Bosch

Management: Bosch is part of Robert Bosch GmbH, which has approximately 490 subsidiaries and regional companies in more than 60 countries. According to preliminary figures, Bosch Group generated sales of 91 billion euros as of December 2025. With roughly 4,12,000 associates worldwide, of which nearly 87,000 are dedicated to research and development, we are actively shaping future solutions across our diverse portfolio.

Turning to the Bosch Group in India, since beginning manufacturing in 1953, our footprint has grown to 17 manufacturing sites and seven development and application centers. Critically, India is home to the group's largest R&D center outside of Germany, providing end-to-end capabilities that are vital to Bosch's global technology leadership. This allows us to localize solutions and respond with agility to market demands. In FY 2025, Bosch India generated a net revenue of 373 billion and employed more than 38,000 associates as of March 31, 2025. Bosch Limited continues to anchor the group's India presence with a sharp focus on next-generation mobility, smart manufacturing, and digital transformation.

Now, let's turn our attention to Robert Bosch India Chassis (RBIC). RBIC is a Tier 1 supplier of auto components, specializing in safety and braking systems for both four-wheeler and two-wheeler OEMs. RBIC has held a dominant market presence in India for these products, a leadership built on sustained technology-led differentiation. This includes pioneering the introduction of breakthrough technologies such as Electronic Stability Program (ESP) and anti-lock braking systems (ABS) in India during the early 2000s.

The RBIC product portfolio is largely powertrain agnostic, providing flexibility as OEMs transition platforms and diversify their model lineups. With increasing EV penetration, RBIC is well-positioned as it drives significant demand for next-generation braking solutions such as iBooster and Integrated Power Brakes, which are essential for regenerative braking integration, improved efficiency, and enhanced performance. It operates three state-of-the-art manufacturing facilities in the major automotive hubs of India. In FY 2025, it recorded revenue of 4,000 crores and a strong EBITDA margin of 19.3%. In the nine months of FY 2024, RBIC earned revenue of 3,500 crores. Over the period of FY 2023-25, RBIC achieved a revenue CAGR of 17%, with its EBITDA margin expanding significantly from 12.8% to 19.3%.

Regarding the product portfolio, RBIC supplies a comprehensive suite of safety solutions from active systems like ABS and ESP to passive safety and actuation braking systems across passenger cars, utility vehicles, two-wheelers, and other vehicle segments. The growth for this portfolio is driven by structural tailwinds. First, a strong regulatory push. We are seeing a clear roadmap for enhanced vehicle safety in India with mandates for airbags, ABS, ESP, and the adoption of the Bharat New Car Assessment Program. This continued tightening of safety norms provides a sustainable and predictable demand catalyst for RBIC's core products.

Secondly, shifting consumer preferences. As the market shifts towards premium cars, consumers are increasingly demanding higher safety standards. This translates directly to greater penetration of advanced safety systems and a higher value of content per vehicle for RBIC. Third is the OEM strategy. OEMs are increasingly using safety as a core brand differentiator to build consumer and customer trust. This is driving the standardization of advanced safety tech across platforms.

Over the last 33 years, RBIC has built a strong domestic manufacturing footprint with three state-of-the-art facilities in the key automotive hubs of Chakan, Manesar, and Sanand. Crucially, in-house manufacturing for the majority of its portfolio gives RBIC tight control over quality, lead times, and cost. Its operational excellence is consistently validated by leading OEMs like Tata Motors, Maruti Suzuki, Toyota, and Bajaj Auto, cementing RBIC's reputation as a trusted partner in the automotive industry.

Coming to the financial performance, RBIC has demonstrated steady profitable growth. Revenue grew at a 17% CAGR from 2,900 crores in FY 2023 to 4,000 crores in FY 2025. This was fueled by strong market demand for safety products, an increasing mix of higher-value solutions, and an established first-mover advantage in key technologies. By strategically localizing production to enhance cost efficiency, its EBITDA margin increased from 12.8% to 19.3%, and its net profit margin moved from 8.1% to 13.9% during the same period.

This brings us to the core rationale for the acquisition. RBIC presents a compelling acquisition opportunity for Bosch Limited. This is a strategic move to create a more powerful and enhanced mobility solutions provider. We see a strong intersection of capabilities between Bosch Limited's mechanical engineering excellence and RBIC's market-leading safety systems. Our decision is based on key benefits.

Firstly, an enhanced portfolio. By integrating RBIC's industry-leading portfolio of active safety, passive safety, and actuation systems, we will decisively strengthen our leadership position in the mobility sector. Second is the financial accretion. RBIC brings a highly profitable business with strong sustained demand. This transaction will immediately be accretive to our margins and accelerate our growth trajectory. Third, stronger operations. We are combining manufacturing excellence, which will fortify our operational competencies and supply chain resilience. In summary, this acquisition empowers Bosch Limited to lead the future of mobility, delivering superior growth and creating significant long-term value for our shareholders.

Right now, the mobility businesses at Bosch Limited are housed in separate entities. While power solutions and mobility aftermarket businesses are under Bosch Limited, the active-passive safety and actuation businesses are housed under RBIC. Hence, the portfolios are complementary without any overlap, thus enabling Bosch Limited to combine these two offerings. By bringing RBIC into Bosch Limited, we are not just acquiring a business; we are creating a single unified powerhouse. We will be able to offer our customers enhanced scalable solutions for every vehicle segment and platform in the market. As discussed earlier, RBIC continues to witness strong demand from structural tailwinds, including the regulatory push, evolving consumer preferences for premium and safer cars, OEMs' focus on vehicle safety, and India emerging as an export hub for automotives. By acquiring RBIC, we are positioning Bosch Limited to perfectly capture this growing demand and lead the future of mobility safely.

The proposed transaction is intended to enhance our mobility portfolio by adding the vehicle motion business under Bosch Limited. In India, we expect the mobility landscape to evolve radically by 2030 and beyond with sustainable, safe, and exciting technologies. To enable a customer-first mindset and pivot from supplying individual components to delivering futuristic platform solutions, it becomes imperative to unite our forces and adopt an integrated approach. This transaction empowers Bosch Limited to steer growth with a wider portfolio offering in the complete mobility tech stack.

Bosch Limited remains committed to creating value for our shareholders. In recent times, Bosch Limited has taken deliberate steps to enhance shareholder returns, such as establishing a 50-50 joint venture to provide e-axles and electric motors for electric vehicles and committing to a dividend distribution of 55-85% of PAT. The RBIC acquisition immediately strengthens our financial profile with an expected pro forma EPS accretion of approximately 5% based on FY 2025 numbers. By uniting two strong cash-generative businesses, we are not only enhancing our current portfolio but also building the financial capability to seize new growth opportunities.

Bosch Limited's consolidated revenue from operations will increase by 22% from 18,000 crores to 22,000 crores on a pro forma basis for FY 2025. Looking at the historical trend on a comparable pro forma basis, the revenue from operations CAGR would have been 11.2% compared with 10.1% over FY 2023-25. The FY 2025 EBITDA margins will improve from 12.8% to 13.9% on a pro forma basis led by the higher margins of RBIC.

The purchase consideration for the transaction is 9,068.70 crores. RBIC's valuation is at an implied 10.6x EV/EBITDA over FY 2025. We intend to fund the transaction through existing funds and internal accruals. The Boards of Bosch Group, Bosch Limited, and RBIC have approved the transaction, and we target to complete the acquisition by the end of the first quarter of FY 2027. This is subject to shareholders' approval. The voting for the transaction and the issue of equity shares on a preferential basis commenced on April 9 and will continue up to May 8, 2026. Thank you all for listening patiently. We will now address your queries.

Operator: Thank you very much. We will now begin the question and answer session. Anyone who wishes to ask a question may press star and one on their touch tone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants, you are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. We have the first question from the line of Promod Amte from Incred. Please go ahead.

Promod Amte - Incred: Hi, thanks for taking my question and congratulations to management for taking this bold step of acquiring this interesting business into the portfolio. I wanted to get your top-down thought process in terms of why this business was chosen when you also have Bosch Automotive Electronics, which is also related. With this acquisition, the related party transactions will further go up with Bosch Automotive Electronics. How are you looking at the restructuring exercise? Will it be step-by-step or is the best now behind us? If you can explain your top-down thought process.

Management: Thank you, Promod, for the question. Over the years, we have been carefully looking at the product portfolio to see what makes sense and how we should integrate in line with building a great mobility company under Bosch Limited. Our RBIC portfolio perfectly suits that. As you have seen through the presentation, it is powertrain agnostic, adds significant complementarity to the business, and is margin accretive from day one. It ticks all the boxes for a strong business case.

Regarding the specific question on the automotive electronics business, we have always looked at what value can be created for shareholders. That entity acts as a captive internal contract manufacturer for Bosch Limited and the target company. All their supplies go to these companies at very low margins. At the same time, that electronics business has significant requirements for increased capex and high investments over the coming years. At this point, we did not find a good commercial logic to bring that business in when it is not currently accretive, does not contribute much to margins, and requires heavy investment intensity. We thought it was best to leave it out for now. Going forward, we constantly look at opportunities and what makes sense from a Bosch Limited point of view, while the Bosch Group monitors the overall India strategy. This is an ongoing process of review.

Promod Amte - Incred: Interesting. Going forward for the chassis business, since this will be new for many shareholders, even though you have made a detailed presentation, could you disclose the revenue mix in terms of two-wheelers and cars at some point? Second, regarding the outlook, can you talk about the synergy benefits we can expect from both these businesses coming together, either in terms of cost or sales team rationalization? Finally, what is the localization level of the chassis entity and what are the capex requirements?

Management: Generally, we do not disclose product segment-wise details. Everything we can disclose pre-approval of a transaction has been uploaded to the portal for your access. I am sure once the transaction is complete, we can discuss this in much more detail.

Regarding synergies, Bosch Limited and the chassis systems are both part of the Bosch Group. Our processes and frameworks are already very much harmonized. we have sales customer teams that maintain intensive exchange, and the same applies to the vendor side. For the time being and for the business case, we did not factor in any synergies. However, during the post-merger integration period, we will evaluate if bringing these companies under one roof as a parent company and a subsidiary offers further synergies within the process landscape. For now, we were very conservative and did not count synergies.

Operator: Thank you. We will take the next question from the line of Mumuksh Mandlesha from Anand Rathi Equities. Please go ahead.

Mumuksh Mandlesha - Anand Rathi Equities: Thank you for the opportunity. Looking at the nine-month numbers shared in the presentation, I see more than 25% growth. I just want to understand the factors driving the growth for this entity in the near term.

Management: The safety and braking business is quite closely coupled with legislation. When the ABS mandate kicked in for passenger cars and two-wheelers, we saw two major step jumps in growth. Meanwhile, safety norms are getting tightened and are increasingly appreciated by customers. We have seen a heavy shift towards ESP systems, and the largest part of our activity now involves ESP.

All of this is coupled with a significant increase in the number of sensors introduced whenever there is a system upgrade. More sensors bring in additional revenue. Furthermore, we have new braking systems as EVs enter the market, which represent a whole different generation of products and have added an additional step jump in turnover. Our conventional actuation systems remain steady, providing for products not covered by legislation and for the aftermarket.

As we go forward, multiple growth opportunities exist through higher penetration of these systems. Volume increases across every category will yield business opportunities. We also see potential growth if the two-wheeler ABS mandate expands into additional categories. New technologies in safety are also being introduced. Overall, we are very positive about multiple new revenue growth opportunities.

Mumuksh Mandlesha – Anand Rathi Equities: Regarding commercial vehicles, I want to understand the upcoming regulations around ADAS where ESC and ABS systems may be implemented for trucks and buses over 5 tons. How are we placed to capture that opportunity and market share?

Management: We are placed very well and are actively working on this opportunity.

Mumuksh Mandlesha – Anand Rathi Equities: On the margin side, we have seen a notable jump over the last 2 years, driven by strong revenue growth. On a sustainable basis, do you see the FY 2025 margins as sustainable, or could they increase further?

Management: Over the last couple of years, scaling, new legislation, and additional safety features supported both top-line and bottom-line growth. the management of the chassis system also did excellent work regarding capex. We have carefully and cleverly deployed capex in a modular way, utilizing idle lines from the international production network within the Bosch Group to set up capacities in India. This led to significant improvements in the bottom line. We view these margins as stable.

Mumuksh Mandlesha – Anand Rathi Equities: Is it possible to share the broad revenue mix between commercial vehicles, passenger vehicles, and two-wheelers for RBIC?

Management: We can say that roughly one-third is two-wheelers and the remainder is four-wheelers. That is more or less the revenue share.

Operator: Thank you. We will take the next question from the line of Mayur Parcheria from Wealth Managers India Private Limited. Please go ahead.

Mayur Parcheria – Wealth Managers India Private Limited: Good morning. Thank you for taking my question. I had a clarification question. Is it correct that the issue of shares we are doing is only for a total valuation of approximately 9 crores out of the 9,000 crores?

Management: Yes, out of the 9,000 crores, roughly 8.8 crores are in preferential allotment. To provide background, this is primarily a cash deal. However, within the Bosch Group, we have a philosophy where the former shareholders of the company—Robert Bosch Netherlands and Robert Bosch US—should still have a little skin in the game, as they were long-term shareholders who supported the company. To ensure that continuity within the Bosch Group, we opted for a very small preferential allotment in Bosch Limited for both those companies.

Mayur Parcheria – Wealth Managers India Private Limited: Congratulations on consummating this. The management had mentioned looking at options for increasing shareholder value, so it is great to see these entities coming under the Indian entity. The valuation is also appreciative.

However, I have a question regarding the April 1, 2026, intimation to the stock exchanges. We mentioned the issuance of equity shares through a preferential issue for consideration at the board meeting on April 8. I am referring to that intimation. Out of 9,000 crores, we are issuing only 8.8 crores of equity shares. There was no mention of such a large acquisition proposal. I understand confidentiality, but stating it simply as an issuance of equity shares without mentioning the 9,000 crore context or the promofer exchange doesn't give a full understanding. Could you clarify the disclosure side of this?

Management: As per the regulations, we provided a broader agenda item to the stock exchange because these matters are subject to board approval. We did not mention all the details in our communication because, prior to the board meeting, specific details constitute Unpublished Price Sensitive Information (UPSI). It was not mandatory to inform the stock exchange of those details before the board had considered the matter.

Mayur Parcheria – Wealth Managers India Private Limited: Even with the equity issuance, could we not have clarified that it was for consideration other than cash and targeted at promoters? Would that not fall under disclosure requirements?

Management: This was a preferential issue to the promoters. We appreciate the feedback on our governance framework. We constantly try to improve our governance, and we will take your suggestion into account.

Operator: Thank you. We will take the next question from the line of Aniket Mahatre from Motilal Oswal Securities. Please go ahead.

Aniket Mahatre – Motilal Oswal Securities: You mentioned step jumps in growth drivers for the acquired entity. Could you help us understand the upcoming regulatory changes or growth drivers we should envisage over the next 3-4 years?

Management: As explained earlier, regulatory changes have brought us to a very good level. Further growth will be propelled by increased volumes and rising demand for safety systems in vehicles. Specifically, we look at the potential expansion of the two-wheeler ABS mandate into new categories and opportunities in the commercial vehicle sector. EV growth is another opportunity where new braking systems are required, which will propel further growth.

Aniket Mahatre – Motilal Oswal Securities: Do you have any update on the ABS mandate for two-wheelers up to 125cc?

Management: I do not have a new update to share right now. I believe the matter is under consideration and discussion within the relevant authorities. We will update you once there is official word.

Aniket Mahatre – Motilal Oswal Securities: Regarding the joint venture with Tata AutoComp, could you elaborate on the scope of this JV? Is it beyond e-axles and motors, and how will it shape up between the two partners?

Management: We believe the JV is a very good step towards the consolidation of volumes and creating synergies. Tata AutoComp has a great track record and an established supply chain. We have significant technology regarding e-axles. Given how the market is evolving, we feel a joint venture approach to build synergies and consolidate efforts is the best way to create customer value during this electrification wave. It is a 50-50 joint venture, and we will share revenue and profitability accordingly.

Aniket Mahatre – Motilal Oswal Securities: Regarding the margin benefit for RBIC, revenue has almost tripled since FY 2019, but employee and other costs have only doubled. Is this primarily operating leverage, or are there other factors contributing to the sharp improvement in margins?

Management: This is multi-dimensional. Growth and new products with more safety features definitely support the bottom line. Additionally, localization has a major impact—not just for finished goods but also for child parts and raw materials. Our manufacturing is very efficient and quality-focused, which helps maintain a lower cost base. These lean structures have significantly improved both top and bottom lines.

Aniket Mahatre – Motilal Oswal Securities: Could you provide guidance on the capex requirements for RBIC as a percentage of revenue?

Management: RBIC has a modular approach to its products. We use platforms that can be utilized across different generations, which leads to efficiency in production and modularity in capex. Furthermore, we have the advantage of being able to relocate lines from the international Bosch production network to India if they are idle elsewhere. This provides second-hand lines with lower capital costs and allows for a very fast ramp-up since we are already familiar with the technical KPIs and maintenance schedules of those lines. Looking at the report we uploaded, the capex is at a very reasonable percentage of turnover. We expect this to continue as we localize new generations of ESP and braking systems.

Operator: Thank you. We will take the next question from the line of Chetan Falke from Sridharan Capital. Please go ahead.

Chetan Falke – Sridharan Capital: You mentioned one-third of revenue is from two-wheelers and the rest is from four-wheelers. To clarify, was that for Bosch India or for the chassis entity?

Management: That was a rough estimation for the Bosch chassis systems entity.

Chetan Falke – Sridharan Capital: Can you discuss your market share in new braking systems or ABS?

Management: We have a very strong and competitive market share across our product range. However, we do not disclose specific KPIs on a segmental basis. We are very well-placed in the market.

Chetan Falke – Sridharan Capital: Bosch has other entities like Bosch Rexroth in the automotive segment. Is there a possibility these will be clubbed under the group structure eventually?

Management: Bosch Rexroth is not strictly an automotive company; it focuses more on heavy hydraulics and pneumatics. Globally, they operate independently, and we do not see synergies in bringing them into the mobility fold at this time. Regarding other entities like steering systems, we constantly review our portfolio to see how we can rearrange it to build the strongest mobility company in India. We are not ruling out anything for the future.

Operator: Thank you. We will take the next question from the line of Divyansh Gupta from Leaden PMS. Please go ahead.

Divyansh Gupta – Leaden PMS: As per the September balance sheet, we have about 10,000 crores of cash and investments. If 9,000 crores is being paid for this transaction, that leaves about 1,000 crores. Does the acquired entity bring any cash to the consolidated entity, and how should we think about funding future capex?

Management: The 9,000 crore is the equity value. The enterprise value includes cash held within the company, which is sufficient for its operation. The 10,000 crore shown on our balance sheet is recorded at cost; the market value of those funds is much higher. Both Bosch Limited and the acquired entity have very positive cash flows. After the deal, both companies will be debt-free and will have sufficient funds for future capex and activities. We have uploaded a comprehensive valuation report by PwC that provides more transparency on this.

Operator: Thank you. We have the next question from the line of Ajeet from Nirdar Securities. Please go ahead.

Ajeet – Nirdar Securities: What is the current order book for the chassis business?

Management: The current order book is very strong. As a market leader, we have a very healthy project pipeline for the next 4-5 years across all categories. We are very comfortable with the order book situation.

Operator: Thank you very much. Ladies and gentlemen, due to time constraints, this was the last question for today. I now hand the conference back to management for closing comments.

Management: Thank you everyone for participating. We believe integrating this business provides great synergy for Bosch Limited. It adds a future-proof portfolio that is agnostic to powertrain choices. Safety and braking are critical components of mobility. This acquisition brings significant complementarity while being margin accretive from day one. We are very positive about the long-term value this transaction will create for Bosch Limited. Thank you for your interest.

Operator: On behalf of Bosch Limited, that concludes this conference. Thank you all for joining us today. You may now disconnect your lines.