to the members of the Company, whose names appear on the Register of Members/list of Beneficial Owners, as received from National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) **Friday, March 31, 2023 (“cut-off date”)** and whose e-mail addresses are registered with the Company/Depositories/Depository Participants/Registrar and Transfer Agent (“RTA”) i.e. Mas Services Ltd. Any person who is not a member as on the cut-off date should treat this Notice for information purposes only. The same will also be available on the Company’s website at www.thehitechgears.com, websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and on the website of NSDL at www.evoting.nsdl.com.
- c) The resolution, if passed by the requisite majority through Postal Ballot, will be deemed to have been passed on the last date specified for voting i.e., **Saturday May 06, 2023**. Further, resolution passed by the members through postal ballot are deemed to have been passed as if it is passed at a General Meeting of the Members.
- d) The Scrutinizer will submit the report to the Chairman or any other person authorized by the Chairman after the completion of scrutiny of the e-voting, and the result of the e-voting by Postal Ballot will be announced not later than 2 working days from the conclusion of e-voting and will also be displayed on the Company website www.thehitechgears.com, on the website of NSDL www.evoting.nsdl.com, and communicated to the stock exchanges and RTA.

e) All material documents referred to in the explanatory statement will be available for inspection at the Registered Office of the Company during office hours on all working days from the date of dispatch until the last date for receipt of votes by e-voting. Alternately, Members may also send their requests www.thehitechgears.com or investor@masserv.com from their registered e-mail address mentioning their names, folio numbers, DP ID and Client ID during the voting period of the postal ballot.

f) In compliance with the provisions of Section 108 and 110 of the Act read with Rules 20 and 22 of the Rules and Regulation 44 of the SEBI LODR Regulations 2015, the MCA Circulars and SS-2, the Company has provided remote e-voting facility for its Members to enable them to cast their votes electronically. The Company has engaged the services of NSDL to provide remote e-voting facility to its members.

g) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member as on the **cut-off date i.e. March 31, 2023**.

h) The e-voting period **commences on Friday, April 07, 2023 at 09.00 A.M. (IST) and ends on Saturday, May 06, 2023 at 05.00 P.M. (IST)**. Once the vote on the Resolution is cast by the members, the members shall not be allowed to change it subsequently.

i) Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email id for e-voting for the resolution set out in this Notice:

1. In case shares are held in physical mode please send signed request with Folio No., Name of shareholder, scanned copy of any one share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@masserv.com

2. In case shares are held in demat mode, please update your email id with your depository. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-voting for Individual shareholders holding securities in demat mode**.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for remote e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on remote 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 remote e-voting facility.

j) Any query/grievance with respect to voting on above Postal Ballot may please be addressed to Mr. Naveen Jain, Company Secretary at: Email id: secretarial@thehitechgears.com, Tel No. (0124)-47151000 or to the Registrar and Transfer Agent, MAS Services Limited, at T-34, 2nd Floor, Okhla Industrial Area, Phase – II, New Delhi – 110 020, e-mail: investor@masserv.com, phone no. +91 11 2638 7281/ 82/ 83

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -

The remote e-voting period commences on **Friday, April 07, 2023 at 09.00 A.M. (IST)** and ends on **Saturday, May 06, 2023 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, March 31, 2023** 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 March 31,2023**.

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 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:

<u>Type of shareholders</u>	<u>Login Method</u>
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on options available against Company name or e-voting service provider – NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period.</p> <p>2. If the user is 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</p> <p>3. 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 e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held 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 e-voting page. Click on options available against Company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the e-voting period.</p>
Individual Shareholders holding	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach</p>

<p>securities in demat mode with CDSL</p>	<p>e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. NSDL where the e-voting is in progress.</p>
<p>Individual Shareholders (Holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-voting option. Once you 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 options available against Company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the e-voting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned 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
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43</p>

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 open. 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 eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices 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 101456 then user ID is 101456001***

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. a .pdf file. Open the .pdf file. 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 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.co.in 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 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 secretarial@thehitechgears.com with a copy marked to evoting@nsdl.co.in.
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 toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

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 provide Form ISR-1 with Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@masserv.com Please also send original copy of ISR-1 with copy of PAN/AADHAR to RTA (i.e. MAS Services Limited, T-34, Second Floor Okhla Industrial Area, Phase-II New Delhi-110020).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@masserv.com If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**

3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in 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.

By Order of the Board of Directors
For **THE HI-TECH GEARS LIMITED**

Sd/-

Naveen Jain
Company Secretary & Compliance Officer
(Membership No.: A15237)

Date: 08th February, 2023
Place: Gurugram

Explanatory Statement under Section 102 of the Companies Act, 2013

The following statement pursuant to Section 102 read with Section 110 of the Act and other applicable provisions, sets out all material facts relating to the business mentioned in aforementioned resolution in this Notice:

Appointment of Mr. Subir Kumar Chowdhury (DIN: 03633998) as Whole-time Director designated as “Executive Director & President” and payment of remuneration thereof.

Based on the recommendation of the Nomination and Remuneration Committee (‘NRC’), the Board of Directors (‘Board’), at its meeting held on February 08, 2023 appointed Mr. Subir Kumar Chowdhury as the Whole-time Director designated as “Executive Director & President” of (the ‘Company’) for a period of 2 (two) years effective from April 01, 2023 till March 31,2025 subject to approval of the shareholders.

The Board considered his prior experience, qualifications, expertise and excellent skill set that he has demonstrated while serving as President in the Company since his joining on March 15, 2021.

The terms and conditions relating to the said appointment of Mr. Subir Kumar Chowdhury as the Whole-time Director designated as “**Executive Director & President**” for a period of 2 years with effect from April 01, 2023 to March 31,2025 has been laid out as part of this Notice based upon requisite recommendation by the NRC and Board of the Company.

The remuneration will be paid to Mr. Subir Kumar Chowdhury as per the limits prescribed in the Section II of Part II of Schedule V of Companies Act,2013 and therefore, his appointment is subject to the approval of shareholders of the Company by way of a Special Resolution giving the necessary information and disclosure as specified in Schedule V of the Act.

As per the provisions of Section II of Part II of Schedule V of the Companies Act,2013 the requisite disclosures have been annexed to this Notice in **Annexure-I**

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 any Member of the Company during the e-voting period on all days except Sunday and Bank Holidays during 9:00 A.M. to 5:30 PM.

Further, a brief profile along with additional information of Mr. Subir Kumar Chowdhury is annexed herewith in **Annexure-II**, 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.

The Board, therefore, recommends the resolution as set out in in this the Notice for approval of members of the Company by way of a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Subir Kumar Chowdhury, are concerned or interested, financially or otherwise, in the said resolution.

ANNEXURE-I**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	<p>The Standalone financial performance of the Company during the last three financial years is as under:</p> <p style="text-align: center;">(Amount in million (INR) except per share data)</p> <table border="1"> <thead> <tr> <th>Financial Parameters</th> <th>Year ended 31.03.2020</th> <th>Year ended 31.03.2021</th> <th>Year ended 31.03.2022</th> </tr> </thead> <tbody> <tr> <td>Total Revenue</td> <td>5155.28</td> <td>5326.38</td> <td>6517.49</td> </tr> <tr> <td>Net Profit before Tax</td> <td>153.02</td> <td>496.40</td> <td>536.63</td> </tr> <tr> <td>Net Profit after tax</td> <td>77.42</td> <td>372.88</td> <td>385.19</td> </tr> <tr> <td>Paid Up Capital</td> <td>187.68</td> <td>187.68</td> <td>187.68</td> </tr> <tr> <td>Other Equity</td> <td>2478.94</td> <td>2889.76</td> <td>3305.08</td> </tr> <tr> <td>Earnings Per Share (EPS)</td> <td>4.13</td> <td>19.87</td> <td>20.52</td> </tr> </tbody> </table>	Financial Parameters	Year ended 31.03.2020	Year ended 31.03.2021	Year ended 31.03.2022	Total Revenue	5155.28	5326.38	6517.49	Net Profit before Tax	153.02	496.40	536.63	Net Profit after tax	77.42	372.88	385.19	Paid Up Capital	187.68	187.68	187.68	Other Equity	2478.94	2889.76	3305.08	Earnings Per Share (EPS)	4.13	19.87	20.52
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Financial performance based on given indicators.	The Company's sales are impacted corresponding to growth of Indian Auto Component Industry.																												

<p>Foreign investments or collaborations, if any</p>	<p>The Company has nine (9) Foreign Wholly Owned Subsidiaries namely:</p> <ul style="list-style-type: none"> i. 2545887 Ontario Inc., Canada ii. 2504584 Ontario Inc., Canada iii. 2323532 Ontario Inc., Canada iv. The Hi-Tech Gears Canada Inc., Canada v. Teutech Holding Corporation, USA vi. Teutech, L.L.C., USA vii. Teutech Leasing Corp, USA viii. Neo-Tech Auto Systemz Inc., USA ix. Neo –Tech Smart Solutions Inc., Canada <p>Non- resident holding in the Company is 2.10 % (as on December 31,2022).</p> <p>The Company has no foreign collaboration as on date.</p>						
<p>II.</p>	<p>Information about the appointee</p>						
<p>Name of Appointee</p>	<p>Mr. Subir Kumar Chowdhury</p>						
<p>Background details</p>	<p>He was born on 25th January,1959. He is B.Tech in Mechanical Engineering from Regional Engineering College Durgapur. He holds certification in Transformational Leadership Development Program by AIMA – Sumantra Ghoshal and Project Management Professional Course from PMI India.</p> <p>He has vast experience of 38 years in the industry. He steered through numerous integrated operations and projects globally across various industries throughout his career.</p>						
<p>Past Remuneration</p>	<p>The remuneration drawn by Mr. Subir Kumar Chowdhury from Company during the past financial years is as under:</p> <table border="1" data-bbox="512 1196 1059 1339"> <thead> <tr> <th>Financial Year</th> <th>Amount in Millions (INR) per annum</th> </tr> </thead> <tbody> <tr> <td>2020-21</td> <td>0.49</td> </tr> <tr> <td>2021-22</td> <td>11.42</td> </tr> </tbody> </table> <p>Mr. Subir Kumar Chowdhury has joined the Company as “President” on 15th March, 2021. Accordingly, the remuneration details are provided as above.</p>	Financial Year	Amount in Millions (INR) per annum	2020-21	0.49	2021-22	11.42
Financial Year	Amount in Millions (INR) per annum						
2020-21	0.49						
2021-22	11.42						
<p>Past Recognition or awards</p>	<p>He has been visiting faculty in top colleges in India and delivered lectures in academia on ‘Emerging Industry Trends’ at IIT Delhi, IIM Kashipur and NIT Durgapur.</p> <p>Also, he has been professionally associated with the CII National Council and Indian Construction Equipment Manufacturers Association, ICEMA.</p>						
<p>Job profile and suitability</p>	<p>Mr. Subir Kumar Chowdhury has significant exposure to the industry with great managerial and supervisory skills that he has exhibited throughout his professional career.</p> <p>He joined the Company as “President” on March 15, 2021 and has been overseeing and managing the overall operations of the plants of the Company.</p> <p>Considering his experience and performance, the Company seeks to utilize his skills for expansion and growth in the coming years.</p>						

	In view of his attributes and sense of commitment towards profitable growth of business of the Company, his candidature is suitable for the role of an “Executive Director and President” for the Company.				
Remuneration Proposed	<p>1.Remuneration (Fixed Pay+Variable Pay) - Salary, Allowances & Perquisites (all together) not to exceed as under:</p> <table border="1"> <tr> <td>From April 01, 2023 to March 31 2024</td> <td>Not to exceed INR 21.44 million per annum</td> </tr> <tr> <td>From April 01, 2024 to March 31 2025</td> <td>Not to exceed INR 23.16 million per annum</td> </tr> </table> <p>2. ESOP: ESOP to be granted by the Board/NRC under the Employee Stock Option Scheme “The Hi-Tech Gears Limited Stock Incentive Plan, 2021” from time to time.</p>	From April 01, 2023 to March 31 2024	Not to exceed INR 21.44 million per annum	From April 01, 2024 to March 31 2025	Not to exceed INR 23.16 million per annum
From April 01, 2023 to March 31 2024	Not to exceed INR 21.44 million per annum				
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Comparative Remuneration Profile with respect to industry, size of the Company, profile of the position and Person	<p>Keeping in view his job profile, position and responsibilities, remuneration being given or proposed is at par with the remuneration as per industry standards.</p> <p>However, the remuneration proposed to be paid to the above appointee is in congruence with the remuneration paid to the managerial personnel in other Companies engaged in the similar auto component Industry.</p> <p>The Nomination and Remuneration Committee while recommending the proposed resolution has taken into account all these factors.</p>				
Pecuniary relationship directly or indirectly with the Company or relationship with the personnel/director if any.	<p>Besides the remuneration proposed herein, Mr. Subir Kumar Chowdhury has no other pecuniary relationship with the Company.</p> <p>Further, he is not related to any Director or KMP of the Company as per the Companies Act, 2013 read with rules made thereunder.</p>				
III.	Other Information				
Reasons of Loss Inadequate Profits	<p>Post Covid-19 Pandemic coupled with Russian-Ukraine war it has been evidently challenging time for the Indian domestic automobile industry as the economy as an overall got impacted. Further, apart from post Covid struggle, the automobile industry has faced multiple regulatory, geopolitical, and economic disruptions during the previous year. In spite of the aforesaid global crisis long-term impact on industry & the Company has achieved a consistent profit & dividend track record due to its operational excellence.</p> <p>The Company has registered a net profit of INR 385.19 million for the F.Y. March 31, 2022, despite the prevailing odds in the auto component segment. Currently, the Company is into growth phase and investing on additional capacity & technical enhancements.</p>				
Steps taken or proposed to be taken for improvement.	The Company is taking series of strategic and operational measures to gear up the current growth rate of the Company despite the prevailing adverse market scenario. Following measures have been inculcated for the improvement:				

	<ul style="list-style-type: none"> • Emphasis on overseas market for wider customer base and deeper market penetration. • Conscious effort to develop products/customers base in alternate market segments. • Technology upgradation by way of investing in state-of-the-art machinery to meet stringent quality requirements of customers. • Focus on significant improvements in operating costs. • Cost control in all spheres of operations and production • Modernisation of existing facilities to improve overall operating efficiency and gear up for catering to higher demand from OEMs. • Improving the product quality • Bring best talent to enhance operations and market.
Expected increase in Productivity and Profits in Measurable Terms	The aforesaid steps being taken by the Company would increase the productivity, scales and profits of the Company. The Company would continue its endeavour to increase the revenues to improve the Profitability in the coming years.
IV	DISCLOSURES
	<p>The remuneration details of Mr. Subir Kumar Chowdhury is given in the respective resolution.</p> <p>The disclosures as required on all elements of remuneration, service contract details, stock option details, etc. which are mentioned elsewhere in the explanatory statement forming part of the Notice and shall be disclosed in the Corporate Governance Report section of the Board Report of Financial Year 2022-23.</p>

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:

Particulars	Mr. Subir Kumar Chowdhury
Directors Identification Number (DIN)	03633998
Age	64 Years
Date of Initial appointment	01/04/2023
Brief Profile (Qualification, Experience & Expertise)	<p>He is B.Tech in Mechanical Engineering from Regional Engineering College Durgapur. He has been professionally associated with CII National Council and Indian Construction Equipment Manufacturers Association, ICEMA.</p> <p>He has a rich experience of 38 years in Off Highway, Consumer Durables and Tractor Industry. He steered through numerous integrated business operation and projects globally across various industries.</p> <p>He worked on leadership positions and demonstrated his impeccable abilities in setting up new plants with digital footprint, new product launching, building up supply chains and teams, and risk management via statutory compliance.</p> <p>He has shown his credibility in establishing cost efficient initiatives, planning, and achieving the merits on operational scale in companies like Whirlpool, Eicher and L&T etc.</p> <p>Prior to joining The Hi-Tech Gears Limited he worked in JCB India wherein he was designated as VP / Director (Manufacturing) during 2005-2010s and retired as Managing Director and CEO of the group.</p>
Board Membership of other Companies during year 2022-23	NIL
Chairman/Member of the Committee of the Board of Directors during year 2022-23	NIL
Details of Remuneration	<ul style="list-style-type: none"> • INR. 1.05 (Million) per month as “President” of the Company in Financial Year 2022-23. • ESOP has also been granted under the Employee Stock Option Scheme “The Hi-Tech Gears Limited Stock Incentive Plan, 2021” by NRC / Board of the Company during F.Y. 2022-23.
Number of Board meetings attended during year 2022-23	1 (One) (attended as a special invitee)
Number of shares held in the Company during year 2022-23	NIL
Relationship with Directors / KMP	He is not related to any Director or KMP of the Company as per the Companies Act, 2013 read with rules made thereunder.
