



**SONA COMSTAR**

Date: - 23<sup>rd</sup> January, 2024

<b>BSE Ltd.</b> Regd. Office: Floor - 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. BSE Scrip Code: 543300	<b>National Stock Exchange of India Ltd.</b> Listing Dept., Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 NSE Scrip: SONACOMS
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**Subject: Investor Presentation for the quarter and nine months ended on 31<sup>st</sup> December, 2023.**

In compliance with Regulation 30 read with Para 15(a) of Part A of Schedule III and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Investor Presentation *inter-alia*, encompassing an overview of the Company, its operations and Unaudited Standalone and Consolidated Financial Results for the quarter and nine months ended on 31<sup>st</sup> December, 2023.

Kindly take the same on record.

Thanking you

**For SONA BLW PRECISION FORGINGS LIMITED**

**Ajay Pratap Singh**  
**Vice President (Legal), Company Secretary and Compliance Officer**

Enclosed: As above



**SONA COMSTAR**

# **Q3 & 9M FY24 Earnings Presentation**

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**23 January 2024**

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The Future of  
Mobility is  
E.P.I.C.

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# Our Management



**Mr. Kiran Manohar  
Deshmukh**  
*Group CTO*



**Mr. V. Vikram Verma**  
*CEO, Driveline Business*



**Mr. Sat Mohan Gupta**  
*CEO, Motor Business*



**Mr. Rohit Nanda**  
*Group CFO*



**Mr. Vivek Vikram Singh**  
*MD & Group CEO*



**Mr. Amit Mishra**  
*Head, Investor Relations*



# Financial Performance Highlights

Our net formed differential gears

# Q3 FY24 Financial Performance Highlights

**7,766** mn | **13%**

Revenue | YoY Growth

**2,273** mn | **22%**

EBITDA | YoY Growth

**1,327** mn | **24%**

PAT | YoY Growth

**29.3%** EBITDA Margin

**17.2%** PAT Margin<sup>1</sup>

**2,219** mn | **28%**

BEV Revenue | YoY Growth

**30%**

Q3 FY24 Product Revenue  
Share from BEV

## Notes:

1. PAT margin percentage calculated from PAT including non-controlling interest

# 9M FY24 Financial Performance Highlights

**22,995** mn | **19%**

Revenue | YoY Growth

**6,540** mn | **32%**

EBITDA | YoY Growth

**3,686** mn | **34%**

PAT | YoY Growth

**28.4%** EBITDA Margin

**16.1%** PAT Margin<sup>1</sup>

CY22

CY23

**7.2%** → **8.1%**

Global Market Share  
of Differential Gears<sup>2</sup>

CY22

CY23

**4.1%** → **4.2%**

Global Market Share  
of Starter Motors<sup>3</sup>

## Notes:

1. PAT margin percentage calculated from PAT including non-controlling interest
2. As per Ricardo's market size estimates for CY22 & CY23
3. Across light vehicles; as per Ricardo's market size estimates for CY22 & CY23

The image shows four glowing orange, net-formed differential gears arranged in a diagonal line on a dark metal mesh conveyor belt. The gears have a complex, multi-lobed shape and are illuminated from within, giving them a bright, fiery appearance. The background is dark and industrial, with some structural elements visible.

# Update on our Strategic Priorities

Net formed differential gears coming out of our forging press

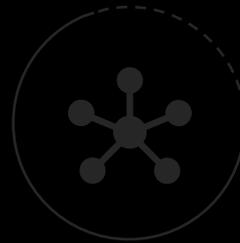
# Update on our Strategic Priorities



**Electrification**



**Global Market  
Significance**



**Diversification**



**Technology**

# Sizeable and Increasing Presence in EVs



**28%**

9M FY24 Product Revenue  
Share from BEV

**6,133 mn**

9M FY24 BEV segment  
revenue

**31%**

9M FY24 BEV revenue  
YoY growth

**48**

**(10+15+23)<sup>1</sup>**

EV Programs<sup>1</sup> awarded across  
28 customers as at the end of  
Q2 FY24

**+5**



**53**

**(10+15+28)<sup>1</sup>**

EV Programs<sup>1</sup> awarded across  
30 customers as at the end of  
Q3 FY24

## Notes:

1. Include only BEV and PHEV programs currently in serial production as well as in the orderbook; numbers in brackets to be read as (# of programs in fully ramped up production + # of programs in ramp-up + # of programs not yet in production)

# These three order wins demonstrate our technical prowess to provide solutions for any powertrain architecture



## Integrated Motor Controller

For Electric 2-Wheelers

**New Customer**

Indian OEM of ICE and EV 2-Wheelers

**₹ 3,450 mn**

addition in our orderbook

**Q1 FY26**

Start of Production



## Spool Gears

For Electric SUVs

**Existing Customer**

Global OEM of EVs

**₹ 5,700 mn**

addition in our orderbook

**Q4 FY24**

Start of Production



## Epicyclic Geartrain and Rotor Shaft

For Electric PVs

**Existing Customer**

North American New Age OEM of Electric PVs

**₹ 990 mn**

addition in our orderbook

**H1 FY27**

Start of Production

# 53 EV programs across 30<sup>1</sup> different customers

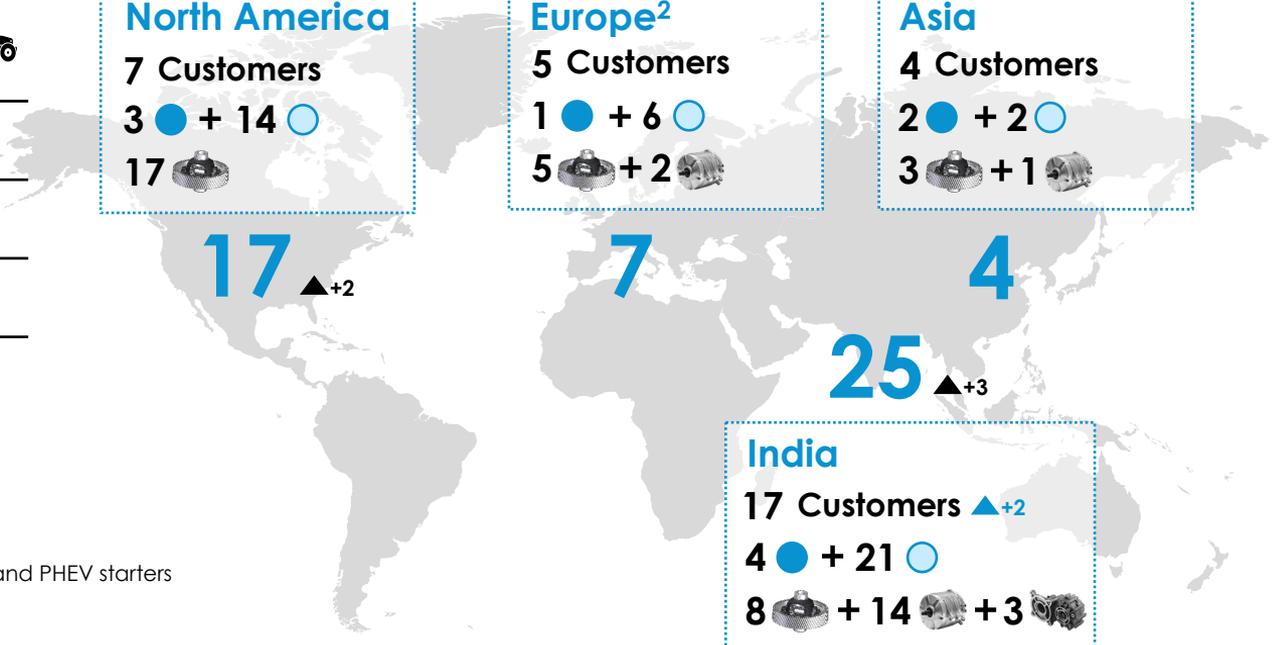


No. of programs customers			
	26 11	-	7 7
	3 3	13 10	1 1
	-	3 3	-

**North America**  
7 Customers  
3 ● + 14 ○  
17

**Europe<sup>2</sup>**  
5 Customers  
1 ● + 6 ○  
5 + 2

**Asia**  
4 Customers  
2 ● + 2 ○  
3 + 1



- Programs in fully ramped-up production
- Programs in ramp-up or not yet in production
- Programs for geartrain components
- Programs for traction motors, controllers, IMCM and PHEV starters
- Programs for e-Axle

▲+x denotes the change during Q3 FY24

Notes:  
1. 2 customers are present in more than one geography  
2. Europe geography includes the UK

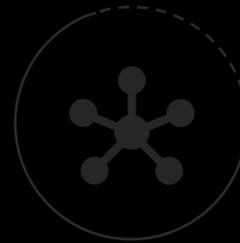
# Our Strategic Priorities



Electrification



Global Market  
Significance

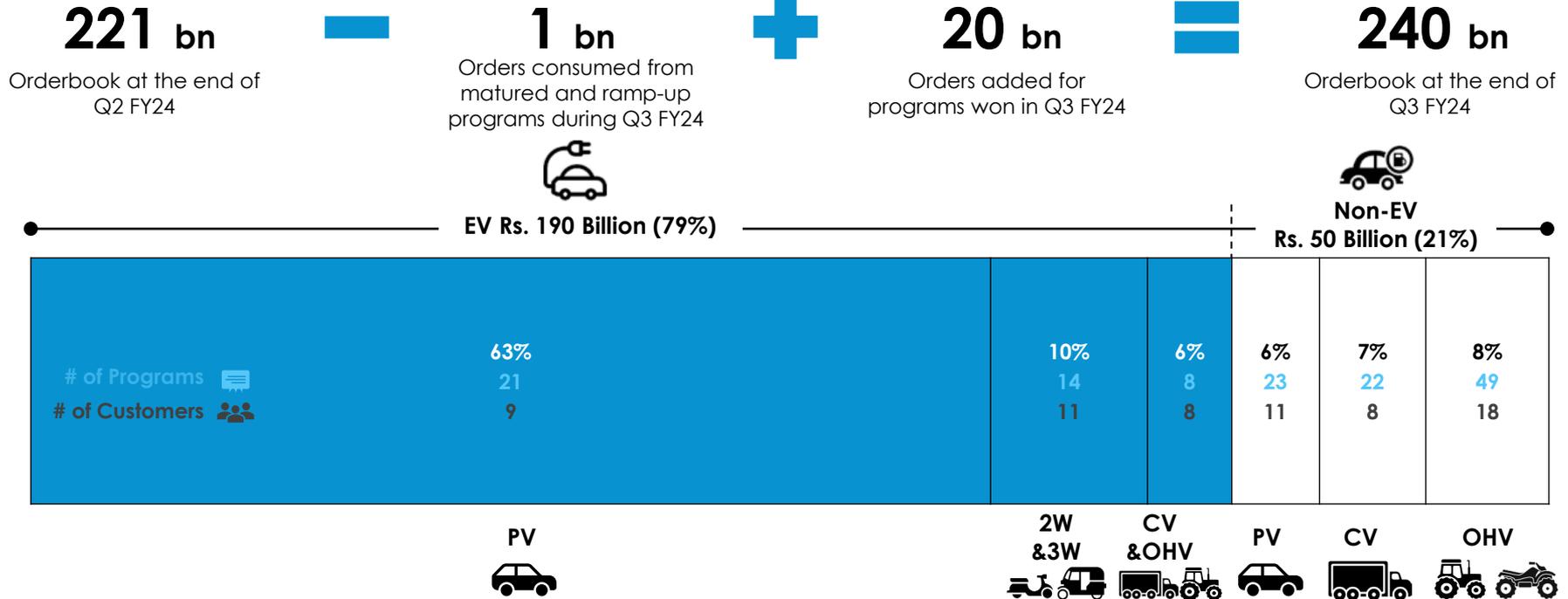


Diversification



Technology

# Our net order book<sup>1</sup> grows to ₹240 billion (9.0x FY23 revenue)



**Notes:**

1. Net order book means the aggregate revenue from awarded programs which are either yet to start production or are yet to fully ramp up, in the next 10 years, after adjusting for the negative impact of all programs that are expected to reach end of life or be phased out. We have also applied a discount to accommodate any unforeseen delays or changes in program launches that may happen in the future.

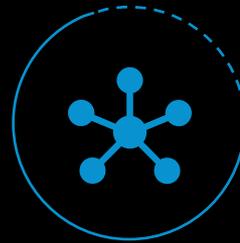
# Our Strategic Priorities



Electrification



Global Market  
Significance



Diversification



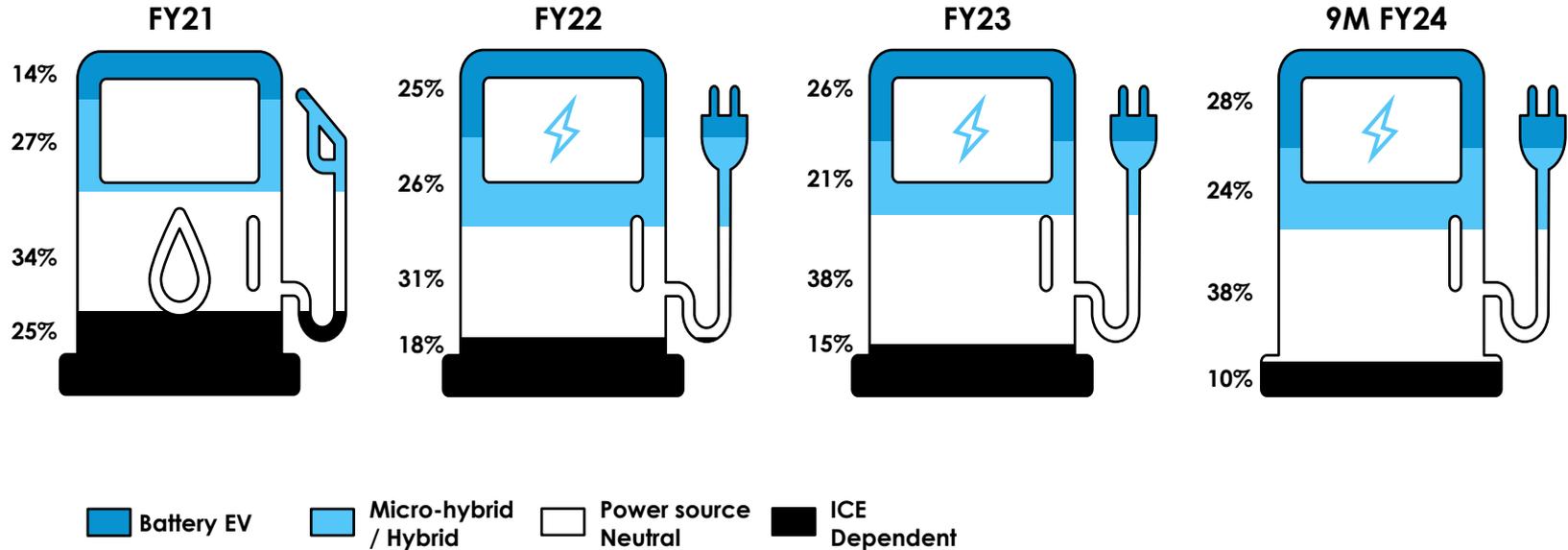
Technology



# Diversified Product Revenue Mix – By Powertrain

Battery EV increasing as a % of our revenue continues to be our dominant and secular theme

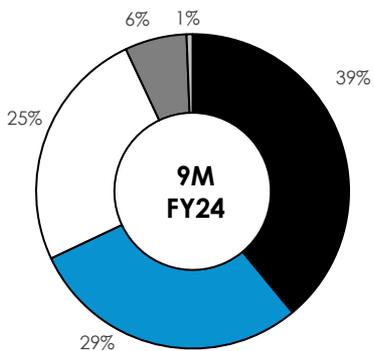
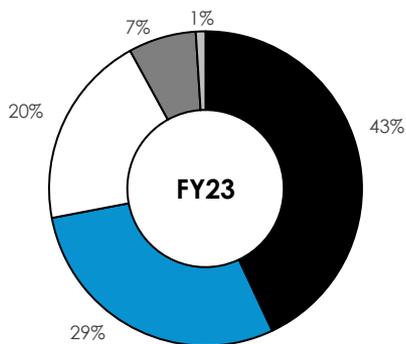
Our pure ICE dependence continues to reduce steadily going from 25% in FY21 to 10% in 9M FY24



# Diversified Revenue Mix

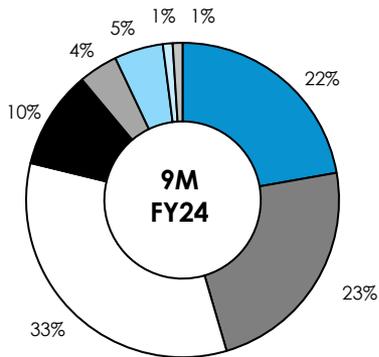
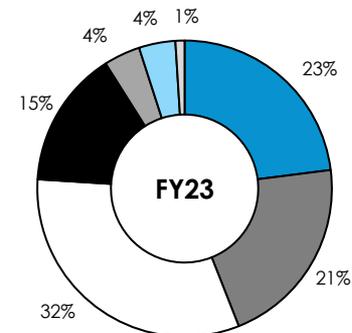


## By Geography



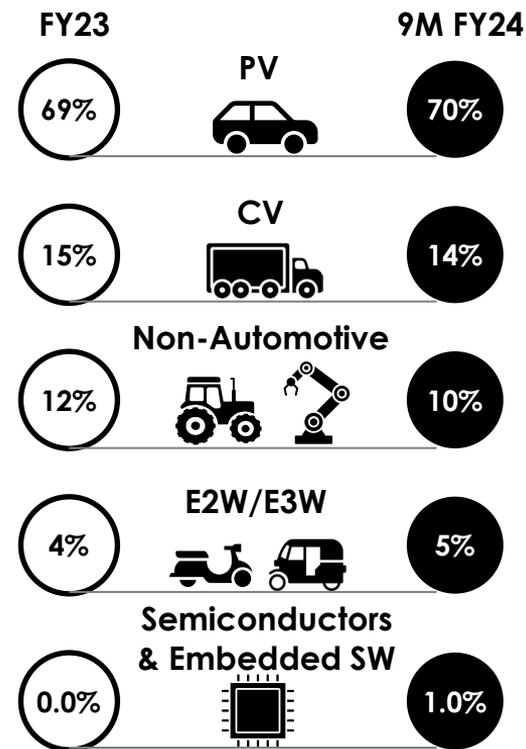
■ North America ■ India □ Europe ■ Asia (excl. India) □ RoW

## By Product



■ Differential Assembly ■ Micro/Plug-in Hybrid Starter Motors  
 □ Differential Gears ■ Conventional Starter Motors  
 ■ Others Drivetrain Parts ■ Traction Motors & Controllers  
 □ Sensors and Software □ Others

## By Market segment



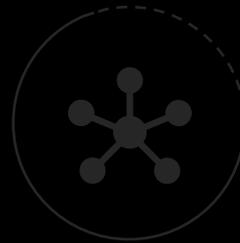
# Our Strategic Priorities



Electrification



Global Market  
Significance

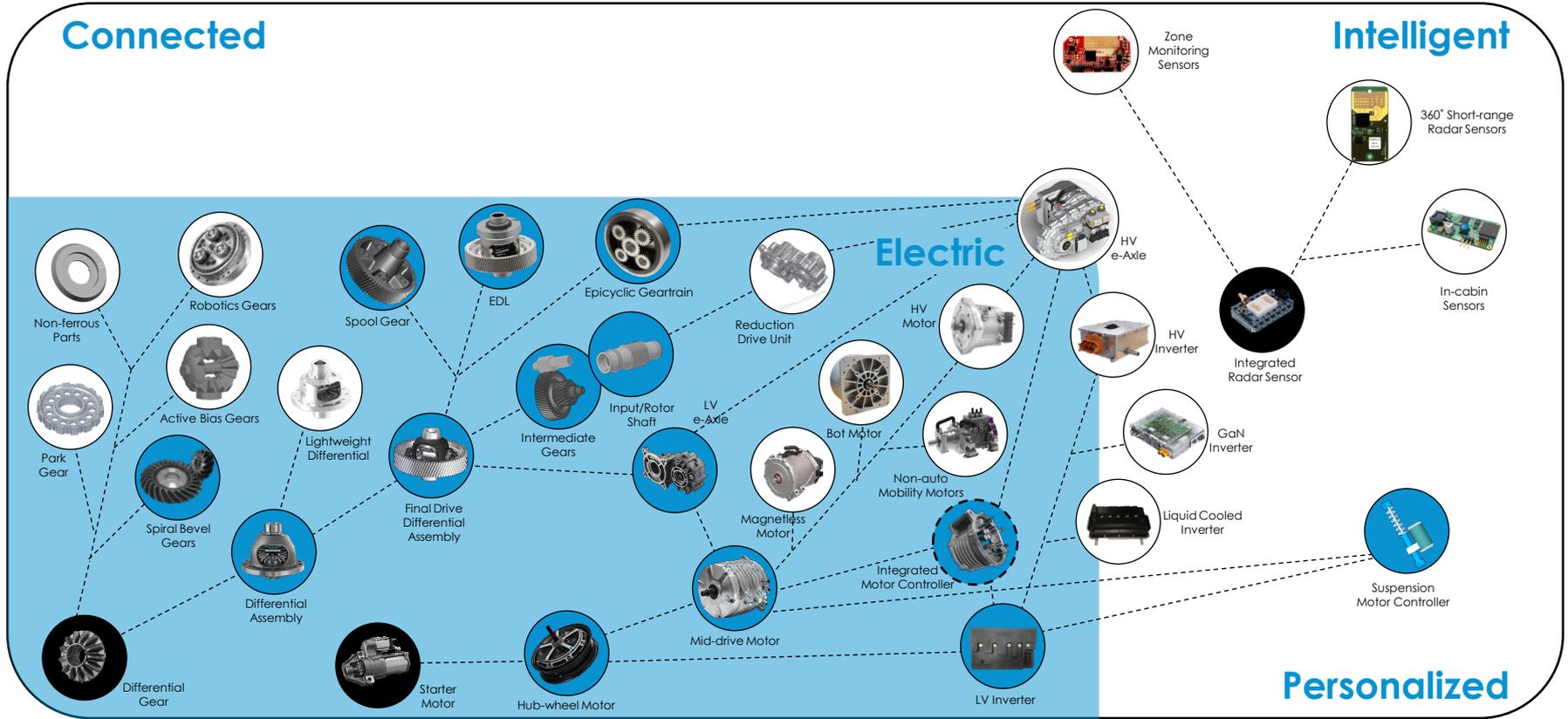


Diversification



Technology

# We have introduced one more product – Integrated Motor Controller – in the market



- Legacy Products
- Current Products
- Future Products
- New Products Commercialized in Q3FY24

**Note:** The product images shown are for illustration purposes only and may not be an exact representation of the products

# Integrated Motor Controller offers several benefits to the customers



Integrated Motor Controller

Motor + Controller

Rotor + Stator + Power Electronics + SW

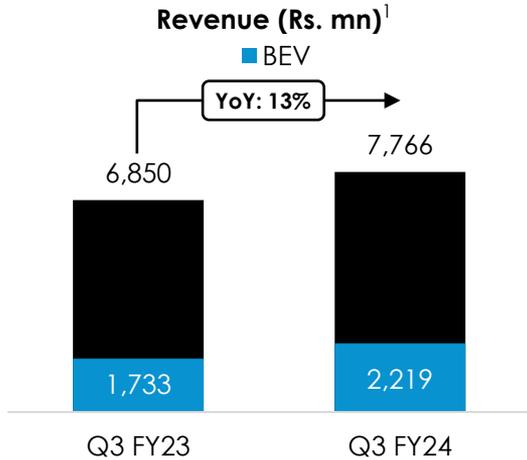
- 1 Compact Design
- 2 Simplified Installation and Maintenance
- 3 Improved Efficiency and Performance
- 4 Reduced Wiring and Connectivity Issues
- 5 Cost Effectiveness
- 6 Customization and Optimization
- 7 Aesthetic and Space Considerations
- 8 Thermal Management
- 9 Communication and Diagnostics
- 10 Functional Safety



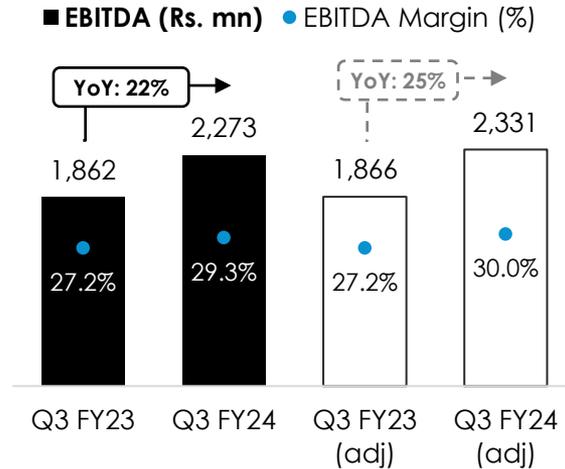
# Q3 & 9M FY24 Financial Update

Our final drive gears

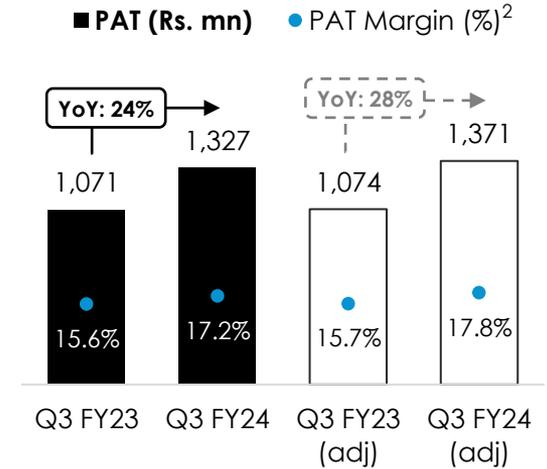
# Q3 FY24 Financials



- BEV Revenue grew by 28% and constitutes 30% of total revenue
- Total Revenue grew by 13% while light vehicle sales in our top-3 markets (North America, India, and Europe) grew by 11%



- EBITDA margin is higher by ~2.1% (~2.8% in case of adjusted EBITDA) largely due to operational efficiency gains and lower input cost
- Adjustment to EBITDA for Q3FY24 is on account of ESOP cost (₹58 mn) under the newly approved ESOP scheme 2023

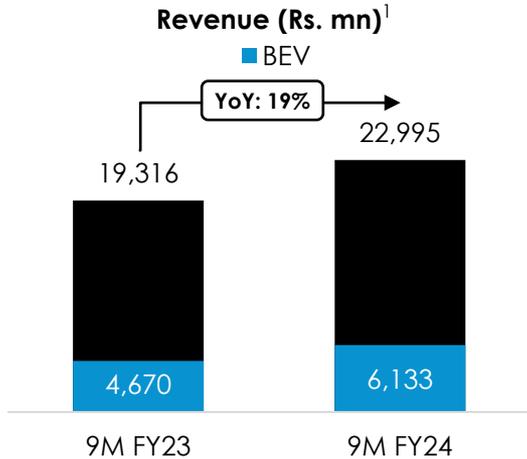


- PAT margin is higher by 1.6% (~2.1% in case of adjusted PAT) mainly due to improvement in EBITDA margin

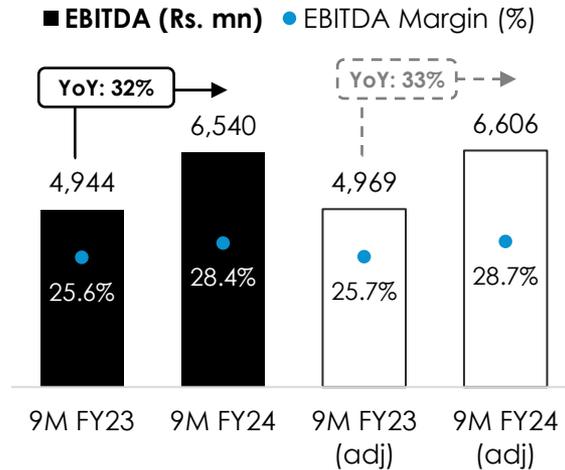
## Notes:

1. Revenue includes net gain from foreign exchange
2. PAT margin percentage calculated from PAT including non-controlling interest

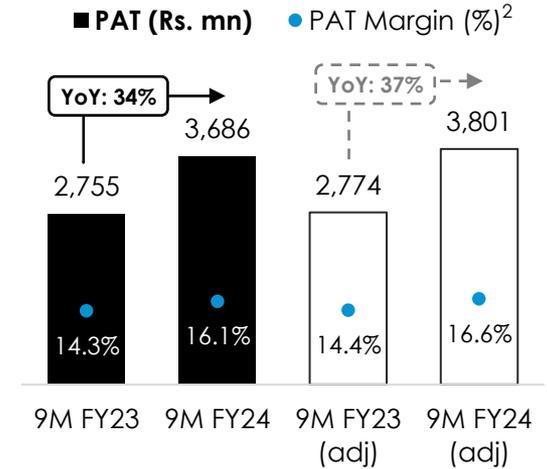
# 9M FY24 Financials



- o BEV Revenue grew by 31% and constitutes 28% of total revenue
- o Total Revenue grew by a robust 19% while light vehicle sales in our top-3 markets (North America, India, and Europe) grew by 14%



- o Improvement in EBITDA margin by ~2.8% (~3.0% in case of adjusted EBITDA) largely due to better product mix, operational efficiency gains and lower input cost
- o Adjusted EBITDA for 9MFY24 includes adjustment for ESOP cost under the newly approved ESOP scheme 2023



- o PAT margin is higher by ~1.8% (~2.2% in case of adjusted PAT) mainly due to improvement in EBITDA margin
- o Apart from ESOP cost, adjusted PAT for 9MFY24 includes adjustment for exceptional expenses related to NOVELIC acquisition

## Notes:

1. Revenue includes net gain from foreign exchange
2. PAT margin percentage calculated from PAT including non-controlling interest

# Key Ratios

### VA/Employee cost



Mar-20 Mar-21 Mar-22 Mar-23 Dec-23

### RoCE (%)



Mar-20 Mar-21 Mar-22 Mar-23 Dec-23

### RoE (%)



Mar-20 Mar-21 Mar-22 Mar-23 Dec-23

### Net Debt to EBITDA



Mar-20 Mar-21 Mar-22 Mar-23 Dec-23

### Working Capital Turnover



Mar-20 Mar-21 Mar-22 Mar-23 Dec-23

### Fixed Asset Turnover



Mar-20 Mar-21 Mar-22 Mar-23 Dec-23

#### Note:

- 1) VA/Employee Cost (for manufacturing businesses only) = Material margin / (Employee cost + Manpower cost on hiring)
- 2) ROCE = LTM EBIT / Average tangible capital employed + capital deployed for acquiring NOVELIC
- 3) ROE = LTM PAT / Average tangible net worth + capital deployed for acquiring NOVELIC
- 4) Net Debt to EBITDA = Short-term & long-term debt less cash, bank balances & mutual fund investments / LTM EBITDA
- 5) Working Capital Turnover = LTM Revenue / Average net working capital
- 6) Fixed asset turnover (for manufacturing businesses only) = LTM Revenue / Average Tangible net block
- 7) Mar-20 numbers are based on pro-forma financials
- 8) RoCE and RoE for earlier years have been recalculated due to merger

The image features a dense, close-up view of dark green fern fronds. The leaves are finely divided and have a slightly serrated edge. The lighting is dramatic, with some fronds in the foreground appearing brighter and more detailed, while others in the background are in deep shadow, creating a rich, textured appearance. The overall color palette is a range of greens, from dark forest green to a slightly lighter, vibrant green where the light hits.

# ESG Update

# ESG Performance Highlights



**14.4 Low Risk**



**Top 9%**

Out of 15,842 global companies



- 10% improvement in emissions intensity in FY23 from FY22
- 2% improvement in water intensity in FY23 from FY22
- Silver Medal won by Gurugram and Manesar plants in India Green Manufacturing Challenge by IRIM in 2022

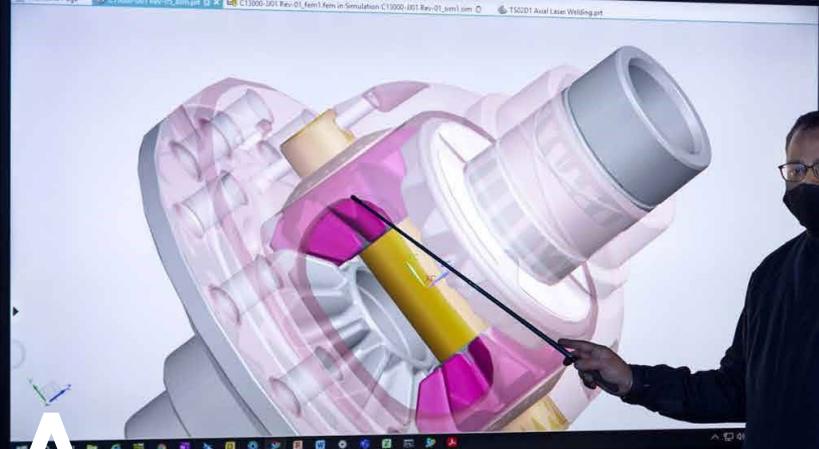


- Great Place to Work Certified in Jan 2023 and recertified in Jan 2024 with a higher rating
- Driving incubation of startups innovating for sustainability in partnership with IIT Delhi and IIM Ahmedabad
- 4,958 student lives positively impacted across multiple schools



- Golden Peacock Award won in 2023 for excellence in corporate governance
- 5 independent directors and 2 women directors out of 8 board members
- Promoter holds the position of a non-executive chairman

Q&A



New Product Development Discussion



# Appendix

Inside view of our manufacturing plant at Manesar, Haryana

# Our story so far...

## Phase - 1

- 18 Customers
- 2 Plants
- 1 Product

## Phase - 2

- 22 Customers
- 2 Plants
- 2 Products

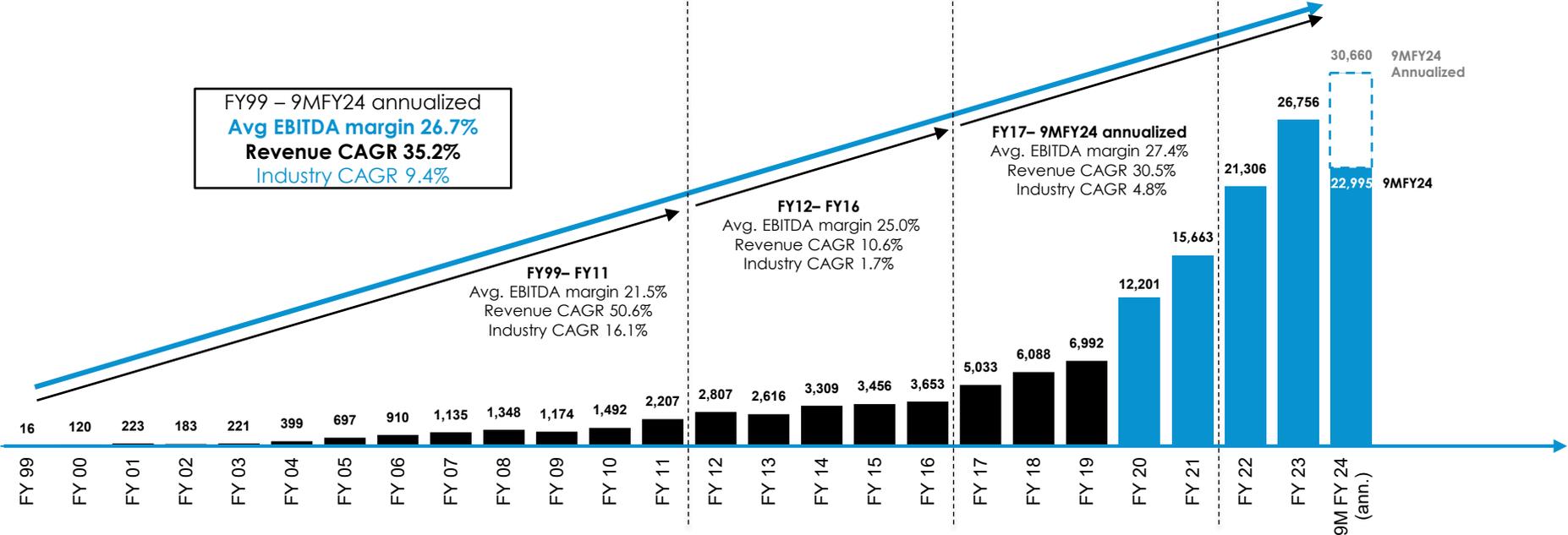
## Phase - 3

- Acquisition of Comstar
- 47 Customers (37+10)
- 9 Plants (5+4)
- 10 Products (5+5)

## Phase - 4

- Started journey as a public company
- 73 customers
- 9 plants
- 17 products

### Revenue in INR millions



#### Notes:

1. FY20 onwards financials include Comstar
2. Industry data source: SIAM

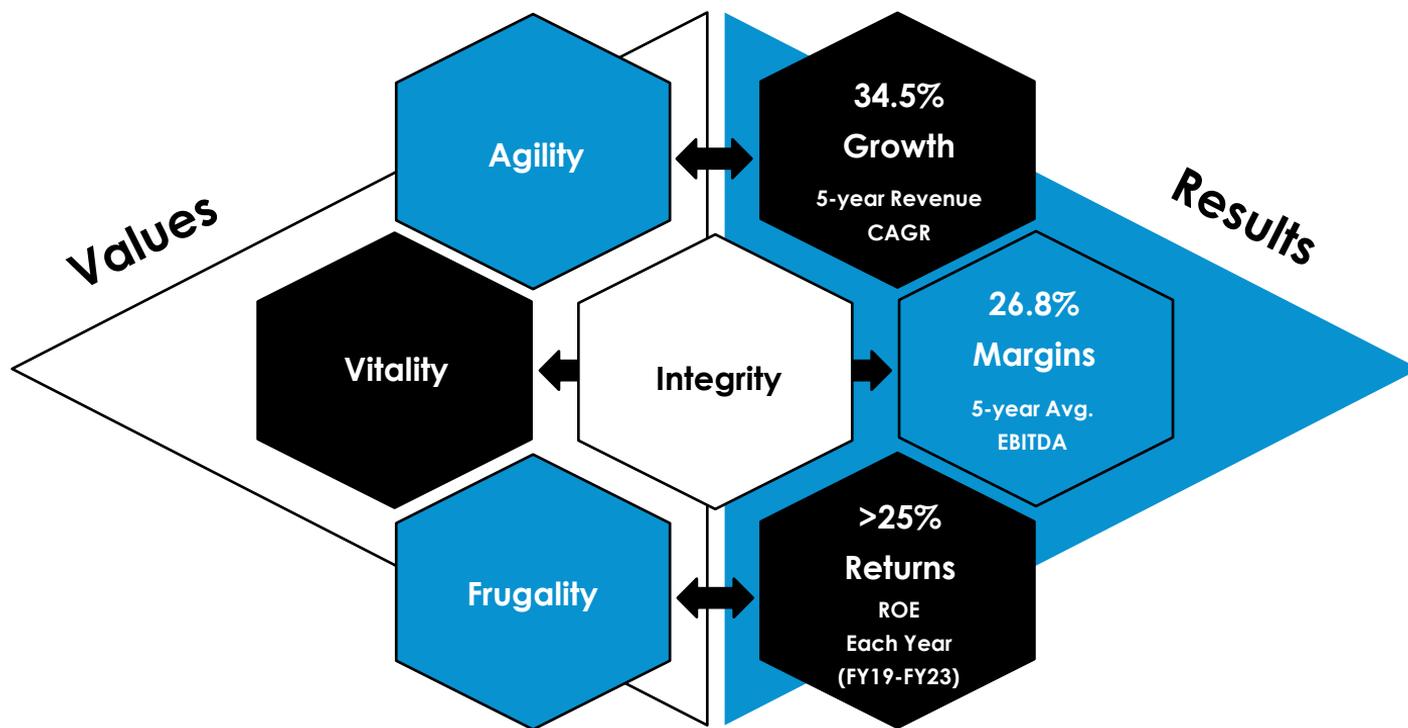
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# One Vision

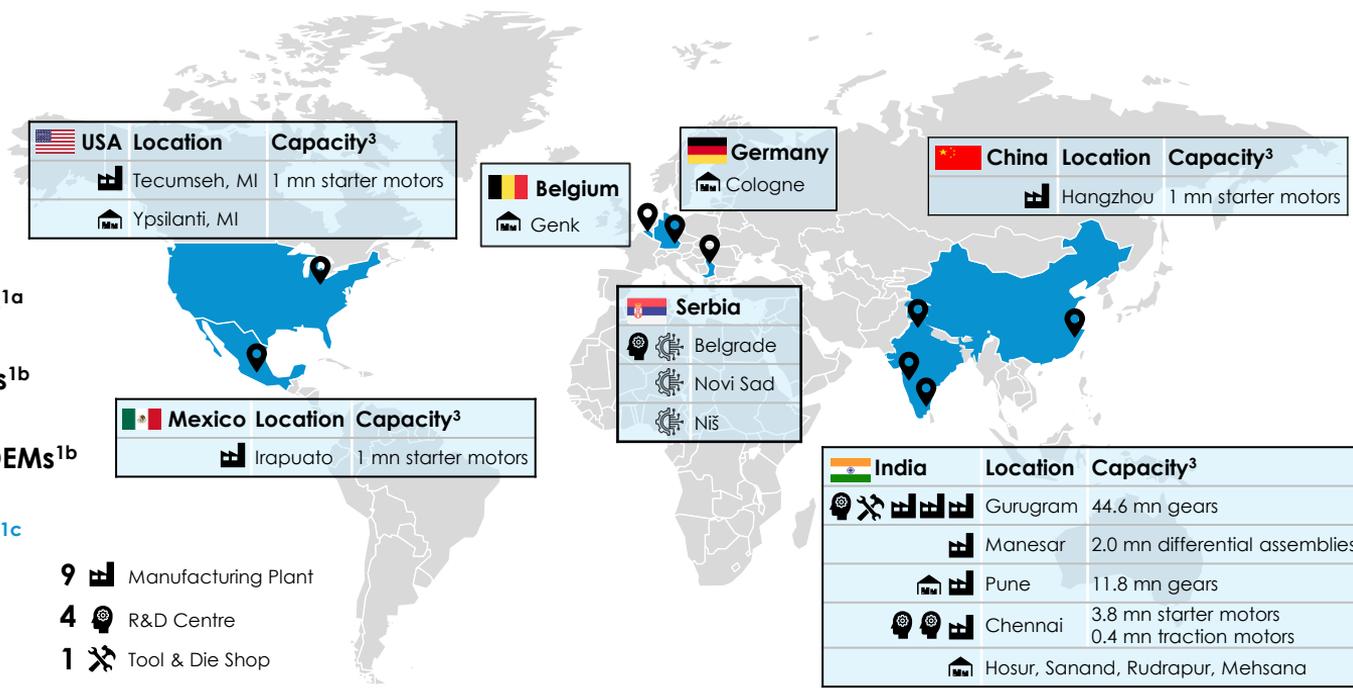
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To become one of the World's  
most **Respected** and **Valuable**  
**Mobility Technology**  
companies for our  
Customers, Employees &  
Shareholders

# Guided by Values



# Established Global Presence to Serve Customers Locally



USA	Location	Capacity <sup>3</sup>
	Tecumseh, MI	1 mn starter motors
	Ypsilanti, MI	

Mexico	Location	Capacity <sup>3</sup>
	Irapuato	1 mn starter motors

Belgium	Location
	Genk

Germany	Location
	Cologne

Serbia	Location
	Belgrade
	Novi Sad
	Niš

China	Location	Capacity <sup>3</sup>
	Hangzhou	1 mn starter motors

India	Location	Capacity <sup>3</sup>
	Gurugram	44.6 mn gears
	Manesar	2.0 mn differential assemblies
	Pune	11.8 mn gears
	Chennai	3.8 mn starter motors
	Chennai	0.4 mn traction motors
	Hosur, Sanand, Rudrapur, Mehsana	

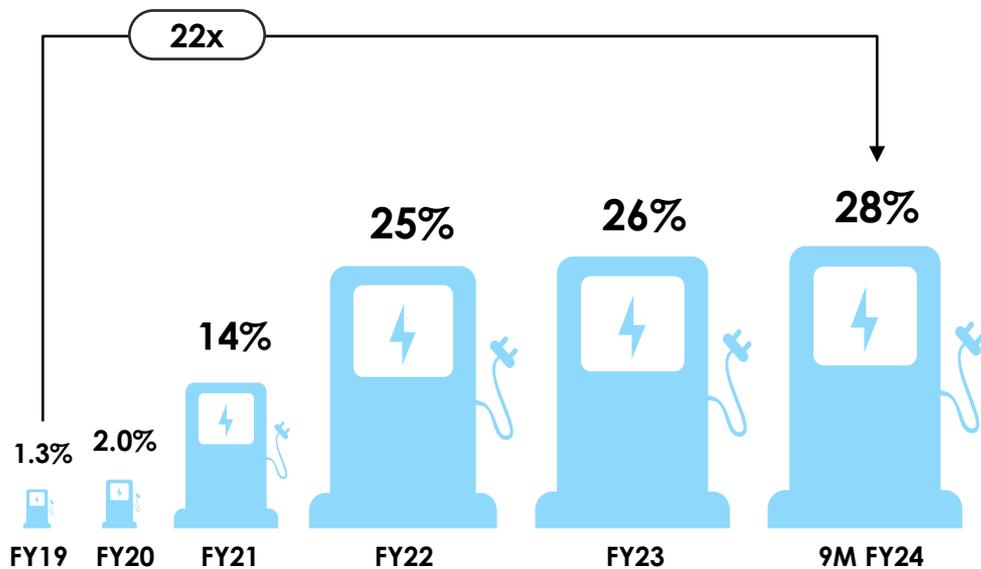
- 7 of the world's top 10 PV OEMs<sup>1a</sup>
- 3 of the world's top 10 CV OEMs<sup>1b</sup>
- 7 of the world's top 10 tractor OEMs<sup>1b</sup>
- 4 of the world's top 10 EV OEMs<sup>1c</sup>
- 3 of the Indian top 10 Indian e-2-Wheeler OEMs<sup>1d</sup>

- 9 Manufacturing Plant
- 4 R&D Centre
- 1 Tool & Die Shop
- 8 Warehouse
- 3 Engineering Capability Centre

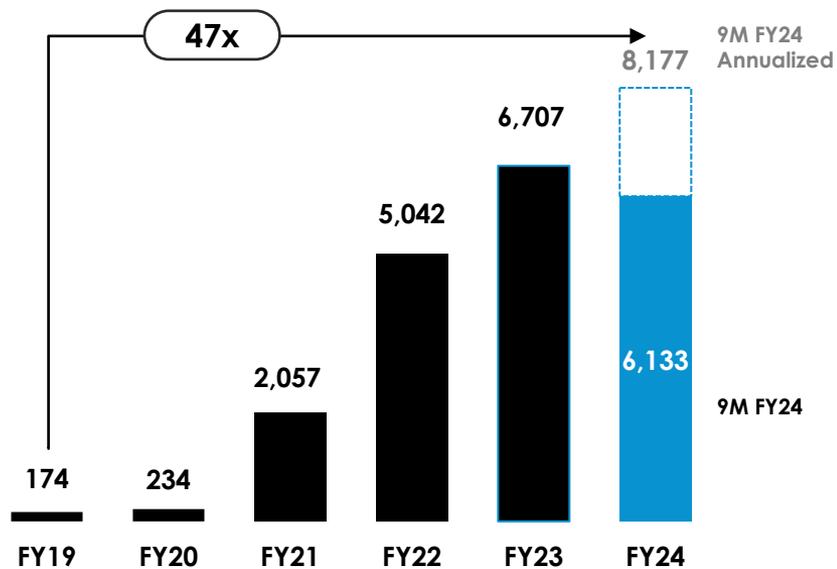
**Notes:**  
 1. Data Source: a) BofA Global Automobiles Report; b) Ricardo Report; c) EV-Volumes; d) Vahan Database; Company Analysis  
 2. Capacity as of March 2023

# Revenue share from BEV has grown 22x over 5 years, with absolute BEV revenue growth at 47x

## Revenue from BEV (%)



## BEV Segment Revenue (Rs. mn)



# Market Shares for Differential Gears and Starter Motors

## Global Market Share of Differential Gears<sup>1</sup>



## Global Market Share of Starter Motors<sup>1</sup>



While we continue to dominate the Indian market for Differential Gears

### Passenger Vehicles



55-60%<sup>2</sup>

### Commercial Vehicles



80-90%<sup>2</sup>

### Tractors



75-85%<sup>2</sup>

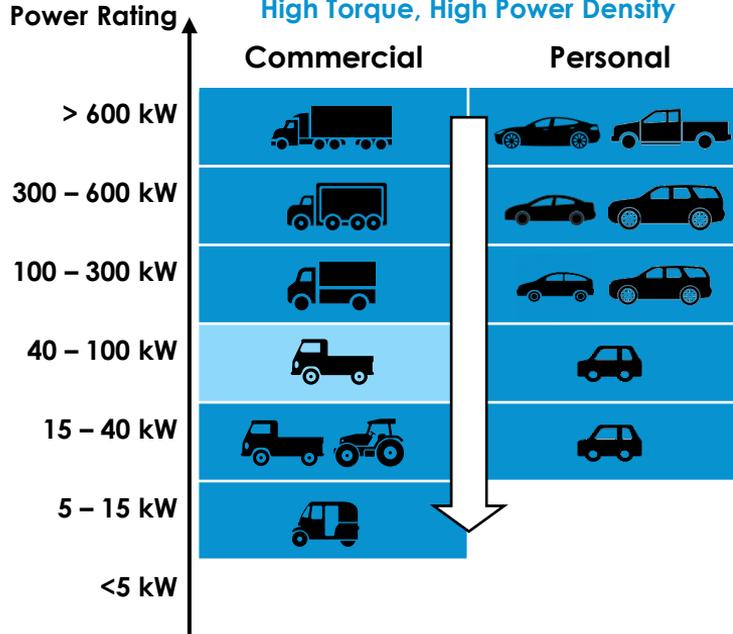
#### Notes:

1. As per Ricardo report; starter motor market share across light vehicles
2. As per CRISIL report dated Feb 2021

# Electrification: Our Approach to Market

## Driveline Solutions

Core Strength:  
High Torque, High Power Density



In serial production or in orderbook

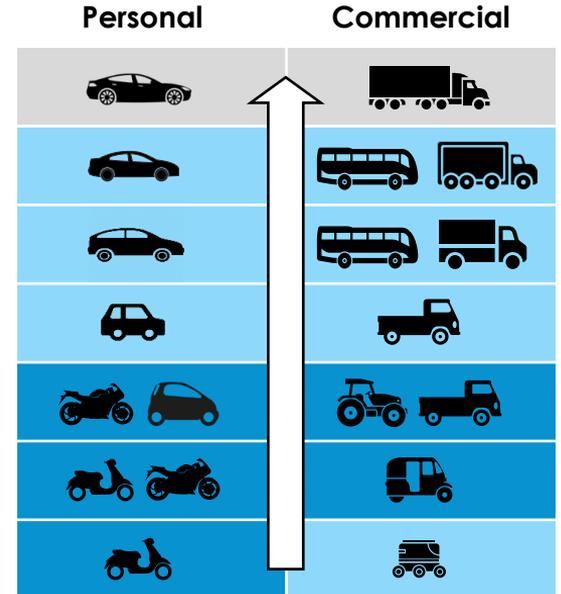
To be added between CY24-25

## EV Products

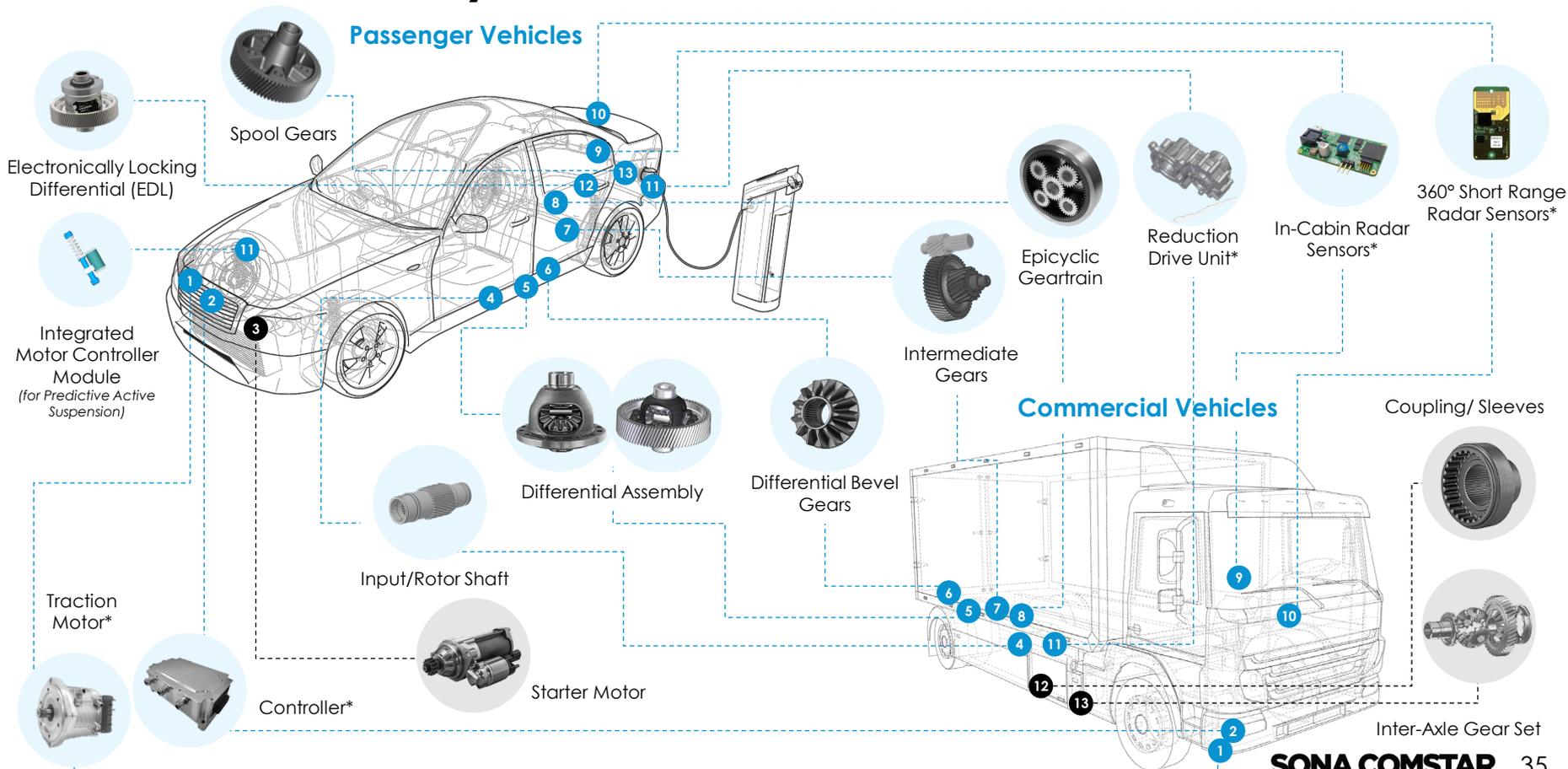


## Motor Solutions

Core Strength:  
Low Voltage, High Power Density



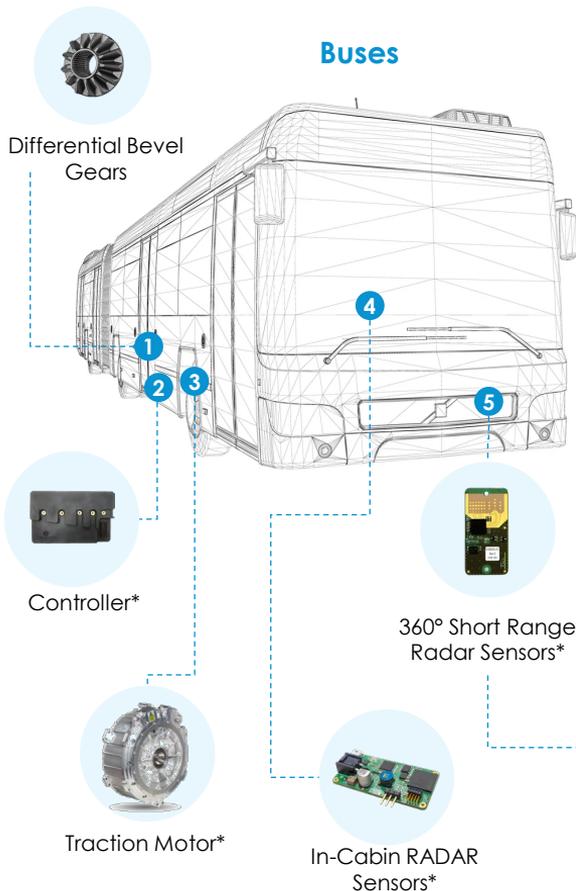
# Product Summary



\*Product under development

# Product Summary

## Buses



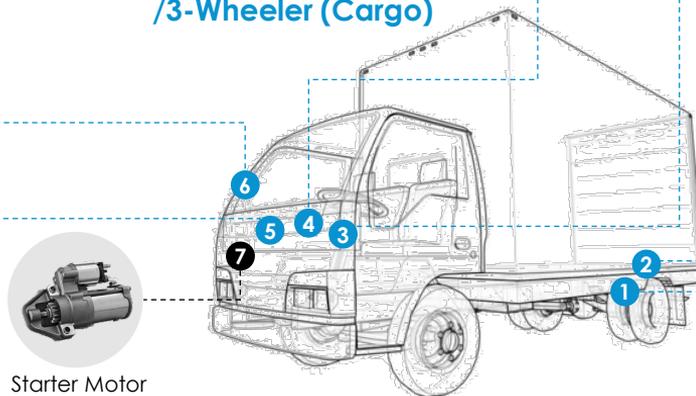
\*Product under development

In-Cabin Radar Sensors\*



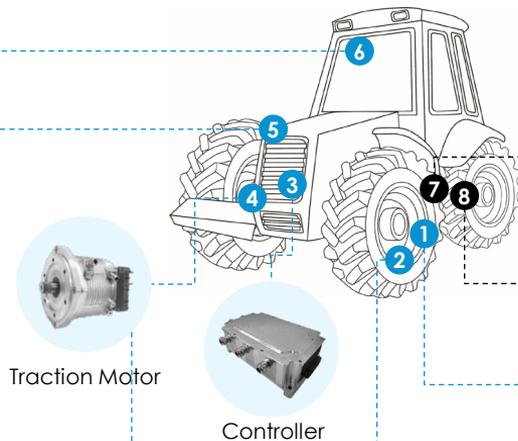
360° Short Range Radar Sensors\*

## Light Commercial Vehicles /3-Wheeler (Cargo)



Starter Motor

## Off Highway Vehicles



Traction Motor

Controller



Spiral Bevel Gears



Portal Axle Gears



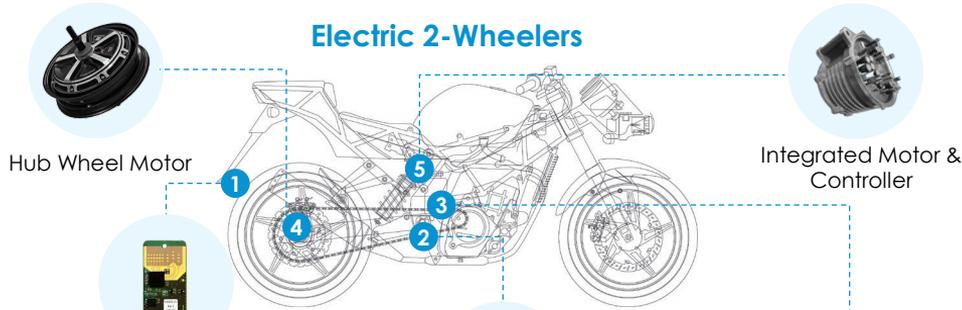
Differential Assembly



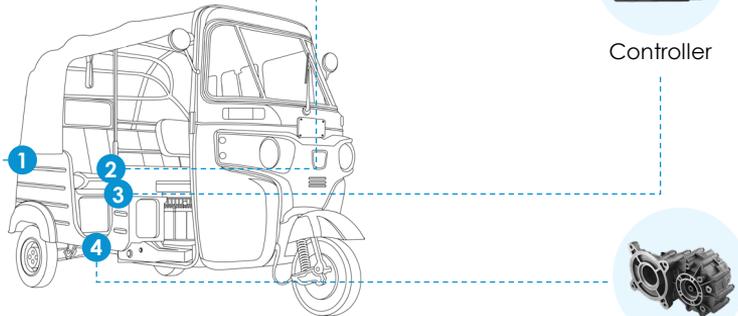
Differential Bevel Gears

# Product Summary

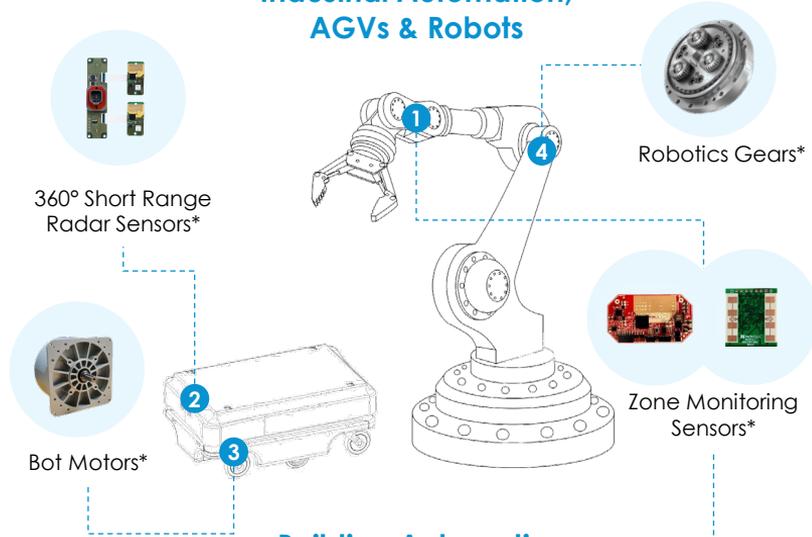
## Electric 2-Wheelers



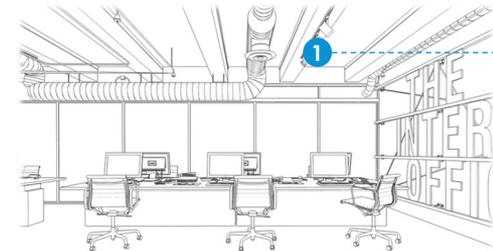
## Electric 3-Wheelers



## Industrial Automation, AGVs & Robots



## Building Automation



\*Product under development