

Making the best out of the worst

“It was the best of times, it was the worst of times... it was the epoch of belief, it was the epoch of incredulity, it was the season of light, it was the season of darkness” these lines from Charles Dickens have never felt more apt than in the year that just went by.

Encapsulating FY 2020-21

What started as a year staring at the abyss, with complete shutdowns of all plants concluded as the best financial year in our history. It also became the year we launched the maximum number of new products and debuted successfully on the public markets. Our revenue grew 51% over the previous year, despite a challenging operating environment. Most importantly, we got a few steps closer to our mission of becoming India's most respected and valuable auto technology company. Today, we are among a handful of automotive suppliers globally to have all three - large EV revenue share at 14%; good scale translating into high growth; and remarkable financial performance.

We started supplying motors to electric vehicle makers for the first time, while the differential assembly sales to EVs also entered a higher orbit, as a result of which our revenue from sales to electric vehicles rocketed by almost eight times from -INR 234 million to INR 2,057 million, and our market share of global BEV differential assembly market has gone from almost zero to 8.7% in FY 2020-21.

Navigating a difficult reality

There was a cost however. The last year took something from each one of us. Many of us, including myself, were infected by the COVID-19 virus and it took a toll on our physical and mental health. Our HR, Manufacturing and Operations teams put in immense efforts in keeping our factories running, while implementing best-in-class safety measures. For fifteen months, we were successful in keeping the virus from claiming any of our own 3200 people. We finally faltered against the virus a couple of months ago, when despite our best efforts, we lost one of our colleagues, Murali Kumar. His loss reminded us that there is no vaccine against fate. I would unflinchingly trade all our achievements of the last year if there was a way to reverse all of this pain and loss. Nevertheless, I am extremely proud of the little light we could bring to our community, be it serving nearly 1 million meals to the poor, or the 20 biPaps donated to hospitals and above all our exemplary track record in managing the health and safety of our workforce.

Strategy going forward

The future of mobility has arrived. With the three principal stakeholders- the governments, the customers and the automakers; fully embracing electrification, it has now become immutable and inevitable.

We are approaching a brave new world of new problems in designing and manufacturing “born Electric” platforms, new ways to solve them and new powertrain products to do that with. We took this plunge quite early and invested in R&D to come up with the right products, at the right cost. Our EV journey

started in 2016 with gears for electric vehicles, and has now progressed to differential assemblies, BSG systems, BLDC and PMSM motors as well as complete electrified axles for new-age electric vehicles. This has been possible because of our unrelenting efforts to provide our customers with high power density products to handle the enhanced requirements of EVs.

Another passion we ardently pursue, besides electrification, is global market share growth, with an urge to be competitive, truly matter on the world stage. Today, we serve 6 of the world's top 10 car makers; 3 of the top 10 truck makers and 8 of the top 10 tractor makers.

Our customers have embraced us for consistency and quality of performance and enabled us to command 5% of the world's differential gears market and 3% of the world's starter motor market in CY 2020.

We currently have a strong order book, having been awarded purchase orders for 58 programmes for 27 customers which have either recently begun or will commence in the next few quarters, strongly setting us up for future growth in global market share for all our main products.

Marching ahead with determination

“All our plans, strategies, targets and ambitions, rest on the foundation of our values, of Integrity, Vitality, Frugality and Agility. For us, these are much more than words on a wall in our corporate office, they are truly everything we live by at Sona Comstar. We believe in doing the right thing, irrespective of the cost it may entail. As we turn a new leaf in the growth story of our Company, we request the support, faith and collaboration of our invaluable stakeholder fraternity.”



Vivek Vikram Singh
MD & Group CEO