



Divgi TorqTransfer Systems

Divgi TorqTransfer Systems Limited

CIN: L32201MH1964PLC013085

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Pune 411 026, India

Tel: (+91-20) 63110110

Web: www.divgi-tts.com

Ref.: DTTS/Sec/23-24/16

May 27, 2024

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 BSE Scrip Code – 543812	To, National Stock Exchange of India Limited, "Exchange Plaza" 5th Floor, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 NSE Scrip Code - DIVGIITTS
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Sub: Investor Presentation

Ref.: Regulations 30 of the SEBI LODR Regulations, 2015.

Dear Sir / Madam,

Pursuant to Regulation 30 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), please find enclosed herewith the revised presentation on performance of the Company for the quarter and year ended March 31, 2024.

Please note that the file slides 14, 15 and 16 are revised from the presentation uploaded via reference no. DTTS/Sec/23-24/13 and DTTS/Sec/23-24/14.

This is for your information and records.

Thanking you,

For Divgi TorqTransfer Systems Limited

Sanika Nirgude
Company Secretary and Compliance Officer
M No.: A71466

Enclosure: As above



Divgi TorqTransfer Systems®

Divgi TorqTransfer Systems Limited

Investor Presentation

Q4 & FY24

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What we achieved in **FY24**



Our new facility at Shirwal became operational, ramping –up operations.



Introduced India's 1st Indigenously mass-produced EV transmissions.



Developed three EV transmissions product internally.



Successfully launched India's 1st High speed Dynamometer for Manual Transmission, EV transmission, and 4WD transfer case.

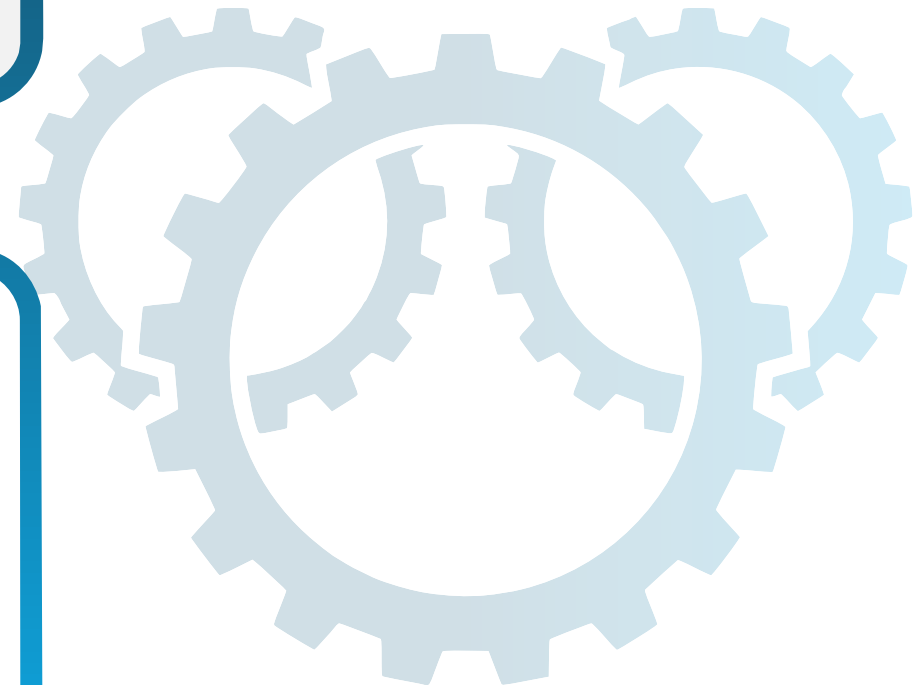


Manufacturing facilities for export orders were commissioned to become competitive in global markets, new investments in machinery worth Rs. ~78 crores.



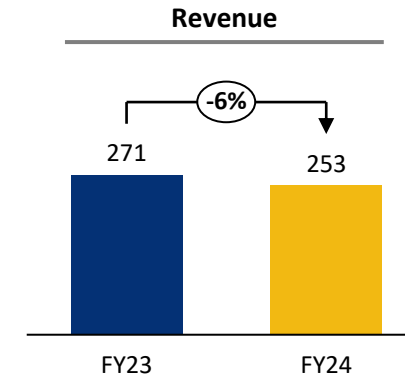
Won export orders worth Rs. 75 crores for eight different products of component segment.

Q4 & FY24 Result Highlights

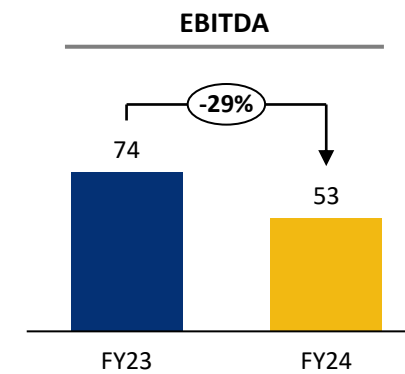


Full-Year Revenue-Walk

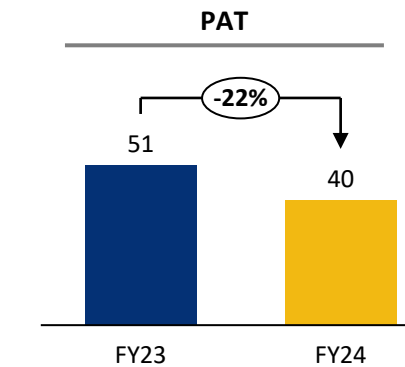
Particulars	FY24	FY23	Y-o-Y	Remarks
Transfer Case	155.1	190.6	-19%	Change in model/variant leading to downward revision in the production estimate of the vehicle where we are present
NexTrac	7.2	9.0	-21%	
ALH	3.6	6.5	-44%	
E-Gear Drive	24.0	0.2	+120x	Ramp-up production at Shriwal plant for EV transmissions
Synchro	12.4	19.3	-36%	
Components	35.9	34.1	5%	
After Market	1.3	0.9	35%	
Tooling & Other Operating	14.2	10.5	34%	
Revenue From Operation	253.4	271.0	-6%	
Other Income	19.6	7.6	157%	
Total Revenue	273.0	278.7	-2%	



Slowdown in the demand for four of its major OEM customers



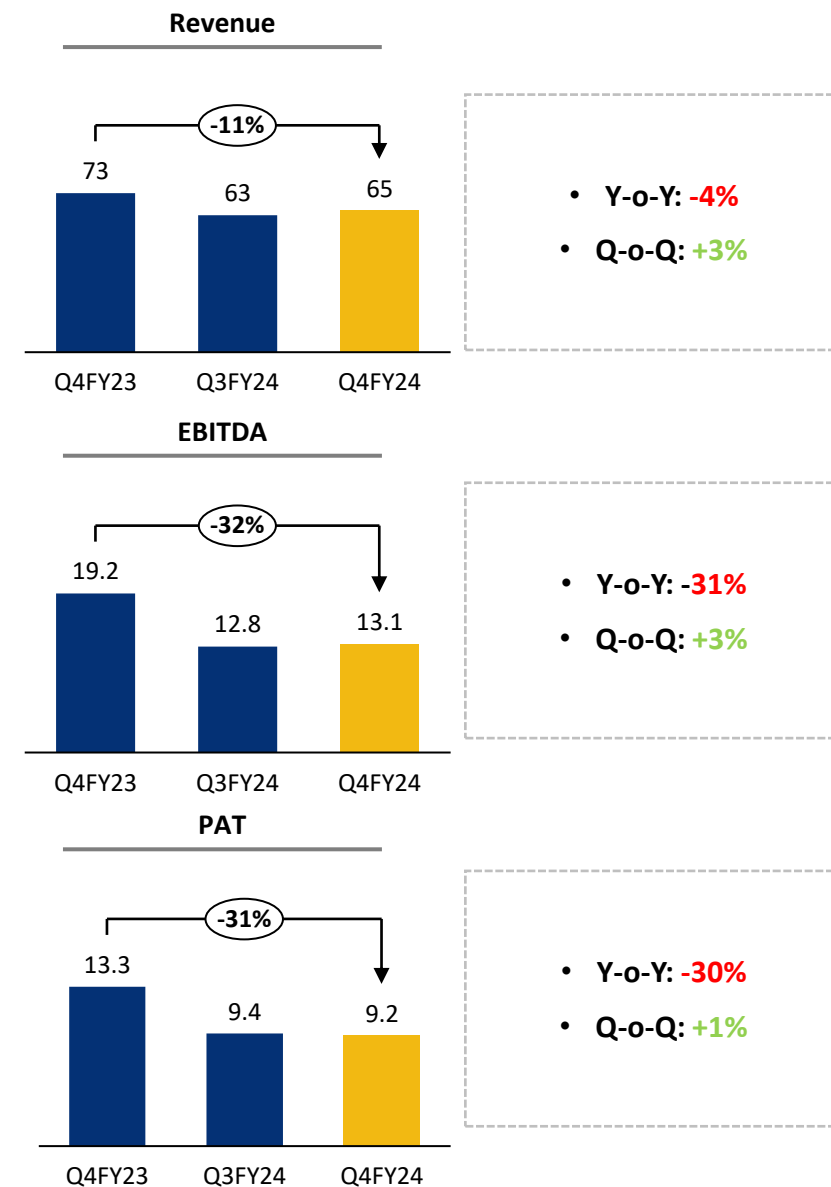
Low demand led to sub-optimal utilisation levels at plants resulting in lower fixed cost absorption thus impacting EBITDA



Impacted due to overall lower operating profits

Quarterly Revenue-Walk

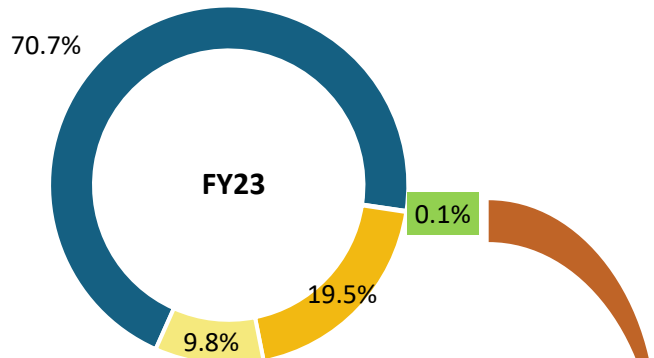
Particulars	Q4FY24	Q4FY23	Y-o-Y	Q3FY24	Q-o-Q
Transfer Case	34.4	54.0	-36%	39.4	-13%
NexTrac	1.5	1.6	-7%	2.1	-29%
ALH	0.7	1.0	-26%	0.8	-8%
E-Gear Drive	8.0	0.1	160x	5.3	52%
Synchro	3.2	3.9	-18%	3.5	-11%
Components	10.8	8.1	33%	10.3	5%
After Market	0.3	0.3	-21%	0.3	-24%
Tooling & Other Operating	6.2	4.3	43%	1.2	412%
Revenue From Operation	65.1	73.3	-11%	63.1	3%
Other Income	5.1	2.6	88%	4.6	6%
Total Revenue	70.2	75.9	-8%	67.7	3%



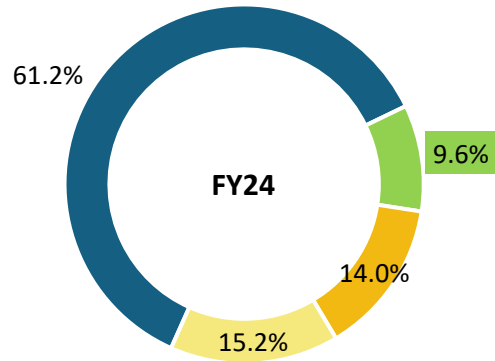
Revenue Mix

Revenue Breakup

- Transfer Case
- EV Transmission
- Components
- Others

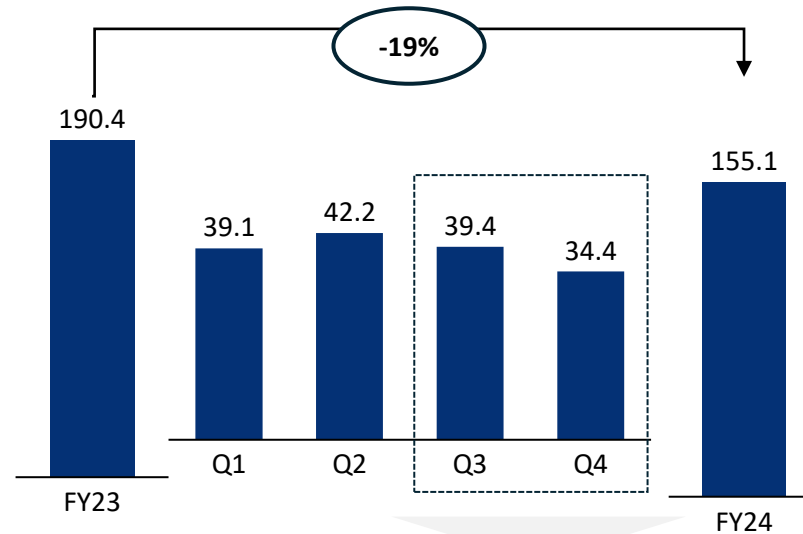


Segment diversification by increasing revenue contribution from EV transmission



Transfer Cases

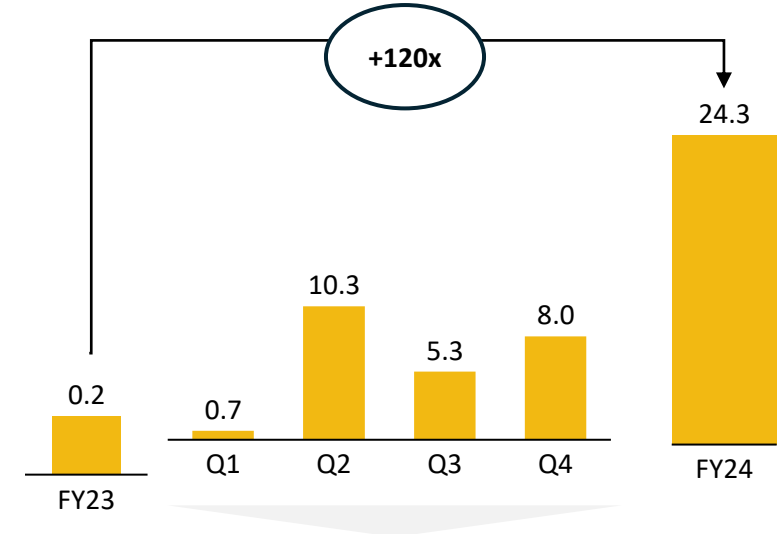
INR Crs



- De-growth due to lower pick-up in units from four of our major OEMs. It was due to change in preference at end-user.
- There is no loss of business or cancellation of contracts from any of our OEMs.
- Working closing with both OEMs and expected to increase volumes from H2FY25 onwards

EV Transmission

INR Crs



- Developed EV transmissions through in-house design capabilities and incorporated industry best practices, first-mover advantage in India
- Current utilisation is ~25% which is expected to ramp up faster in the coming quarters on the back of new order wins from existing OEMs.

Loss of Revenue from Transfer Cases of ~INR 35 Crs was compensated by growth in EV business with Revenue of INR 25 Crs

Result Snapshot



Particulars (INR Crs)	Q4FY24	Q4FY23	Y-o-Y	Q3FY24	Q-o-Q	FY24	FY23	Y-o-Y
Revenue From Operations	65.1	73.3	-11%	63.0	3%	253.4	271.0	-6%
Cost of Raw Materials Consumed	26.1	29.9		31.0		111.7	110.4	
Change in Inventories	1.2	1.2		(2.6)		(5.5)	1.0	
Employee Benefit Expenses	6.4	5.6		4.5		24.1	24.5	
Other Expenses	18.2	17.4		17.3		70	60.7	
EBITDA	13.1	19.2	-31%	12.8	3%	53.1	74.4	-29%
Depreciation & Amortization	5.7	3.7		4.8		18.7	13.0	
EBIT	7.5	15.5	-52%	8.0	-6%	34.4	61.4	-44%
Interest Expense	0.2	0.1		0.1		0.4	0.3	
Other Income	5.1	2.6		4.6		19.6	7.6	
PBT	12.4	18	-31%	12.5	-1%	53.6	68.7	-22%
Tax Expense	3.1	4.7		3.3		13.8	17.7	
Profit After Tax	9.2	13.3	-30%	9.2	1%	39.8	51.0	-22%



Jitendra Divgi

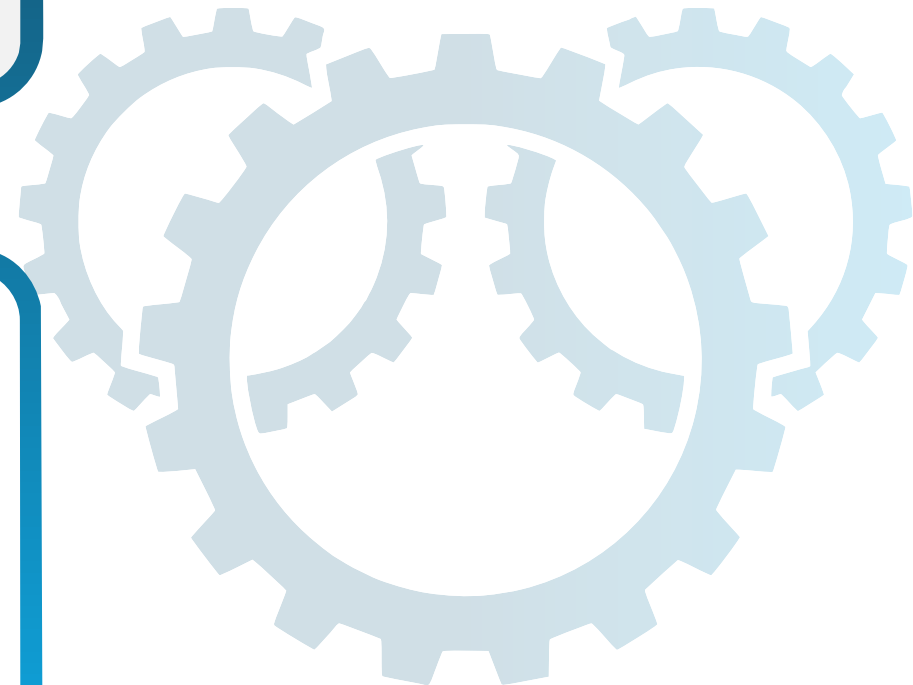
Managing Director

- **FY24:**
 - Revenue was marginally down by 6% in FY24 on y-o-y basis due to low pickup in our core product from four of our major OEMs. This fall was compensated by EV transmission business
 - EBITDA performance was impacted on the back of increased overhead expenses on account of lower utilisation at all our plants due to lower volume pick-up and commercialisation of new facility at Shriwal
 - PAT was impacted due to lower absorption of fixed costs
- **FY25:**
 - Based on revised volume schedule received from our OEMs, we expect H1 to be subdued and growth to return in H2.
 - Accordingly, FY25 revenue is expected to be between 8% to 10%.
- **Going Ahead:**
 - The Revenue guidance for FY25 is on the back of :
 - Increased revenue contribution from EV transmission and export business
 - New product introductions i.e. application led diversification
- **New Business wins:**
 - New business wins have potential lifecycle revenue of Rs. 900++ crs for 5 years. Most of this supply will start from H2FY25 and full revenue potential will be reflected in FY26.

Working towards three areas –

Product Portfolio & Application along with diversification in Geographic presence and Customer profile

New Business Wins & Way Forward



EV Transmission*



Export Business



Core Product Portfolio*

- Ramping up production for the existing variants
- New order win with existing OEM for the existing platform
- Working with existing OEM for new models

- Further strengthening relationships with Tier I suppliers by expanding the product offerings from two marquee Tier I North American manufacturers of Gearboxes and Transmissions **(the sale of these parts will flow in H2FY25)**
 - Annual value of these orders is ~INR 43 Crs
- Few products are at approval stage expected to convert to orders from H2FY25

- Working with OEM to normalize production loss of transfer case units by extending to newer models/variants
- Localizing supply for few model/variants of our existing large OEMs
- Increasing sale of components and other products

We expect FY25 Revenue growth between ~8% to ~10%

Long Term Growth Outlook based on Life cycle Revenues

EV Transmission*



Export Business



Core & Other Product Portfolio*

Product:

EV System & Components
Business

Product:

Transfer Case Export
Components Business

Product:

Manual Transmission
Components Business

Lifecycle Revenue:

~INR 220 Crs

Lifecycle Revenue:

~INR 390 Crs

Lifecycle Revenue:

~INR 320 Crs

Current Orders in hand have potential life cycle revenues of Rs. 900+ Crs




Export Component Business

Fortune's world's most admired company

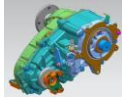


Sr. No.	Product	Announcement on	Revenue Lifecycle (INR Crs)	SOP
1	Hub Reduction 012 	August 2023	111.6	June 2024
2	Hub Reduction 007 	August 2023	55.6	August 2024
3	Hub Reduction 013 	August 2023	12.8	August 2024
4	Yoke Flange - Big 	January 2024	45.7	November 2024
5	Yoke Flange - Small 	January 2024	75.1	November 2024
6	Planet Pinion 	January 2024	91.2	November 2024

390+Crs revenue spread across 5 years

Leading Indian OEM

Sr. No.	Product	Announcement on	Revenue Lifecycle (INR Crs)	SOP
1	45KW EV transmission 	August 2023	131.5	August 2024
2	150KW EV transmission component sets 	August 2023	73.2	July 2024
3	3-wheeler EV motor shaft 	August 2023	14.3	January 2024
			200+Crs revenue spread across 5 years	

Leading Indian OEM

Sr. No.	Product	Announcement on	Revenue Lifecycle (INR Crs)	SOP
1	Electric shift transfer case 	August 2023	210.0	June 2024
2	Manual transmission counter shaft 	August 2023	82.8	August 2024
3	Manual transmission Input Shaft 	August 2023	27.1	August 2023
			320 Crs revenue spread across 5 years	

Application led diversification through new product offerings



Geographic diversification



Improve market share and wallet share with existing customers



Customer diversification

EV transmission

Automatic transmission

- Developed transmission for both PVs and CVs
- Presence across 4 platform within 2 years span
- Expanding our expertise to 3-wheeler and working very closing with our major OEM

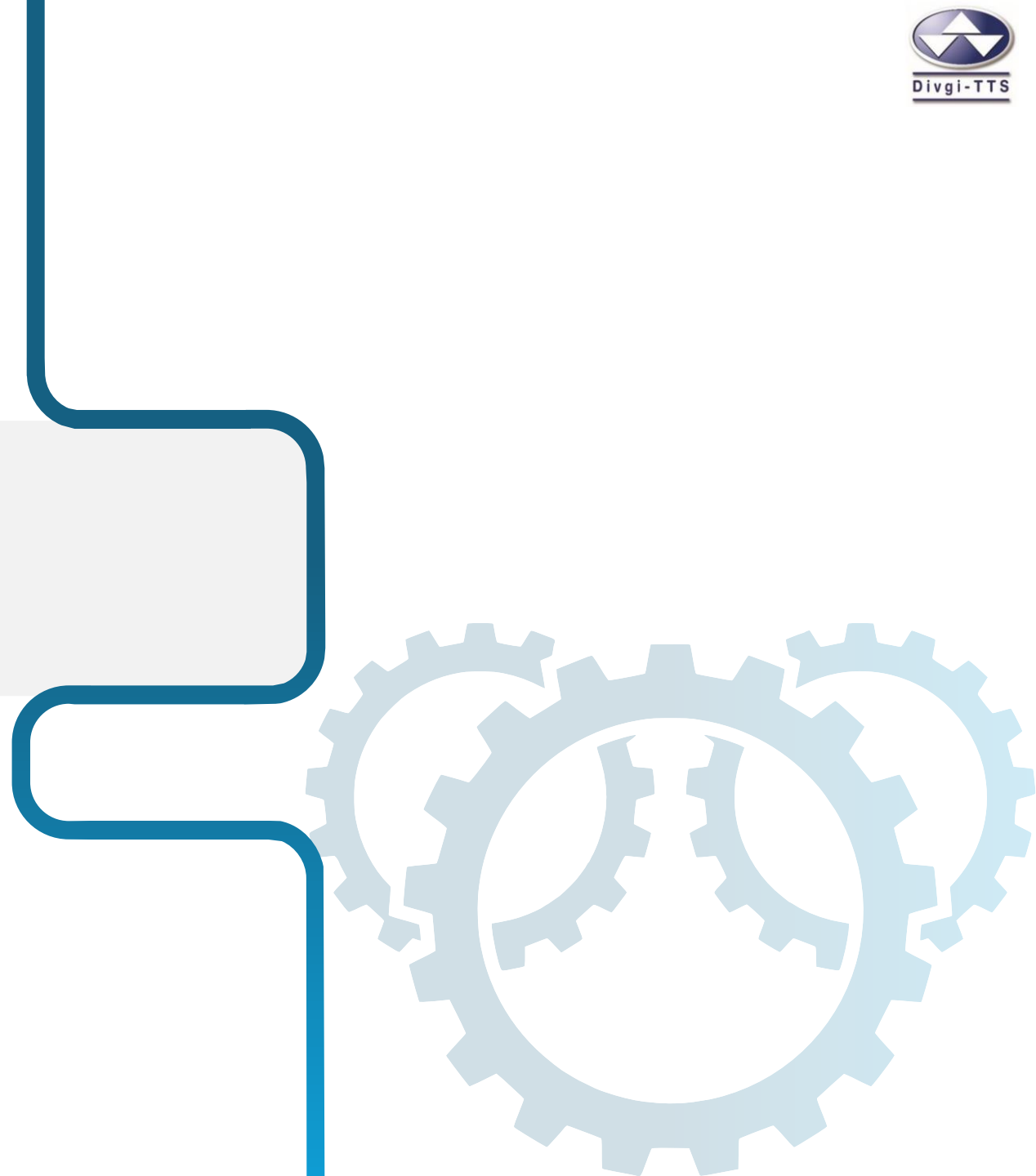
- Develop & launch Automatic transmission system and supporting OEMs for localizing its product requirements
- Only manufacturer of Automatic transmission systems in India

- Will further strengthen our relationship across the geographies
- Expected to increase our export share of business to ~20% - 25% of the Revenue in next 4 to 5 years
- Bagged export orders worth of 75 crs in FY24
- Ongoing investigation for overseas presence

- Increase business with existing customers by working deeply with them and explore opportunities to grow along the value chain by expanding the array of our existing products and solutions that we supply
 - Widening EV scope beyond mechanical transmission to include complete electric drive unit

- New customers acquisition both in domestic & international markets
- Ongoing discussion with few customers and expected to get it converted

About Divgi



Company Overview

1964

Incorporated

50+

Years of
experience

4

Manufacturing
facilities

Our Valued Customers



Vision

To be recognized as a world-class Indian brand in automotive drivetrain components and systems

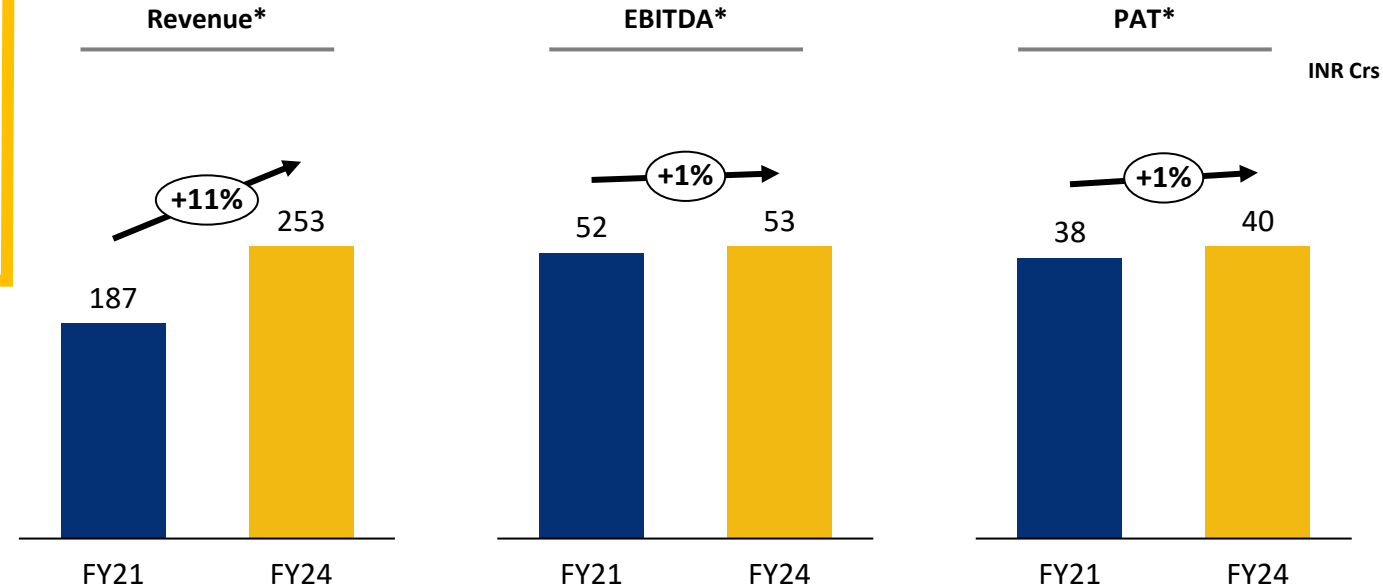
Strategies

- Technology-Led Innovation
- Product & Application Diversity
- Customer & Geographic Diversity
- Manufacturing excellence
- Financial Discipline
- Collaborative teamwork

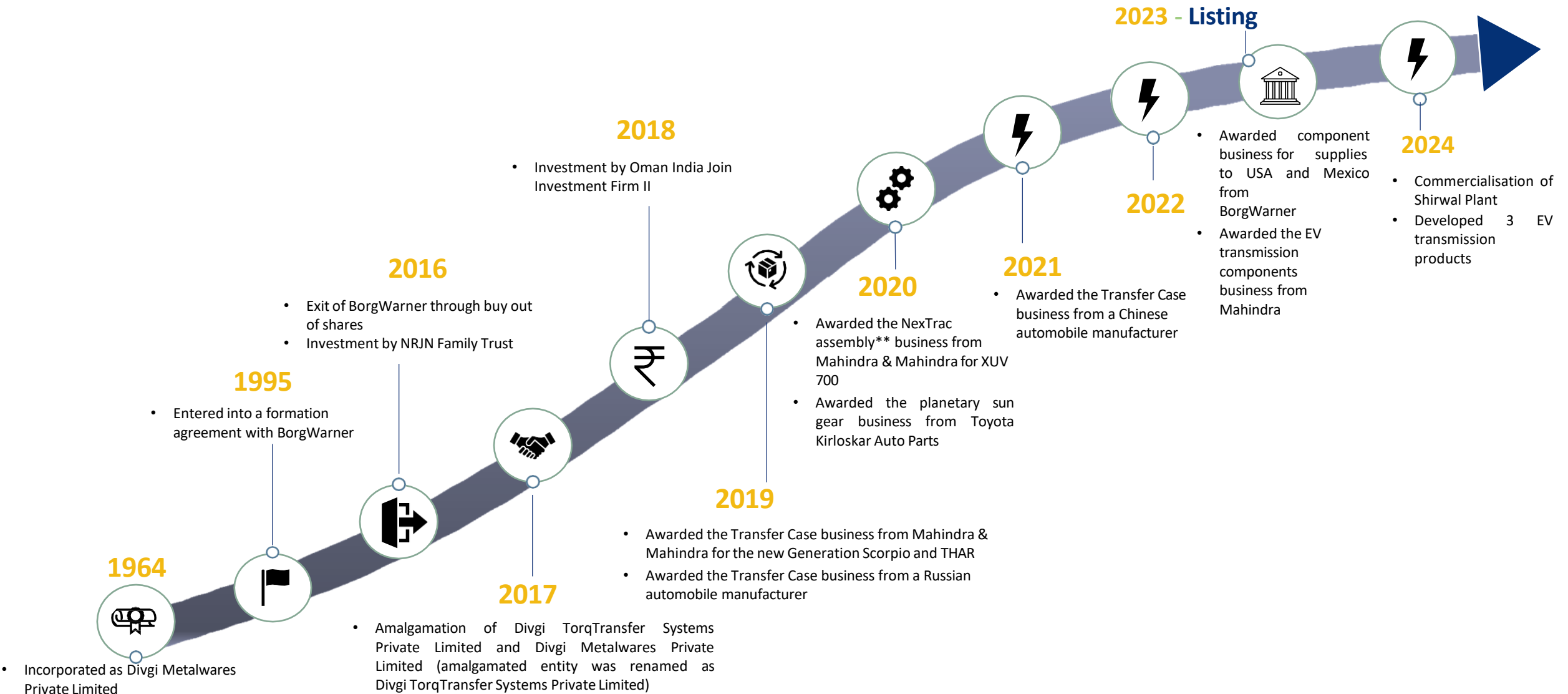
Product Leadership

- Continuous Innovation
- Superior Solutions
- Distinctive Products
- World-Class Product Development and Manufacturing

- Solutions in Manual Transmission
- State-of-the-art 4WD Systems
- India's largest EV Transmission manufacturer
- Pioneer in Automatic Transmission in India
- Global Presence



Journey so far



Manufacturing Capabilities



Bhosari, Pune, Maharashtra

Year of Operations: 1996

Product:

- 4WD Transfer case



Shivare, Pune Dist., Maharashtra

Year of Operations: 1991

Product:

- Precision Grinding and Honing operations for transmission components



Sirsi, Uttara Kannada Dist., Karnataka

Year of Operations: 1984

Product:

- Components
- Synchronisers



Shirwal, Satara Dist., Maharashtra

Year of Operations: 2023

Product:

- EV Assembly
- Export Components
- Manual and Automatic Transmission

Product Portfolio



RWD Applications



Manual Transmissions



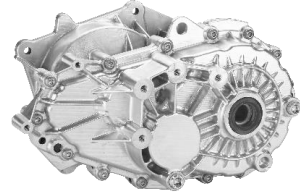
Synchronizers



Automatic/Dual Clutch Transmissions



EV Transmission



Key Components



Category / Product	ICE (4WD/AWD)	ICE (Manual)	ICE (Automatic)	Hybrid	BEV
Torque Transfer Systems	✓	-	-	-	-
Manual Transmission	-	✓	-	-	-
Synchronizer Systems	✓	✓	✓	-	-
Automatic/Dual Clutch Transmission	-	-	✓	-	-
Transmissions for BEV	-	-	-	-	✓
Components	✓	✓	✓	✓	✓

Product Application



4WD/AWD Products



Manual Transmissions and Synchronizers



Electric Vehicle Transmission



Automatic Transmissions



Representative Images

Marquee Customers

Few clientele...



BorgWarner

30+

Years of
relationship

Transfer case
components



TATA MOTORS

50+

Years of
relationship

EV transmission,
Transfer Case,
Synchronisers



Mahindra

50+

Years of
relationship

MT Components,
Transfer Cases & EV
Transmissions, ALH,
Nextac



Toyota Kirloskar

10+

Years of
relationship

Transmission
Components



**FORCE
MOTORS**

10+

Years of
relationship

Transfer Cases,
Synchronisers



ASHOK LEYLAND
Koi Manzil Door Nahin

10+

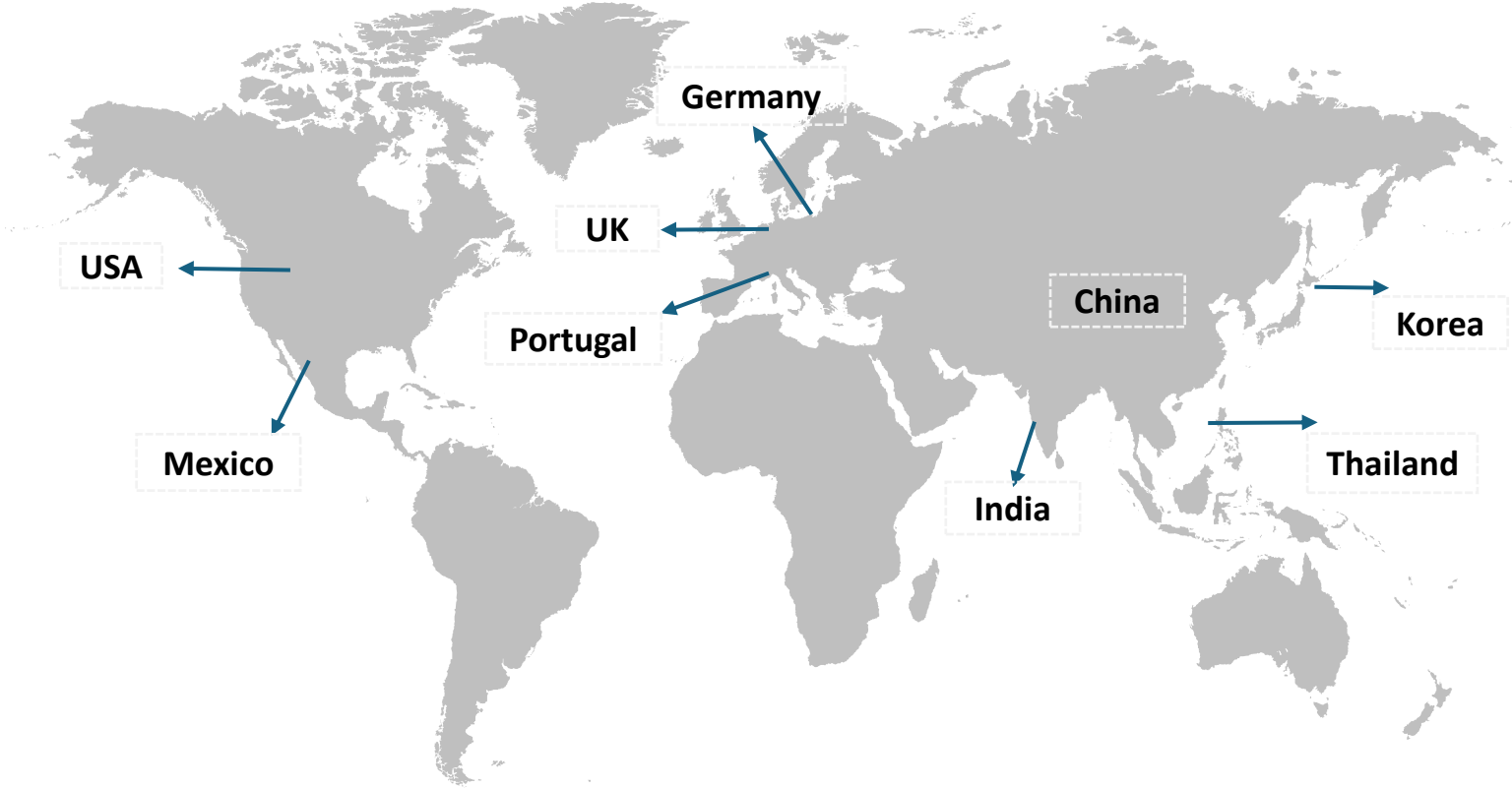
Years of
relationship

Engine Timing
Components

..... and many more

Caters to a diverse set of clients across domestic and international markets

Presence across the world



~3 Crs

Export Revenue
(INR Crs)

~75 Crs

New Export Business win (INR Crs)

Emerge as one of the fastest growing drivetrain solution companies in the world

Our **credible** Board of Directors

*Individuals of proven
capability and integrity*

*Bringing diverse competencies to
the table*

*Committed to uphold
governance*



Praveen Kadle
Chairman and
Independent Director



Jitendra Divgi
Managing Director



Hirendra Divgi
Executive Director



Pradip Dubhashi
Independent Director



Pundalik Dinkar Kudva
Independent Director



Geeta Tolia
Independent Director



Bharat Divgi
Non-Executive Director



Sanjay Divgi
Non-Executive Director

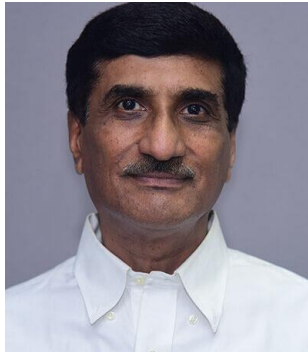
Strong Leadership Team



Jitendra Divgi
Managing Director



Zubair Kachi
Mktg., Sales & ABD



Prasanna Deshpande
Engineering & Product
Development



Deepak Vani
Chief Operating Officer &
Purchase



Rakesh Sharma
Mfg Engineering &
Growth & Launch



Rupam Parwate
Operational Excellence



Sudhir Mirjankar
Finance



Gopal Dalvi
Human Resource



Mark John
Intl. Comm. Operations



Nam Jun Kim
President & Country
Head, South Korea

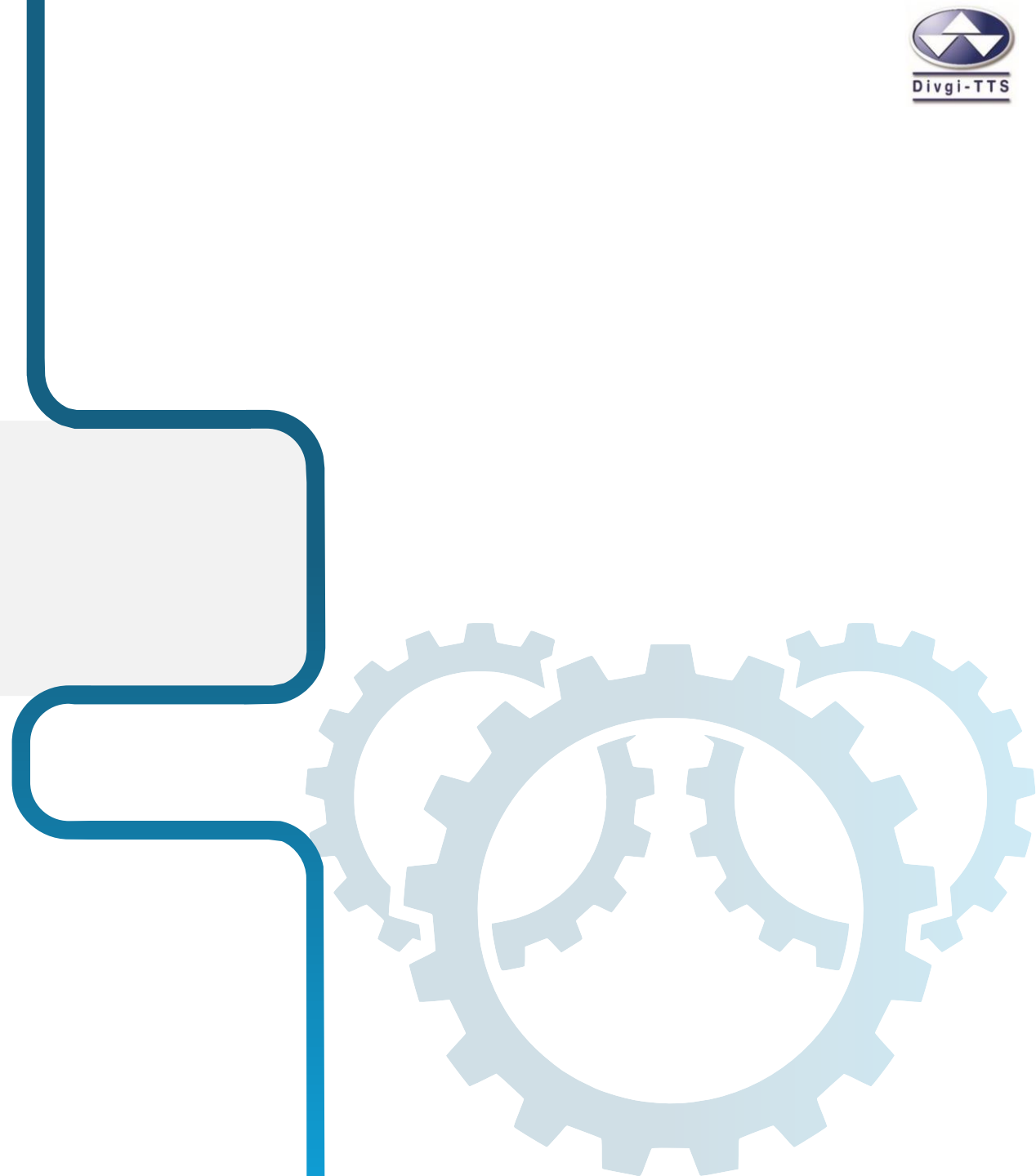


Nilesh Shukla
Advanced Mfg. Tech.



Pulak Das
Chief Information Officer

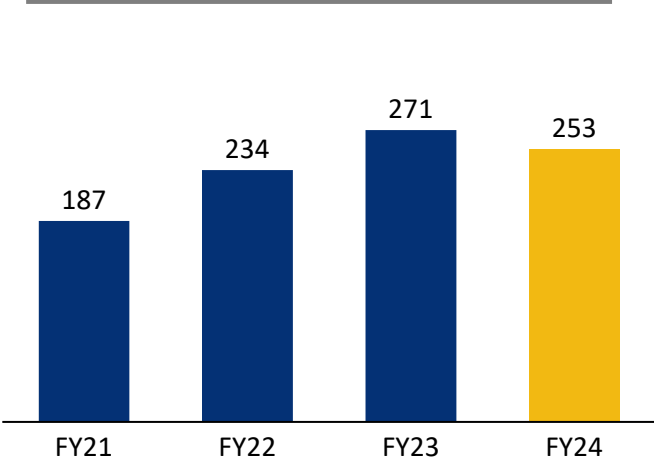
Financials



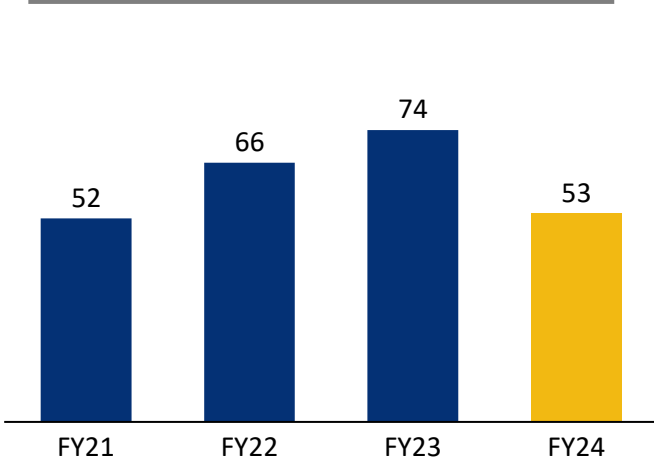
P&L – Historical Chart



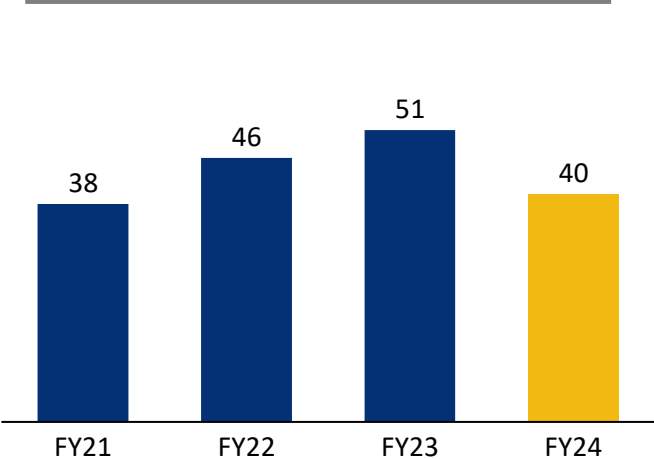
Revenue From Operations (Rs. In Cr.)



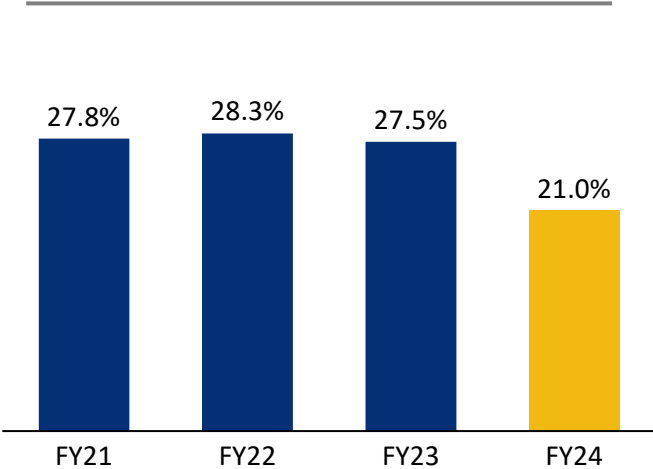
EBITDA (Rs. In Cr.)



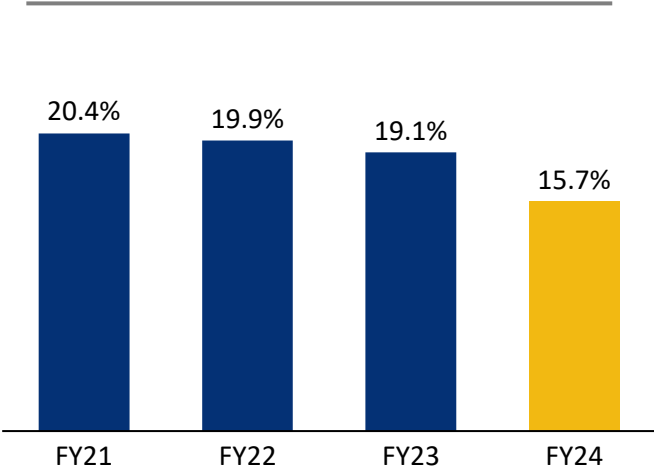
Profit After Tax (Rs. In Cr.)



EBITDA (%)

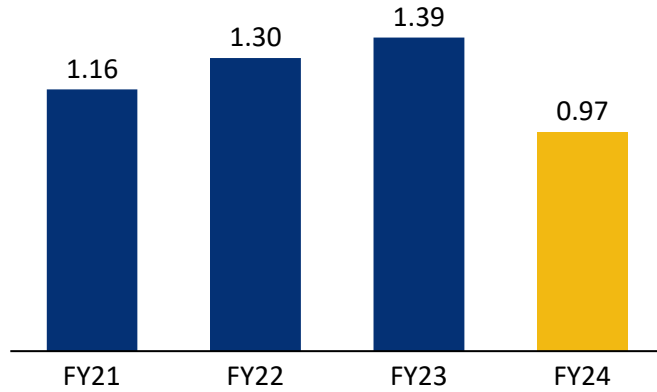


PAT (%)

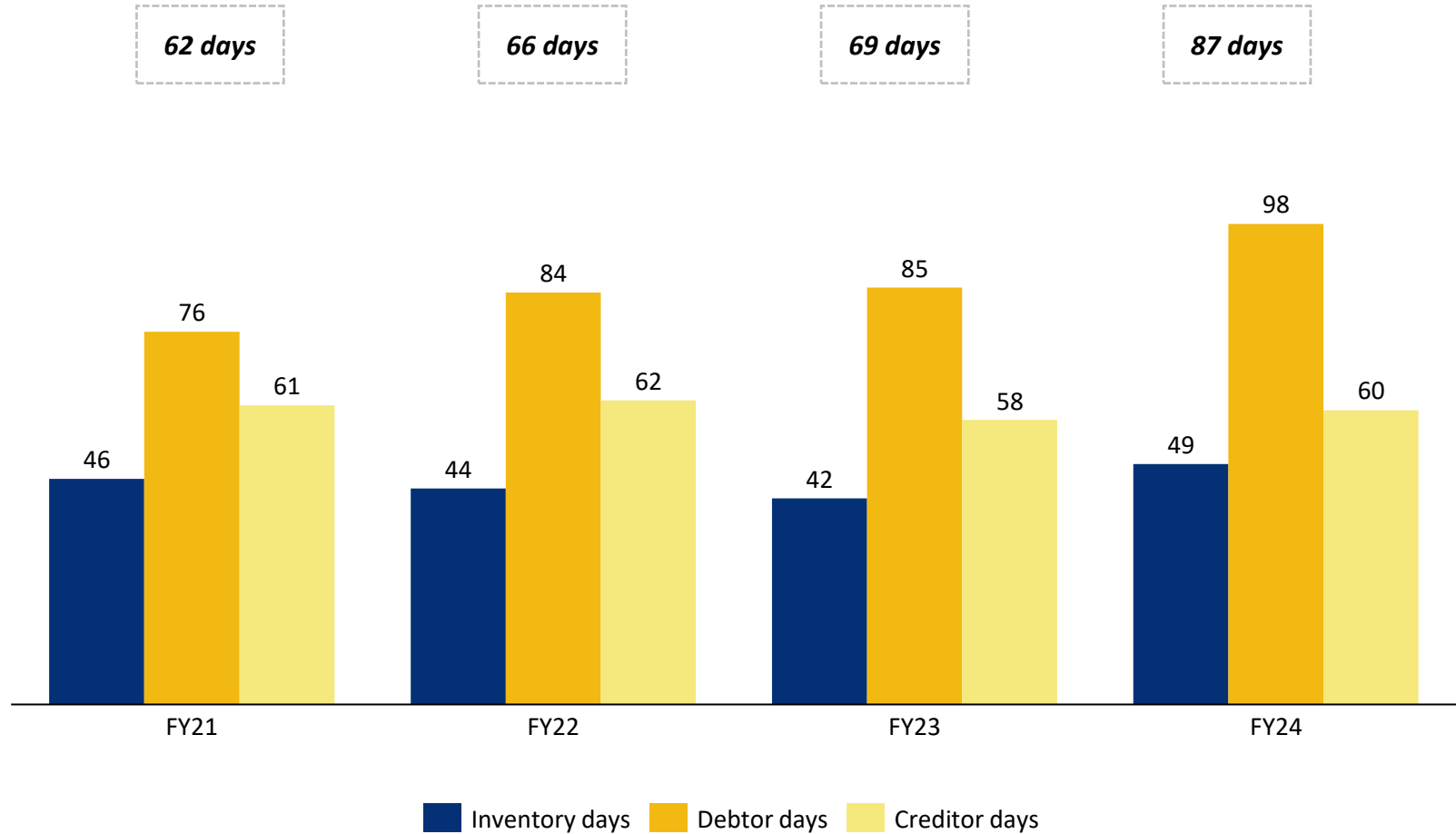


Financial Ratios

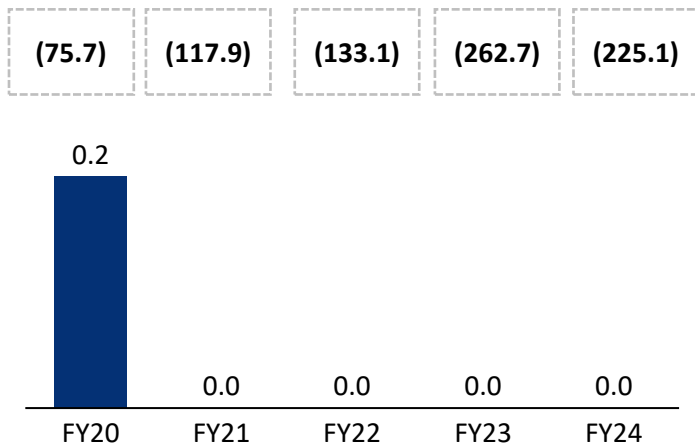
Fixed Assets Turnover Ratio (x)



Working Capital (No. of Days)



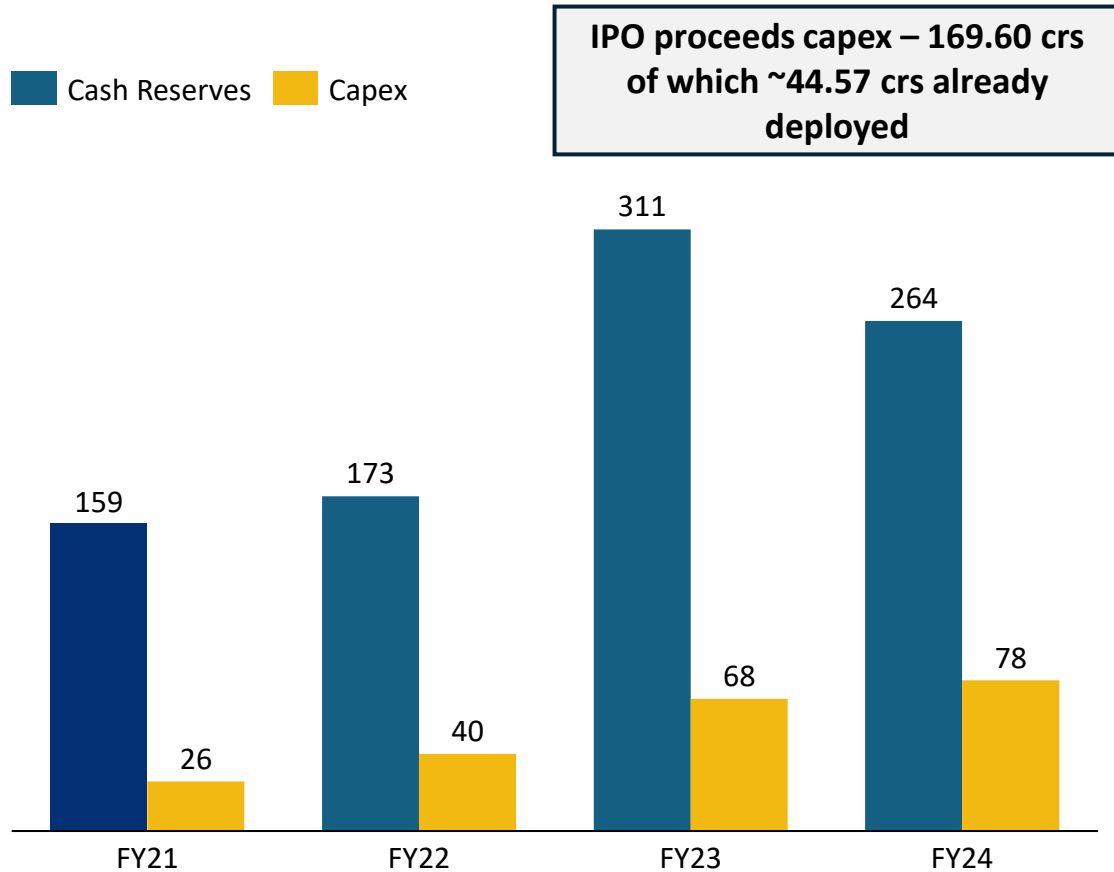
Leverage ratios (x) & Net Debt (INR Crs)



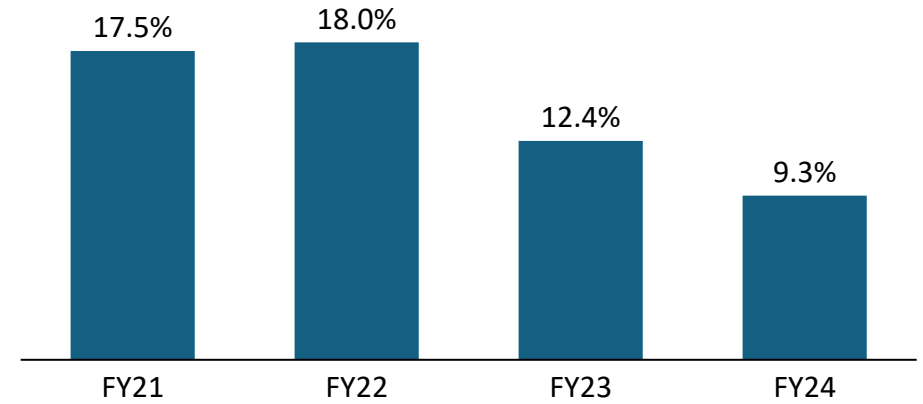
Inventory days Debtor days Creditor days

Capex and Cash

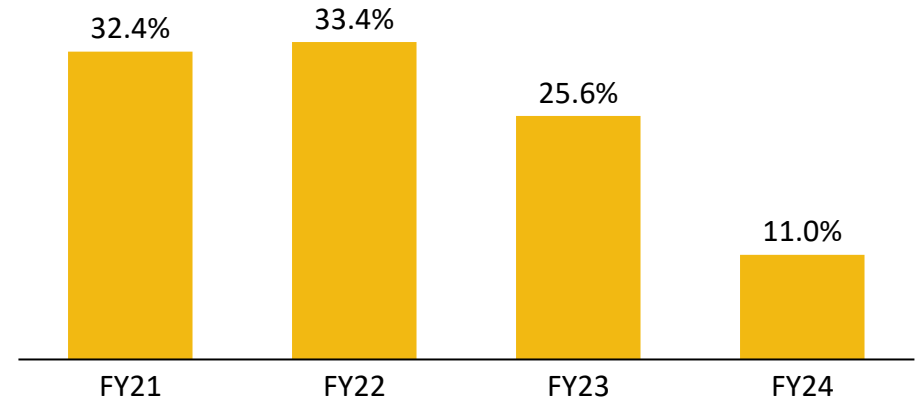
Capital Expenditure and Cash Reserves



Return on Capital Employed (RoCE %)



Return on Invested Capital (RoIC %)



Recommended final dividend at INR 2.60 per equity share of INR 5 each, for FY2023-2024, subject to approval by Members at the ensuing Annual General Meeting

Historical P&L Statement



Particulars (INR Crs)	FY24	FY23	FY22	FY21
Revenue From Operations	253.4	271.0	233.8	186.6
Cost of Raw Materials Consumed	111.7	110.4	93.6	68.9
Change in Inventories	(5.5)	1.0	0.1	(1.9)
Employee Benefit Expenses	24.1	24.5	22.5	21.8
Other Expenses	70.0	60.7	52.0	45.9
EBITDA	53.1	74.4	66.1	51.9
Depreciation & Amortization	18.7	13.0	11.4	7.6
EBIT	34.4	61.4	54.7	44.3
Interest Expense	0.4	0.3	0.2	0.2
Other Income	19.6	7.6	8.1	8.5
PBT	53.5	68.7	62.6	52.6
Tax Expense	13.8	17.7	16.0	14.5
Profit After Tax	39.7	51.0	46.6	38.1

Balance Sheet



Particulars (INR Crs)	FY24	FY23
Assets		
Non-Current Assets		
Property, plant and equipment	211.7	111.1
Capital work-in-progress	25.4	80.9
Right-of-use assets	1.5	2.5
Intangible assets	13.9	3.2
Intangible assets under development	0.0	11.8
Financial Assets		
(i) Non-current investments	0.0	0.0
(ii) Other non-current financial assets	3.8	3.7
Other non-current assets	5.4	1.0
Current Assets		
Inventories	35.7	31.9
Financial Assets		
(i) Trade receivables	63.1	73.2
(ii) Cash and Cash Equivalents	31.6	4.8
(iii) Bank Balances other than Cash	232.7	306.6
(ii) Other Financial Assets	13.5	4.3
Other Current Assets	2.6	7.1
Total Assets	641.4	642.0

Particulars (INR Crs)	FY24	FY23
Equity & Liabilities		
Total Equity		
Equity Share Capital	15.3	15.3
Other Equity	565.1	536.0
Liabilities		
Non-Current Liabilities		
Financial Liabilities		
(i) Borrowings	0.3	0.3
(ii) Lease Liabilities	0.8	1.5
Long-Term Provisions	2.7	3.3
Deferred Tax Liabilities (net)	2.6	0.4
Current Liabilities		
Financial Liabilities		
(i) Borrowings	0.1	0.1
(ii) Lease Liabilities	0.4	0.6
(iii) Trade Payables	37.6	46.2
(iv) Other Financial Liabilities	8.9	27.5
Other Current Liabilities	2.0	2.3
Provisions	2.1	2.2
Current Tax Liabilities (Net)	3.5	6.2
Total Equity & Liabilities	641.4	642.0

Cashflow



Particulars (INR Crs)	FY24	FY23
Net Profit Before Tax	53.5	68.8
Adjustments for: Non -Cash Items / Other Investment or Financial Items	0.0	6.3
Operating profit before working capital changes	53.5	75.2
Changes in working capital	6.7	(16.9)
Cash generated from Operations	46.8	58.2
Direct taxes paid (net of refund)	14.3	(17.4)
Net Cash from Operating Activities	32.5	40.8
Net Cash from Investing Activities	6.1	(213.1)
Net Cash from Financing Activities	(11.7)	159.7
Net Decrease in Cash and Cash equivalents	26.8	(12.6)
Add: Cash & Cash equivalents at the beginning of the period	4.8	17.4
Cash & Cash equivalents at the end of the period	31.6	4.8

Thank You



PRODUCT LEADERSHIP
LIKE NO OTHER

Company:

Investor Relations Advisors:



CIN: L32201MH1964PLC013085

SGA Strategic Growth Advisors

CIN: U74140MH2010PTC204285

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