



# THE HI-TECH GEARS LTD.

CIN - L29130HR1986PLC081555

Corporate Office: Millennium Plaza, Tower-B, Sushant Lok-1, Sector-27, Gurugram -122009,

Haryana, INDIA Tel.: +91(124) 4715100 E-mail: [secretarial@thehitechgears.com](mailto:secretarial@thehitechgears.com)

**February 15, 2024**

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

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

**Subject: Intimation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Earnings Presentation**

Dear Sir/Ma'am,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith, the earnings presentation of Company for the 3<sup>rd</sup> Quarter & Nine months ended December 31,2023 of Financial Year 2023-24.

The above information is received on February 15, 2024 at 09:52 A.M. (IST).

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

**Thanking You,**

**Yours Faithfully,  
For The Hi-Tech Gears Limited**

**Naveen Jain  
Company Secretary & Compliance Officer  
M. No: A15237  
Encl: as above**

[www.thehitechgears.com](http://www.thehitechgears.com)

Works I: A-589, Industrial Complex, Bhiwadi - 301 019 Rajasthan INDIA Tel.: +91(1493) 265000  
Regd. Office & Works-II: Plot No. 24,25,26 Sector-7, IMT Manesar - 122050 Gurugram, Haryana INDIA Tel.: +91 (124) 4715200

Works-III: Plot No. SP-146A, Industrial Complex, Bhiwadi - 301019 Rajasthan INDIA  
Subsidiaries: The Hi-Tech Gears Canada. Inc. 361, Speedvale Ave W. Guelph, ON N1H 1C7, CANADA  
Teutech LLC. 227, Barton St. Emporium. PA 15834, USA

EARNING PRESENTATION  
Q3/9M-FY24





- The Hi-Tech Gears Ltd. (THGL) was incorporated in 1986 and has grown to be an auto component manufacturer of high repute, supplying engine and transmission components to diverse marquee customers across the globe.
- The company is led by a highly experienced and professional team and governed by a strong Board of Directors, including eight independent directors of eminent industry leaders.
- It 5 state-of-the-art manufacturing plants across the world, with 3 plants in India and 1 each in Canada and USA.
- The product portfolio of the company comprises best-in-class precision gears, shafts, transmission components, and engine components catering to diverse segments of Two Wheeler, Passenger Vehicles, Commercial Vehicles, and Agri and Off-Road vehicles.
- THGL are key strategic suppliers to various OEMs in the automotive industry, specializing in producing components that meet the highest quality standards in the industry.

## The Hi-Tech Gears Vision

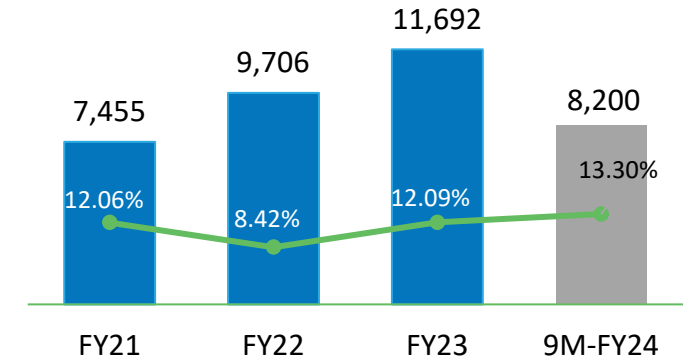
“Be A Global Footprint Company and A Benchmark For World Class Manufacturing Systems”

## The Hi-Tech Gears Mission

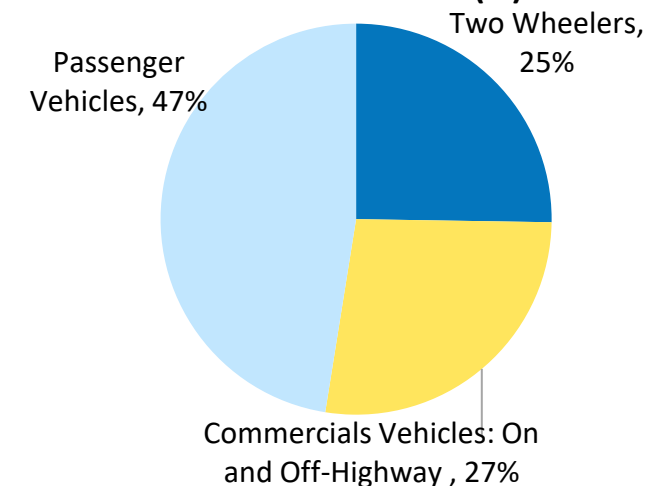
We will be the preferred partner in delivering engineering products and design solutions through lean philosophy with a focus on:

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

### CONSOLIDATED REVENUE (INR MN) & EBITDA MARGINS (%)



### FY23 CONSOLIDATED REVENUE CONTRIBUTION (%)





One of the **leading manufacturers** of critical high-precision gears, shafts and Transmission components



One of the very few component manufacturers catering to diverse segments of **automobiles and engines**



Strategically located **state-of-the-art manufacturing facilities in India, Canada and USA**



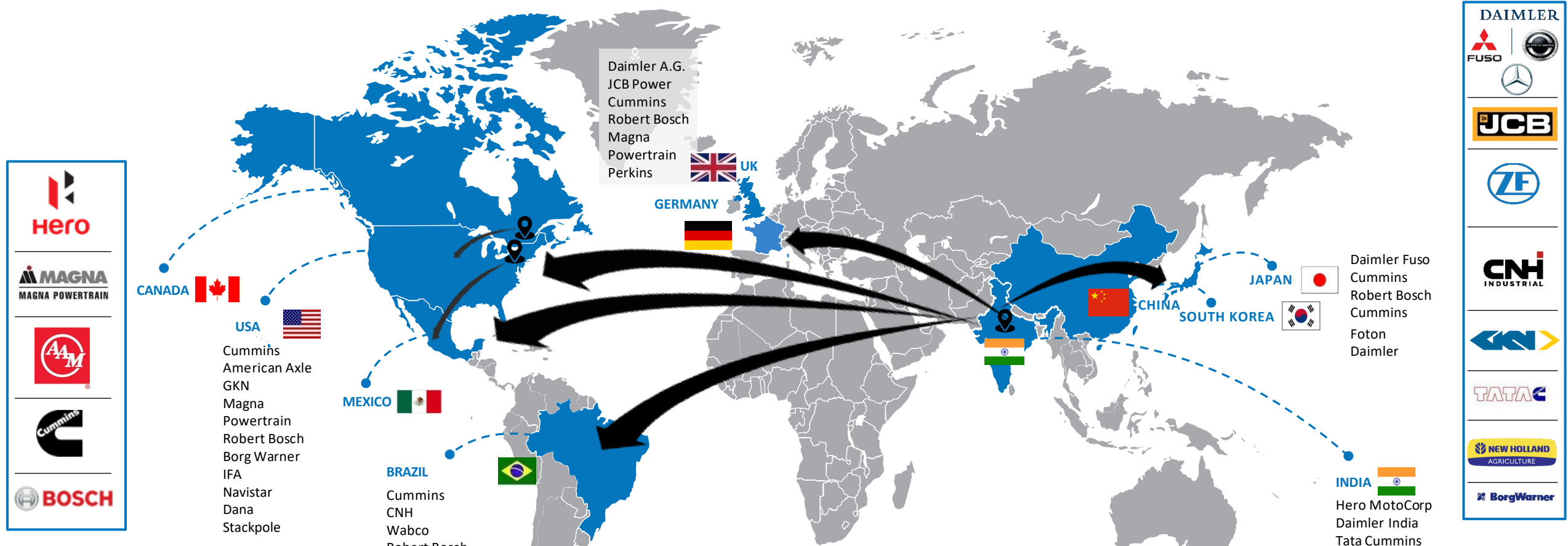
**Long-standing strong relationships** with customers and suppliers



**Operational excellence** drive through 'Lean' manufacturing principles and TPM practices



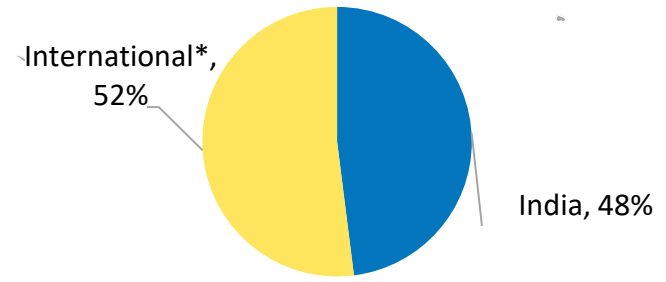
**Entrepreneurial, Empowered, loyal & committed** team



**Our Key i3PL Partners**

- Alonso Logistic
- HTL Logistic
- CH Robinson

### FY23 REVENUE CONTRIBUTION (%)



\* Exports + North America Sub

TWO-WHEELER



MEDIUM & HEAVY COMMERCIAL VEHICLES

DAIMLER



PASSENGER CARS



AGRI, ENGINES AND OFF-HIGHWAY



Association with Top players in each segment



## Manufacturing facilities in India



**Plant-I, Bhiwadi**

Est. 1986



**Plant-II, Manesar**

Est. 2005



**Plant-III, Bhiwadi**

Est. 2011



## Manufacturing facilities overseas



**Plant-I, Guelph, Canada**

Acquired 2017



**Plant-II, Emporium USA**

Acquired 2017

## DUAL SHORE PRESENCE



## Two-Wheeler Transmission



## Car Transmission & Driveline



## Commercial & Off-Highway Vehicles Transmission



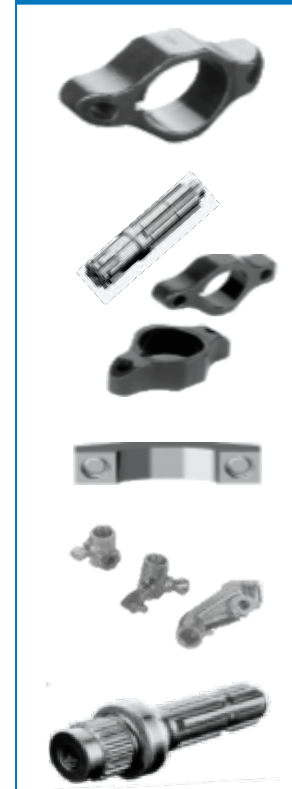
## Engine Gears



## Power Take Off Components



## Precision Forging & Machining



## Sintered Components



## Forging

- Hot Forging
- Warm Forging
- Cold Forging
- Cold Extrusion
- Coining



## Machining

- CNC Turning
- Gear Cutting (Wet & Dry Hobbing / Broaching / Shaping / Shaving)
- Spline Rolling
- Auto Shaft straightening
- Deep Hole Drilling etc.



## Heat Treatment

- Normalizing
- Case Carburizing,
- Carbo-nitriding,
- Nitro Carburizing,
- Induction Hardening
- Nitriding
- Tempering etc.
- Shot Blasting/ Shot Peening



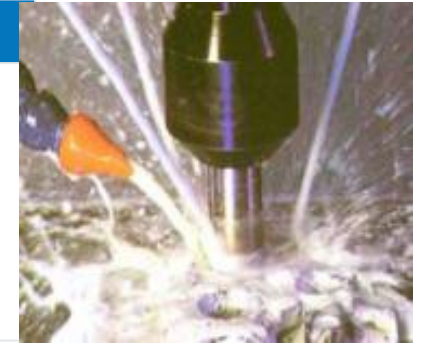
## Finishing

- Gear Grinder
- Honing,
- Gear Honing,
- Hard Turning,
- Grinding, etc.



## Tool Room & Die Manufacturing

- Vertical Machining Center EDM .



## Assembly

- Shaft with cone assy
- Steering linkage assy
- 2W Main & Counter shaft assy
- Anti-backlash Gear assy
- Gears with bush/pin assy
- Driveline shafts with slinger assy



World Class In-house Manufacturing Facilities

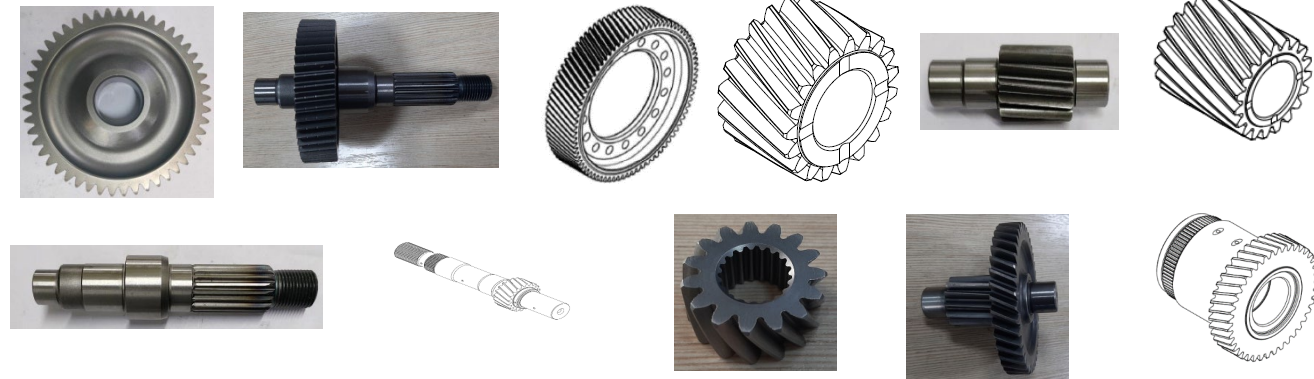
## Electric Vehicle Components

EV-Differential Assembly – EV deliver higher torque and power curve with fewer gear with higher rotational speed.

### THGL Initiatives:

TW : Gear Component Final Assembly & Counter Assembly and Gear Drive

PC : Helical Gear Components

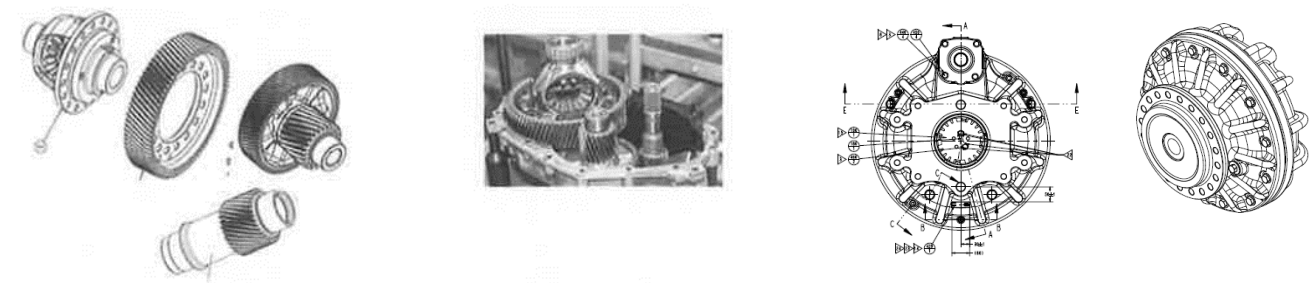


## Advance Technology Components

Automatic Transmission Gear – Single speed transmission consist of single reduction gear, reverted gear or a compound gear train works on principle of reduction of RPM and increasing torque

### THGL Initiatives:

Engineering Capability are being enhanced to design and manufacture advance technology components and Gear Box

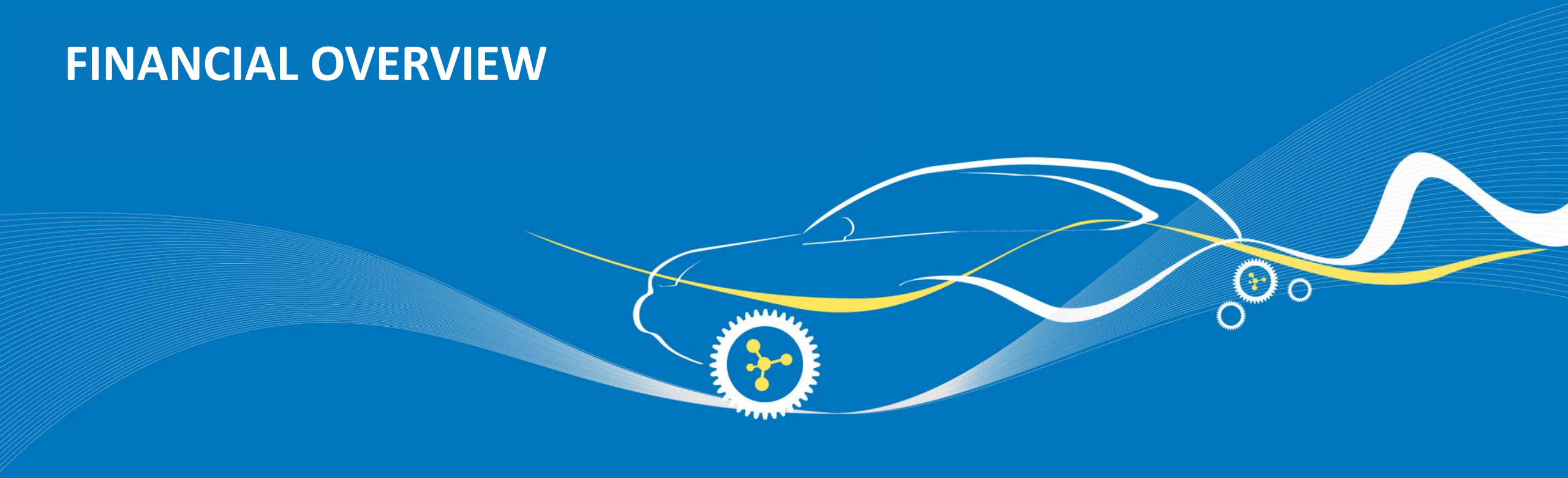


**Won EV business from Hero Moto Corp and Dana – currently in Production**

**Active quotes across customers in EV space**



# FINANCIAL OVERVIEW



## Q3-FY24 Consolidated Highlights

<b>INR 2,729 Mn</b> Operational Income <b>-1.6% YoY*</b>	<b>INR 408 Mn</b> EBITDA <b>+7.9% YoY</b>	<b>INR 149 Mn</b> Net Profit <b>+473% YoY</b>
<b>INR 7.93</b> Diluted EPS	<b>14.95%</b> EBITDA Margins	<b>5.46%</b> PAT Margins

## 9M-FY24 Consolidated Highlights

<b>INR 8,200 Mn</b> Operational Income <b>-7.1% YoY</b>	<b>INR 1,091 Mn</b> EBITDA <b>+0.9% YoY</b>	<b>INR 964 Mn **</b> Net Profit <b>+1,383% YoY</b>
<b>INR 51.29</b> Diluted EPS	<b>13.30%</b> EBITDA Margins	<b>11.76%</b> PAT Margins

## Q3-FY24 Standalone Highlights

<b>INR 1,936 Mn</b> Operational Income <b>+5.3% YoY</b>	<b>INR 288 Mn</b> EBITDA <b>+5.5% YoY</b>	<b>INR 127 Mn</b> Net Profit <b>+5.8% YoY</b>
<b>INR 6.74</b> Diluted EPS	<b>14.88%</b> EBITDA Margins	<b>6.56%</b> PAT Margins

## 9M-FY24 Standalone Highlights

<b>INR 5,770 Mn</b> Operational Income <b>-2.7% YoY</b>	<b>INR 780 Mn</b> EBITDA <b>-7.6% YoY</b>	<b>INR 331 Mn</b> Net Profit <b>-11.7% YoY</b>
<b>INR 17.58</b> Diluted EPS	<b>13.52%</b> EBITDA Margins	<b>5.74%</b> PAT Margins

Note: \* Year on Year Growth

\*\* Higher Net Profit due to one time income of INR 770 Mn in the overseas subsidiary in Q2 FY24

- Standalone India business revenues increased YoY on account of higher take-off in Commercial Vehicle and Two-Wheeler customers.
- Standalone India business profitability has improved compared to previous year and last quarter on account of reduction in fixed costs, decrease in export costs and control of overheads
- North American business revenues declined due to lower offtake by one of the customers.
- Despite low sales, profitability improved significantly in the Overseas operations on account of:
  - Productivity improvements through automation, layout changes and reduction in head count resulting in lower break-even
  - Internal efficiency improvements on power costs, repair and maintenance expenses, rejection, insurance cost, consumables and tools
- Consolidated revenue share of Two-Wheeler (TW) was ~ 27%; Commercial Vehicle (CV), Agriculture and Off-road was ~ 31% and Passenger Car (PC) was ~ 41%.
- As on 31<sup>st</sup> December 2023, the company has reduced its long-term debt further, and the Net Debt to Equity ratio stood at 0.37x versus 0.99x as on 31<sup>st</sup> March 2023.
- The company is focused on improving asset utilizations through targeted selling of existing capacities.

**FY 22-23**

New business won ~ ₹ 1,754 Mn annualized

Current Customer  
₹ 1,081 Mn

New Customer  
₹ 673 Mn

EV Business  
₹ 360 Mn

ICE Business  
₹ 1,394 Mn

**9M-FY24**

New business won ~ ₹ 509 Mn annualized

Current Customer  
₹ 187 Mn

New Customer  
₹ 322 Mn

Entry into Indian Passenger Car customers

New Customers			

EV Customers	

Pivot on EV and new customer additions

PARTICULARS (INR MN)	Q3-FY24	Q3-FY23	Y-O-Y	Q2-FY24	Q-O-Q
<b>Operational Revenue</b>	<b>2,729</b>	<b>2,772</b>	<b>(1.6)%</b>	<b>2,836</b>	<b>(3.8)%</b>
Total Expenses	2,321	2,394	(3.0)%	2,485	(6.6)%
<b>EBITDA</b>	<b>408</b>	<b>378</b>	<b>7.9%</b>	<b>351</b>	<b>16.2%</b>
<b>EBITDA Margin (%)</b>	<b>14.95%</b>	<b>13.64%</b>	<b>131 Bps</b>	<b>12.38%</b>	<b>257 Bps</b>
Depreciation and amortisation	149	237	(37.1)%	150	(0.7)%
Finance costs	82	85	(3.5)%	139	(41.0)%
Other Income	22	22	0.0%	13	69.2%
<b>PBT before exceptional items</b>	<b>199</b>	<b>78</b>	<b>NA</b>	<b>75</b>	<b>NA</b>
Exceptional Items	(2)	-	NA	772	NA
<b>PBT</b>	<b>197</b>	<b>78</b>	<b>NA</b>	<b>847</b>	<b>(76.7)%</b>
Tax Expense	48	52	(7.7)%	125	(61.6)%
<b>PAT</b>	<b>149</b>	<b>26</b>	<b>NA</b>	<b>722</b>	<b>(79.4)%</b>
<b>PAT Margin (%)</b>	<b>5.46%</b>	<b>0.94%</b>	<b>452 Bps</b>	<b>25.46%</b>	<b>NA</b>
Other Comprehensive Income	20	16	25.0%	12	66.7%
<b>Total Comprehensive Income</b>	<b>169</b>	<b>42</b>	<b>NA</b>	<b>734</b>	<b>(77.0)%</b>
Diluted EPS	7.93	1.37	NA	38.38	NA



PARTICULARS (INR MN)	Q3-FY24	Q3-FY23	Y-O-Y	Q2-FY24	Q-O-Q
<b>Operational Revenue</b>	<b>1,936</b>	<b>1,839</b>	<b>5.3%</b>	<b>2,033</b>	<b>(4.8)%</b>
Total Expenses	1,648	1,566	5.2%	1,778	(7.3)%
<b>EBITDA</b>	<b>288</b>	<b>273</b>	<b>5.5%</b>	<b>255</b>	<b>12.9%</b>
<b>EBITDA Margin (%)</b>	<b>14.88%</b>	<b>14.85%</b>	<b>3 Bps</b>	<b>12.54%</b>	<b>234 Bps</b>
Depreciation and amortisation	79	77	2.6%	80	(1.3)%
Finance costs	50	43	16.3%	47	6.4%
Other Income	17	20	(15.0)%	10	70.0%
<b>PBT</b>	<b>176</b>	<b>173</b>	<b>1.7%</b>	<b>138</b>	<b>27.5%</b>
Tax Expense	49	53	(7.5)%	37	32.4%
<b>PAT</b>	<b>127</b>	<b>120</b>	<b>5.8%</b>	<b>101</b>	<b>25.7%</b>
<b>PAT Margin (%)</b>	<b>6.56%</b>	<b>6.53%</b>	<b>3 Bps</b>	<b>4.97%</b>	<b>159 Bps</b>
Other Comprehensive Income	(4)	(17)	76.5%	0	NA
<b>Total Comprehensive Income</b>	<b>123</b>	<b>103</b>	<b>19.4%</b>	<b>101</b>	<b>21.8%</b>
Diluted EPS	6.74	6.38	5.6%	5.35	26.0%

PARTICULARS (INR MN)	9M-FY24	9M-FY23	Y-O-Y
<b>Operational Revenue</b>	<b>8,200</b>	<b>8,827</b>	<b>(7.1)%</b>
Total Expenses	7,109	7,746	(8.2)%
<b>EBITDA</b>	<b>1,091</b>	<b>1,081</b>	<b>0.9%</b>
<b>EBITDA Margin (%)</b>	<b>13.30%</b>	<b>12.25%</b>	<b>105 Bps</b>
Depreciation and amortisation	449	670	(33.0)%
Finance costs	311	244	27.5%
Other Income	66	70	(5.7)%
<b>PBT before exceptional items</b>	<b>397</b>	<b>237</b>	<b>67.5%</b>
Exceptional Items	770	-	NA
<b>PBT</b>	<b>1,167</b>	<b>237</b>	<b>NA</b>
Tax Expense	203	172	18.0%
<b>PAT</b>	<b>964</b>	<b>65</b>	<b>NA</b>
<b>PAT Margin (%)</b>	<b>11.76%</b>	<b>0.74%</b>	<b>NA</b>
Other Comprehensive Income	51	34	50.0%
<b>Total Comprehensive Income</b>	<b>1,015</b>	<b>99</b>	<b>NA</b>
Diluted EPS	51.29	3.45	NA

PARTICULARS (INR MN)	9M-FY24	9M-FY23	Y-O-Y
<b>Operational Revenue</b>	<b>5,770</b>	<b>5,933</b>	(2.7)%
Total Expenses	4,990	5,088	(1.9)%
<b>EBITDA</b>	<b>780</b>	<b>845</b>	(7.7)%
<b><i>EBITDA Margin (%)</i></b>	<b><i>13.52%</i></b>	<b><i>14.24%</i></b>	<b>(72) Bps</b>
Depreciation and amortisation	239	232	3.0%
Finance costs	145	127	14.2%
Other Income	55	71	(22.5)%
<b>PBT</b>	<b>451</b>	<b>557</b>	(19.0)%
Tax Expense	120	181	(33.7)%
<b>PAT</b>	<b>331</b>	<b>376</b>	(12.0)%
<b><i>PAT Margin (%)</i></b>	<b><i>5.74%</i></b>	<b><i>6.34%</i></b>	<b>(60) Bps</b>
Other Comprehensive Income	(4)	(1)	NA
<b>Total Comprehensive Income</b>	<b>327</b>	<b>375</b>	(12.3)%
Diluted EPS	17.58	20.00	(12.1)%

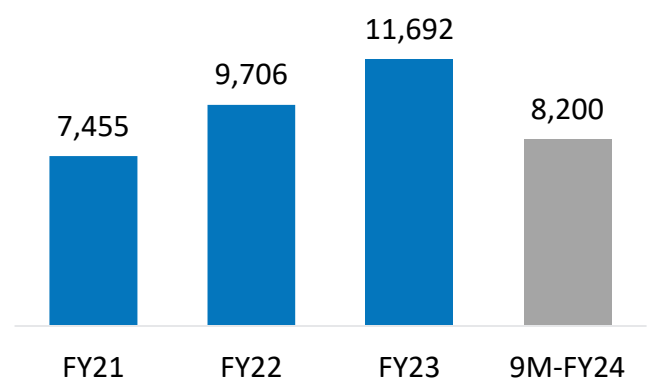


Particulars (INR Mn)	FY21	FY22	FY23	9M-FY24
<b>Revenue from Operations</b>	<b>7,455</b>	<b>9,706</b>	<b>11,692</b>	<b>8,200</b>
Expenses	6,556	8,889	10,278	7,109
<b>EBITDA</b>	<b>899</b>	<b>817</b>	<b>1,414</b>	<b>1,091</b>
<b><i>EBITDA Margins (%)</i></b>	<b>12.06%</b>	<b>8.42%</b>	<b>12.09%</b>	<b>13.30%</b>
Depreciation and amortisation	431	523	822	449
Finance costs	233	264	332	311
Other Income	105	79	79	66
<b>PBT before exceptional items</b>	<b>340</b>	<b>109</b>	<b>339</b>	<b>397</b>
Exceptional Items	-	-	-	770
<b>Profit before tax</b>	<b>340</b>	<b>109</b>	<b>339</b>	<b>1,167</b>
Tax expense	52	120	108	203
<b>PAT</b>	<b>288</b>	<b>(11)</b>	<b>231</b>	<b>964</b>
<b><i>PAT Margins (%)</i></b>	<b>3.86%</b>	<b>NA</b>	<b>1.98%</b>	<b>11.76%</b>
Other Comprehensive income	157	149	30	51
<b>Total Comprehensive income</b>	<b>445</b>	<b>138</b>	<b>261</b>	<b>1,015</b>
Diluted EPS (INR)	15.34	(0.59)	12.30	51.29

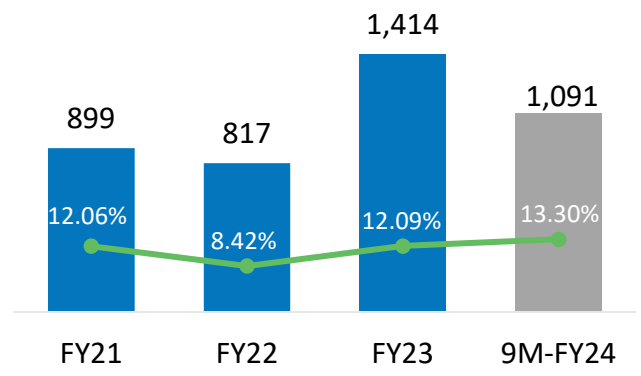


PARTICULARS (INR MN)	FY21	FY22	FY23	9M-FY24
<b>Revenue from Operations</b>	<b>5,224</b>	<b>6,446</b>	<b>7,818</b>	<b>5,770</b>
Expenses	4,400	5,497	6,725	4,990
<b>EBITDA</b>	<b>824</b>	<b>949</b>	<b>1,093</b>	<b>780</b>
<b><i>EBITDA Margins (%)</i></b>	<b><i>15.77%</i></b>	<b><i>14.72%</i></b>	<b><i>13.98%</i></b>	<b><i>13.52%</i></b>
Depreciation and amortisation	252	304	316	239
Finance costs	179	179	171	145
Other Income	103	71	88	55
<b>Profit before tax</b>	<b>496</b>	<b>537</b>	<b>694</b>	<b>451</b>
Tax expense	123	152	191	120
<b>PAT</b>	<b>373</b>	<b>385</b>	<b>503</b>	<b>331</b>
<b><i>PAT Margins (%)</i></b>	<b><i>7.14%</i></b>	<b><i>5.97%</i></b>	<b><i>6.43%</i></b>	<b><i>5.74%</i></b>
Other Comprehensive income	38	68	4	(4)
<b>Total Comprehensive income</b>	<b>411</b>	<b>453</b>	<b>507</b>	<b>327</b>
Diluted EPS (INR)	19.87	20.52	26.79	17.58

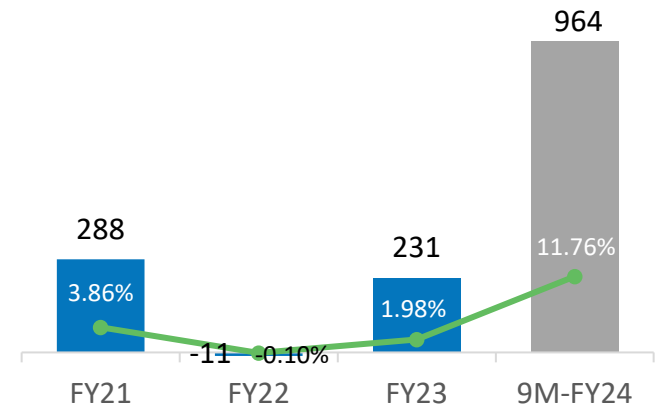
**OPERATIONAL REVENUE (INR MN)**



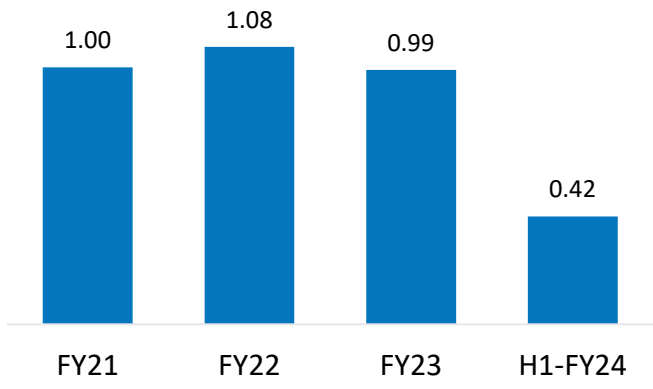
**EBITDA (INR MN) & EBITDA MARGINS (%)**



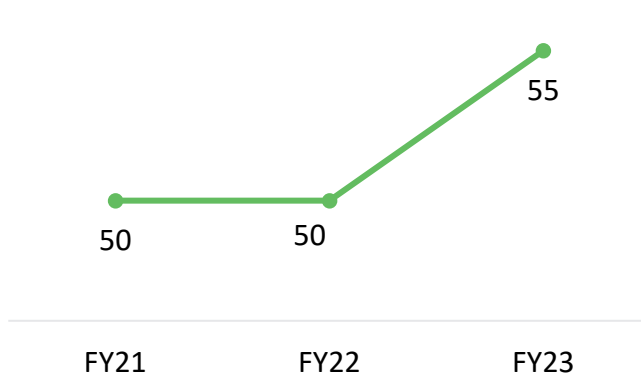
**PAT (INR MN) & PAT MARGINS (%)**



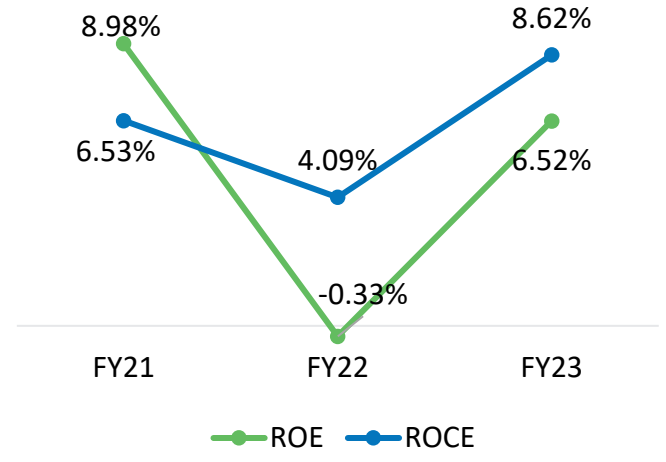
**NET DEBT TO EQUITY (X)**

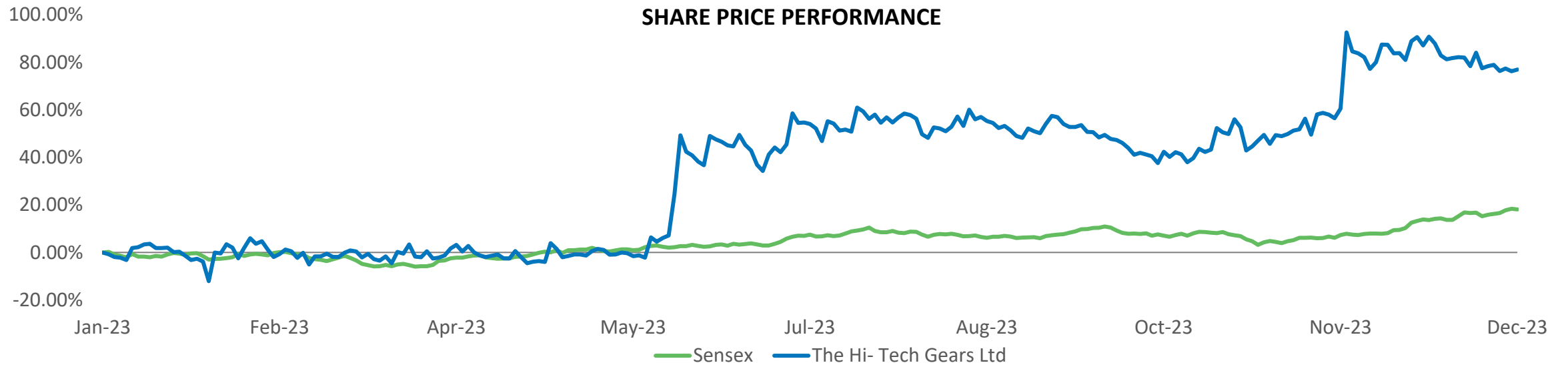


**CASH CONVERSION CYCLE (DAYS)**



**ROCE (%) AND ROE(%)**

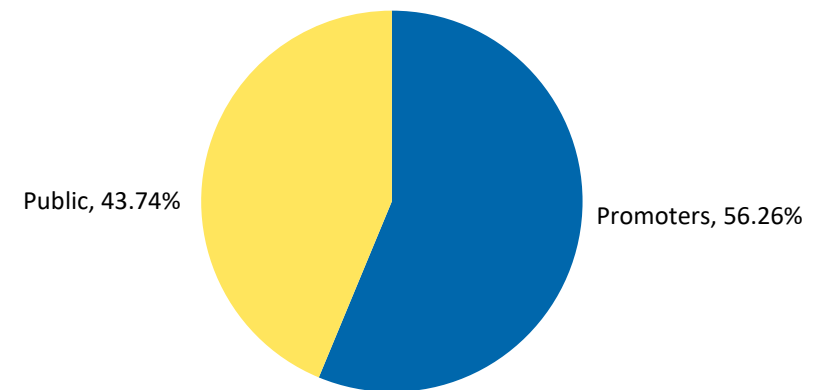




#### MARKET DATA (INR) AS ON 31<sup>ST</sup> December, 2023

Face Value	10.0
CMP	457.00
52 Week H/L	518.3/226.1
Market Cap (INR Mn)	8576.97
Shares O/S (Mn)	18.77
Avg. Volume ('000)	37.25

#### SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> DECEMBER, 2023



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