



# The Hi-Tech Gears Ltd

## COMPANY BACKGROUND.....

- Since its incorporation in 1986, THGL has become a renowned auto component manufacturer, globally supplying engine and transmission components to diverse customers.
- Governed by a strong Board of Directors, including eight eminent independent directors, THGL is led by a highly experienced and professional team, ensuring effective leadership and governance.
- Operating five state-of-the-art plants globally (3 in India, 1 in Canada, and 1 in the USA), THGL meets global demands efficiently, enhancing its production capabilities for precision gears and components.
- THGL's product range includes top-tier precision gears and components for Two Wheelers, Passenger Vehicles, Commercial Vehicles, Agri, On/Off-Highway vehicles. The company is a strategic supplier to various OEMs, specializing in high-quality components.

## BUSINESS MIX (As on H1-FY25) .....

- **Commercial, On/Off-Highway, Agri Vehicle Products (26%):** Leading in precision-engineered components for commercial, off-road, and agri vehicle engines, THGL provides robust solutions tailored for rugged environments, ensuring optimal power delivery with an annual capacity of 4.1 million units.
- **Two-Wheeler Products (29%):** Specializing in high-quality transmission gears and shafts for two-wheelers, THGL employs cutting-edge technology and strict quality control measures, boasting a capacity of 40 million units per year and solidifying its position as a trusted partner in the motorcycle industry.
- **Passenger Vehicles Products (45%):** Renowned for manufacturing transmission gears, shafts, driveline components, and steering linkages for passenger vehicles, THGL's precision-engineered solutions contribute to smooth drivetrain performance, with a dedicated annual capacity of 4 million units.

## KEY STRENGTHS.....

- Global leader in high-precision automotive components.
- Versatile manufacturer catering to diverse automotive and engine segments.
- Advanced manufacturing facilities in India, Canada, and the USA.
- Strong, enduring relationships with customers and suppliers.
- Operational excellence through 'Lean' manufacturing and TPM practices.
- Empowered, loyal team with an entrepreneurial spirit.

## FINANCIAL HIGHLIGHTS (INR Mn).....

	Op. Income	EBITDA	EBITDA%	PAT	PAT%	EPS
FY22	9,706	817	8.42%	(11)	NA	(0.59)
FY23	11,692	1,414	12.09%	231	1.98%	12.30
FY24	11,069	1,499	13.55%	1,143	10.23%	60.73
9M-FY25	7,121	1,026	14.41%	306	4.26%	16.29

### Key Data

BSE Code	522073
NSE Code	HITECHGEAR
Reuters	HTGR.NS
Bloomberg	HTG:IN

### Market Data (INR) As on 31st December, 2024

Face Value	10.00
CMP	799.00
52 Week H/L	1,275.75 / 398.35
MCAP (Mn)	15,003.77
Shares O/S (Mn)	18.78
1 Yr Avg. Vol. ('000)	48.64

### Performance As on 31st December, 2024

	3M	6M	12M
Hi-Tech	(8.2)%	(19.2)%	71.3%
Sensex	(7.3)%	(1.1)%	8.2%
BSE Smallcap	(3.6)%	5.3%	28.8%

### Shareholding Pattern As on 31st December, 2024

Promoters	56.23%
Public	43.77%

## BUSINESS SEGMENTS.....

### Passenger Vehicles Products:

- THGL is a renowned manufacturer specializing in passenger vehicle transmission gears, shafts, driveline components, and steering linkage components.
- The company's transmission gears and shafts are precision-engineered to ensure smooth and efficient operation in passenger vehicles, contributing to optimal drivetrain performance.
- The company has a capacity of 4 Mn p.a. dedicated for passenger vehicle transmission gears and shafts as well as driveline components.

### Two-Wheeler Products:

- THGL specializes in manufacturing high-quality two-wheeler transmission gears and shafts.
- The company's transmission components are precision-engineered to ensure seamless gear shifting and optimal performance.
- The company has a capacity of 40 Mn p.a. dedicated for two-wheeler transmission gears and shafts.

### Commercial, On/Off-Highway, Agri Vehicle Products:

- THGL specializes in manufacturing high-quality components for commercial vehicle – on and off highway and Agri vehicle engines, transmission gears, and power take-off (PTO) systems.
- Their components are tailored to meet the demanding requirements of rugged environments, providing robust and durable solutions that ensure optimal power delivery and performance.
- Annual capacity of 4.1 million units dedicated to manufacturing transmission gears & shafts, engine gears, and power takeoff components for commercial vehicles, off-highway vehicles, and agricultural vehicles.

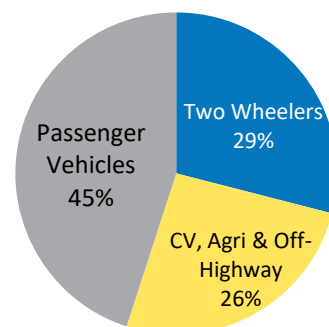
## GROWTH DRIVERS.....

- Increase share of wallet through enhanced product spread (EV and higher value add) with current customers
- Acquire new customers in both auto and non-auto space to maximize existing capacity utilization
- Enhance operational excellence through TPM pillars, continuous improvement, and internal governance mechanisms
- Improve financial performance metrics through improved margins, debt reduction, and strategic growth
- Focus on building a highly skilled and empowered team.

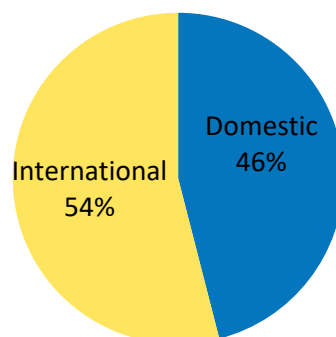
## PEER COMPARISON (TRAILING 12 MONTHS) INR Mn.....

Company	Op. Income	EBITDA	EBITDA%	PAT	PAT%	Market Cap.
The Hi-Tech Gears	9,990	1,436	14.37%	484	4.84%	15,004
Racl Geartech	4,340	868	20.00%	256	5.90%	9,436
Talbro's	8,239	1,256	15.24%	1,176	14.27%	18,469
Shanthi Gears	6,050	1,245	20.58%	993	16.41%	38,818
Sundram Fasteners	58,913	9,477	16.09%	5,516	9.36%	2,22,505

## H1-FY25 CONSOLIDATED REVENUE CONTRIBUTION (%)



## H1-FY25 CONSOLIDATED REVENUE CONTRIBUTION (%)



## INCOME STATEMENT (CONSOLIDATED)

PARTICULARS (INR Mn)	FY22	FY23	FY24	9M-FY25
<b>Income from Operations</b>	<b>9,706</b>	<b>11,692</b>	<b>11,069</b>	<b>7,121</b>
Total Expenses	8,889	10,278	9,570	6,095
<b>EBITDA</b>	<b>817</b>	<b>1,414</b>	<b>1,499</b>	<b>1,026</b>
<b>EBITDA Margins(%)</b>	<b>8.42%</b>	<b>12.09%</b>	<b>13.55%</b>	<b>14.41%</b>
Depreciation and Amortization	523	822	612	475
Finance cost	264	332	378	170
Other Income	79	79	99	74
<b>Profit before Extraordinary Items</b>	<b>109</b>	<b>339</b>	<b>609</b>	<b>455</b>
Extraordinary Items	-	-	770	-
<b>Profit Before Tax</b>	<b>109</b>	<b>339</b>	<b>1,379</b>	<b>455</b>
Tax	120	108	237	149
<b>Profit after tax</b>	<b>(11)</b>	<b>231</b>	<b>1,143</b>	<b>306</b>
<b>PAT Margins(%)</b>	<b>NA</b>	<b>1.96%</b>	<b>10.23%</b>	<b>4.30%</b>
Other comprehensive income	149	30	18	(59)
<b>Total Comprehensive income</b>	<b>138</b>	<b>261</b>	<b>1,160</b>	<b>247</b>
Diluted EPS (INR)	(0.59)	12.3	60.73	16.29

## BALANCE SHEET (CONSOLIDATED)

EQUITIES & LIABILITIES (INR Mn)	FY23	FY24	H1-FY25	ASSETS (INR Mn)	FY23	FY24	H1-FY25
<b>Shareholder Funds</b>	<b>3,545</b>	<b>4,662</b>	<b>4,893</b>	<b>Non Current Assets</b>	<b>5,390</b>	<b>4,925</b>	<b>4,959</b>
(A) Equity Share Capital	188	188	188	(A) Property, plant & equipment	3,853	3,417	3,310
(B) Reserves & Surplus	3,357	4,474	4,705	(B) Capital work-in-progress	132	37	24
				(C) Right of use assets	263	409	593
<b>Non-current Liabilities</b>	<b>2,474</b>	<b>1,486</b>	<b>1,553</b>	(D) Other intangible assets	526	478	457
(A) Financial liabilities				(E) Goodwill	314	320	326
i) Borrowings	2,196	530	400	(F) Financial Assets			
ii) Lease Liability	205	905	1,060	i) Investments	122	123	123
(B) Provision	38	38	34	ii) Loans	1	1	0
(C) Deferred tax liabilities (net)	25	3	51	iii) Other Financial Assets	46	86	89
(D) Other Non-Current liabilities	10	9	8	(G) Deferred Tax Assets (Net)	83	-	-
				(H) Other non- current assets	50	54	37
<b>Current Liabilities</b>	<b>3,836</b>	<b>2,937</b>	<b>2,346</b>	<b>Current Assets</b>	<b>4,465</b>	<b>4,158</b>	<b>3,833</b>
(A) Financial liability				(A) Inventories	1,235	1,236	1,217
i) Borrowings	2,136	1,416	991	(B) Trade Receivables	2,086	2,004	1,811
ii) Lease liabilities	35	134	159	(C) Cash & cash equivalents	335	140	264
iii) Trade payables	1,206	1,076	774	(D) Bank balance other than above	464	399	224
iv) Other financial liabilities	330	222	325	(E) Loans	7	2	2
(B) Other current liabilities	105	53	57	(F) Other financial Assets	87	61	37
(C) Provisions	24	37	40	(G) Current Tax Assets (Net)	28	31	30
				(H) Other current assets	223	285	248
<b>GRAND TOTAL - EQUITIES &amp; LIABILITIES</b>	<b>9,855</b>	<b>9,084</b>	<b>8,792</b>	<b>GRAND TOTAL – ASSETS</b>	<b>9,855</b>	<b>9,084</b>	<b>8,792</b>

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