

"Bharat Forge Limited Q4 FY '21 Earnings Conference Call"

June 4, 2021





MANAGEMENT: MR. AMIT KALYANI, DEPUTY MANAGING DIRECTOR, BHARAT FORGE LIMITED



Moderator:

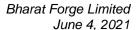
Ladies and Gentlemen, Good Day and Welcome to Bharat Forge Limited Q4 FY '21 Earnings Conference Call. As a reminder, all participants' lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' and then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Amit Kalyani. Thank you and over to you, Sir.

Amit Kalyani:

Good Afternoon everyone and thank you for joining our end of year results call. I hope everyone is doing well and I am sure this has been a difficult time for everyone, I am confident we will get through it. Coming to the business on hand, as usual I have members of our finance and investors relations team with me. We have had a fairly decent end to the year which was a very trying and difficult year for all of us. All segments of export including oil and gas started seeing very good growth. Q4 witnessed a 42% growth in exports driven by 90% growth in the industrials business. Passenger car exports hit an all-time high of 164 crores. Cost pressures are quite high on raw materials and especially on logistics. Logistics cost have increased by three to four times over normal times and despite these pressures, we have been able to expand EBITDA margin by about 300 basis points. We continue to have a strong balance sheet, we have sufficient liquidity, and our return ratios will also improve as the utilization picks up. Domestic auto sector revenue was also seeing a strong rebound but unfortunately as the second wave hit and the subsequent lockdown, the sale numbers show what has been the impact and we believe that it will take at least all of Quarter-1 and possibly little bit of Quarter-2 to get back to normalcy.

The domestic industrial sector is also an area of deep focus and I think a great opportunity, so we have acquired Sanghvi Forging based in Baroda under the IBC process and we are in the process of implementing the plan. We believe that we are getting great assets at a reasonable price, and this will allow us to grow our domestic industrial business especially in the areas of energy including renewable which is wind energy, hydro energy, and other allied sectors including mining metals in the near future and this will be a substantial addition. In fact their press capacity is very similar to the press that we set up, our HDF2 press in 2008. In terms of exports, all our segments are doing fairly well and increasingly getting stronger and stronger and we are starting to see demand come back from oil and gas as well. We are constantly working on derisking our export in industrial business. Our e-mobility business has now been spun off into a separate subsidiary which is called Kalyani Powertrain Limited and all our investments and holdings and business in this sphere come under this, so that it will allow us to have the right leadership, the right focus, and potentially also the right monetization strategy as we move ahead. Kalyani Strategic Systems has now become 100% subsidiary of Bharat Forge pending the approval of the transaction from the Ministry of Home Affairs.

I also want to apprise you that we have received from the Government of India an order for the development and supply of certain components and products at short notice and we expect that this will be completed by second/third quarter of '20-21. We are seeing on a secular basis substantial growth opportunities in e-mobility and in defense and we are now looking at building a new mega site or let us say two sites in close proximity to us and to each other for these





businesses, especially for defense we have to go into an area which is separate from this plant because there are very stringent rules regarding locational security and security infrastructure, and for e-mobility we need to have also a supplier parts and allied services around it, so we are looking at acquiring a parcel of land of approximately 70 hectares in the Khed Industrial part which is a joint venture between the Kalyani Group and MIDC, it is a MIDC-approved facility. It is high quality infrastructure with many manufacturing and other companies, and as I mentioned roughly up to 70 hectares, which is about 175 acres in two or more parcels of land and the total land acquisition cost if we acquire all 175 acres will be roughly up to 240 crores. This addresses our need of large parcel of land close to Pune and in the proximity of manpower of Chakan, Talegaon, and such industrial areas and this is going to happen over the next two to three years, it is not all going to happen at one shot.

I am very happy to report that our overseas operations are now finally operating at a very good level and increasing their numbers quarter-on-quarter. Prior to the pandemic, we had initiated a major cost optimization and rationalization strategy for our operations. We are now seeing sustained quarter over quarter improvement in the operations from an average quarterly EBITDA of about 5% in '18-19. The operations have achieved an EBITDA of 10% in second half of CY '20 and we are seeing a continuation in improvement in this performance in CY '21 also. The CAPEX cycle for aluminum forgings also will be completed this year and the aluminum forging facility in North Carolina will start in the end of '21, and it will focus on sustaining and improving this performance going ahead. If we look at our key financial parameters as I mentioned our balance sheet we have almost 2650 crores of cash on the balance sheet, our net debt equity position is 0.16 and long-term debt equity on a net basis is negative, balance sheet is strong. A return on capital employed metrics, our goal is to get to 20% and we are confident that by the end of this year we will get quite close to that number and keep on improving. We see some opportunities in the immediate term for growth and we will pursue those, and we will keep you updated on what is our strategy for growing our automotive vertical, the industrial vertical, the defense vertical, and our EV and light weighting vertical as this year progresses and we overcome all the current COVID-related issues that we have.

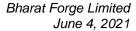
Our light weighting vertical is the plant in Nellore and the two aluminum forging facilities that we have, one in Germany and one in the US and these are going to become big growth drivers for us. We believe that in the medium term these are going to be the biggest opportunities for growth, and we are in fact seeing more demand than what capacities we have. We will first start product development for new customers and then look at adding capacities as and when needed, so I really have nothing else to say and I am happy to take your questions and look forward to interacting with you. Thank you very much.

Moderator:

Thank you very much. We will now begin the question and answer session. The first question is from the line of Kapil Singh from Nomura Securities. Please go ahead.

Kapil Singh:

Congratulations on a great performance, I will start with exports, we have seen pretty strong ramp up growth in CVs and PVs during the quarter, so could you talk us through whether current





revenues which we are seeing in CVs for example 400 crores of quarterly run rate, is this base revenue and on top of this we should be building growth? Also if you can just comment on the fact that production that we saw for the March quarter for US Class-8 was not very different from the preceding quarter in December, so what is really happening here and are there any supply constraints that the truck makers are facing currently because of which production is impacted? Similarly for PVs does 160 crores a quarter form of base from those that will be my first question?

Amit Kalvani:

Kapil thank you for your compliments and honestly your questions are very bang on. The CV production in the US and Europe is hampered by the chip availability. What some other companies are doing is for a limited number, they are building trucks up to the electronics portion and then they will separately put in the electronics portions where and when possible, but obviously you cannot build any number of trucks and keep them in storage like that, so let us say that truck production is slightly higher than sales, but definitely there is an impact and we are now working with our customers and with certain financial agencies to understand what is going to be the impact of this huge 6 trillion stimulus bill in the US which is largely going to be focused on infrastructure and its impact on transportation sector over the next two to three years, and to work out from that what is going to be the growth driver for us. All our customers feel that this is going to be one of the biggest opportunities both for commercial vehicles and even pickup trucks and other construction and mining-related equipment's, so we see a pretty good positive outlook going forward. I think you have to give us some time, ones the chip storage, I think it will get over in two months by that time we have our next interaction in August, I think we should be having more clarity.

Kapil Singh:

Sir, you talked about some new orders from the Government of India, so can you just indicate what area is this and what is the order size here?

Amit Kalyani:

It is a non-automotive business in a completely new area for us. We are converting one of our manufacturing facilities to manufacture this and in like literally in three weeks we are developing a product, and hopefully in less than a month we will have it approved and start supplying, I do not want to talk more because there is a confidentiality agreement, but since it is a matter of substantial interest, we have to disclose it.

Kapil Singh:

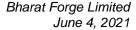
One question on the profitability, we have seen a pretty strong improvement, but I just wanted to check when I look at Bharat Forge International plus Bharat Forge it seems to me that EBITDA is around 290 crores, so am I calculating this right and what is the reason that there is a difference between standalone EBITDA and the BFL plus BFIL EBITDA of about 40 crores?

Management:

Yeah, this is mainly because of the stock increase and the profit which gets eliminated when we consolidate because since the exports are rising from a quarterly run rate of about \$ 40 million we are now almost at 100 million, so the inventory portion is increasing, so that is the profit elimination on that.

Kapil Singh:

Okay, so ideally we should look at BFL plus BFIL as the overall profitability of the business?





Amit Kalyani: On a constant stock basis you should take, it but when you are ramping up there is a stock

increase, it is not going to happen every quarter.

Moderator: Thank you. The next question is from the line of Ronak Sarda from Systematix Shares & Stocks.

Please go ahead.

Ronak Sarda: Congrats on great set of numbers, Amit my question is firstly can you highlight what was the

Q4 utilization and how do you look at utilization, do you look at from product segments or do

you look it from a domestic versus exports?

Amit Kalyani: Our utilization would be about 65% on an aggregate basis, certain areas lower, certain areas

slightly higher, but I do not look at it from domestic versus exports or anything, but all I will say is that with our existing capacities I think we can very closely get to about 2000 crores a quarter in terms of run rate. Also please remember that in the worst quarter of the year, we had sales of just about 400 odd crores, and we had a positive EBITDA, so if you see 400 going to 2000 it

should give you the sense of kind of operating leverage we should be able to get.

Ronak Sarda: The second question is on KSFL now that we will be owning 100% directly from Bharat Forge,

so first could you just recap what are the operating arms, what kind of orders do we have in

KSFL?

Amit Kalyani: KSFL has several joint ventures and certain subsidiaries. Subsidiaries analogic, then we have an

embedded system subsidiary in Bangalore, and we have joint venture such as the Kalyani Rafale

which makes missiles and then we have other joint working programs that we work on.

Ronak Sarda: The Kalyani Rafale is the one where we have a substantial order, how close is that to production

or procurement?

Amit Kalyani: What has happened is all defense orders which was supposed to happen in this period of time

spent on COVID related matters and even resources, I mean you must have seen that DRDO has been involved in developing all kinds of things right from oxygen plants to vaccines and hospitals and things like that, so I think the whole country is basically struggling to get all the

nothing has happened purely because of the whole COVID-related matters and money being

resources that is has to work on COVID-related matters, so unfortunately orders and any of that stuff only emergency orders and emergency procurement has taken place, no large long-term

orders have taken place.

Ronak Sarda: The other question I had was the follow up on the North America steel production like you

highlighted maybe the production numbers are lower than what kind of inventory they are

building up, so could you highlight and what is the kind of run rate we have seen in Q4?

Amit Kalyani: All I can tell you is that our sales represent the order EDIs that we get from our customers, so I

do not have more information than that right now, but all I will tell you is that they all expect

continued and sustained demand and business and I think order intakes are spiking as we speak.



Ronak Sarda: The final question is on the second list of indigenous production by the Ministry of Defense?

Amit Kalyani: I know my father has already commented on that, I do not think there is any need for each

member of us to comment on it, I think it is a good step, I think it basically reaffirms the Government views that they want to indigenize manufacturing of defense and we Welcome it,

and we have a lot of play in this.

Moderator: Thank you. The next question is from the line of Basudeb Banerjee from Ambit Capital Private

Limited. Please go ahead.

Basudeb Banerjee: Thanks for taking my question, good set of numbers, just had few queries one is if I look at

inventory number, deals have moved up so much compared to last year closing, so is it just a

year end adjustment or something structural has seen there?

Management: This is basically increase in activity levels and plus the impact of inflation, the raw material

prices have gone up, so there is an inflation impact on the cost.

Basudeb Banerjee: Second thing to Amit Sir as discussed last quarter also that we saw a remarkable performance

for the European entities, margin moved up to 9% this quarter, reported number is double digit, so how should one look at from a two to three year perspective what is the leg room for that to

move on?

Amit Kalyani: We expect the full year to be a double-digit performance and we expect every year this to

improve slightly at least till we get to about 12%.

Basudeb Banerjee: That is great and last question Sir after many months of remarkable numbers from US last week

order book addition, suddenly there was a blip this month and as we discussed in the previous questions regarding production and order book mismatch, so how should one look at the sudden

decline in the order book this month, is it clearly because of near term supply issues?

Amit Kalyani: It is all supply issues and basically please understand the spending on the fiscal stimulus is going

to take place in the next five years in the US is going to create tremendous demand and this is

what all our customers are telling us.

Moderator: Thank you. The next question is from the line of Aditya Makharia from HDFC Securities. Please

go ahead.

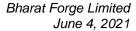
Aditya Makharia: Amit congrats on announcing that you are putting up a site separately for defense, can you I

think after a five or seven years this is the first time you are actually speaking of capacity specifically for this segment, so just wanted to know what is your thought process here, any

numbers you could give us as to how you are seeing the big picture play out?

Amit Kalyani: Let me tell you we are going to set up facilities for three products here, one is going to be

specialty vehicles, second is going to be certain systems and aggregates that go into variety of





our products, and the third will be our assembly plant and testing facility for both vehicle and other systems and aggregates that go into vehicles driveline including our artillery guns etc. Basically, we are developing a whole new family of vehicles and platforms and this we see opportunity at a global level.

Aditya Makharia: Okay, anything on the India side because we...?

Amit Kalyani: We have already received an order for one of the platforms for India, we are working on two

other platforms for India, so we see tremendous opportunities going forward.

Aditya Makharia: Second thing is on the US Class-8 trucks, do you think the sales number could be three lakh

units in the next maybe one to two years in the US I think currently we had about 185-190 is

what we ended last year?

Amit Kalyani: Honestly, I do not see any reason why it should not get to those kind of numbers, I do not want

to give an exact figure because with regard to issues of supply chain and all that, we do not know what the current situation is but honestly speaking I think what is the projection that we get from our customers right now is currently the outlook for the US is I would say 2020 is 210, '20-21

will be very close to 300 and probably the year after that would even be higher.

Aditya Makharia: Just one last bookkeeping question, what are oil and gas revenues for this year, FY '21 I think

we peaked at 1000 crores earlier?

Amit Kalyani: Yeah, FY '21 was nowhere near that, FY '21 was something like 136 crores, it was peanuts.

Moderator: Thank you. The next question is from the line of Raghunandan S. from Emkay Global. Please

go ahead.

Raghunandan S.: Thank you Sir for the opportunity, congratulations on great set of numbers, couple of questions

from my end, firstly realization has gone up 15% QOQ and 8% YOY to 232 per kg, what has

supported this rise, and do you expect it to sustain?

Amit Kalyani: What you should do is please understand that there is a steel price increase, which is seen in both

top line and in raw material, so if you net that off that is the number you should use for finding out the actual realization and there is of course more machine product also going up now and we are seeing some amount of high value products also starting, our aerospace business is also

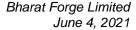
picking up.

Raghunandan S.: Sir my second question was on ATAGS guns, maybe your reports indicate that DRDO testing

is in June, given the progress do you expect...

Amit Kalyani: They are not testing it, it is the army, the user who is testing.

Raghunandan S.: So do you expect the progress on these projects and how do you see when if result in orders?





Amit Kalyani:

As I have said earlier everything is we are almost at the point where we can now, we are ready, our product is ready. I would also like to say that our facilities to manufacture are lined up, we can manufacture four guns a month right now, in two months we can go to six, by the end of the year we can go to 12 guns a month. I do not think anybody else in the world can say that they make a 150 guns a year and now that we have the Sanghvi Forge facility, even the forging will not be a bottleneck, because we can move our other forging there and focus only on guns here or do it in both places, so that is not an issue, so we have almost unlimited capacity of making guns now.

Raghunandan S.:

Thank you Sir, wishing you all the best there. On CAPEX and investments, what is expected for FY '22 and also the FY '21 investments, can you share the breakup?

Amit Kalyani:

FY '22 our total spend will be roughly in the region of 300 crores and next year we are looking at roughly about 250 crores and this is all organic CAPEX including investments in our US subsidiary and anything else.

Moderator:

Thank you. The next question is from the line of Pramod Amthe from InCred Capital. Please go ahead.

Pramod Amthe:

This is with regard to the Kalyani strategic partner entity, we had intentionally kept it out holding 49%, what is the logic to bring it completely inside considering the defense contract means a lot of confidentiality?

Amit Kalyani:

Honestly, the main reason is we need to meet the eligibility criteria. A lot of the programs now have net worth and eligibility criteria and we do not want to miss out and if we have to partner with Bharat Forge to meet those criteria might as well have it in Bharat Forge.

Pramod Amthe:

Does that also raise your capital requirements to be put in there and what is the outlook?

Amit Kalyani:

No, we have very minimal capital requirement there and more or less that business will sustain its own capital, we will need to put in maybe 50 to 100 crores at one time over a period of two years, but that is about it.

Pramod Amthe:

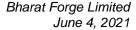
Second question is you are looking for one of the largest acquisitions if I have to look back in your history, so in that sense if I have to look at next three to five years outlook, we have already done one BIFL acquisition, so what is the outlook in terms of CAPEX and all the group turnover in the next three to five years because I have never seen you guys going so aggressive on expansion mode, so can you give some thought process?

Amit Kalyani:

We will give you more insight on that in August, but clearly the idea is to accelerate our growth, and we are sitting on a lot of cash, it is not generating any returns for us, so it is time to put that money to work and grow and grow fast.

Pramod Amthe:

Last one, any update on the Nellore plant in terms of commercialization?





Amit Kalyani:

Yeah, so Nellore plant has started production, we have received orders and whatever capacity we have put in place in three years is fully sold out, third year will be fully sold out. We had in fact a lot more demand now and we have to get in a strategy for what is the next expansion we need to do, and it is not just casting, but it is combination of casting and other aluminum products which will help us provide solutions to our customers and that is also some of the work, Pramod, that our light weighting, our engineering center in US is doing, it is providing solutions.

Moderator:

Thank you. The next question is from the line of Amyn Pirani from CLSA. Please go ahead.

Amvn Pirani:

Thanks for the opportunity, my first question was actually on the Sanghvi forging acquisition, now we know that the facility there and the capacities are of high quality, but the company was never able to generate enough EBITDA or cash flow, so was it just a function of lower revenues or are there any changes that you are likely to make and to align them to your kind of EBITDA margin levels?

Amit Kalyani:

What has happened was by the time they set it up, the market had also gone down and then they got it to a spiral of issues, you had high debt, high cost of interest, no working capital, it is a typical debt trap that they got in to, but we have a very robust plan and we will present that to you at the end of the year, first take control of that company, every promoter does not like losing their business, so they are going through their own processes.

Amyn Pirani:

One slightly longer term question and maybe you will have more details later, but most of your global truck OEM customers have been recently giving end-of-the-decade electrification target, now I understand that you are not just doing engine components, you are doing lots else with them, but at the same time you may lose some revenues, but you will do something else on the e-mobility side, so how should we think about the next five to seven years and what are the new things that we could be doing with them as you may lose over the next five to seven years from engine component kind of revenue?

Amit Kalyani:

We have plans that we expect a gradual decline in ICE related products, and we have a mitigation plan of how to A consolidate a position there and then grow our business in other areas.

Amyn Pirani:

Okay, and that would involve having some components for the newer E or whatever, either hydrogen or EV products that is in a some of this?

Amit Kalyani:

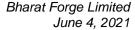
We have a lot of products that go into EV and in fact we are growing our business in EV, and we will give you all roadmap probably at the end of the year.

Moderator:

Thank you. The next question is from the line of Vimal Gohil from Union Asset Management. Please go ahead.

Vimal Gohil:

Sir, thank you for the opportunity, very encouraging to see that you are focusing your return on capital at +20%, just wanted to understand are we really targeting some balance sheet





efficiencies or are we going to sort of look at improving margins and revenue growth, so what are we really focusing on, or will it be a mixture, so just wanted to get some sense on that?

Management:

Sorry, can you just repeat the question, the line was not very clear.

Vimal Gohil:

I wanted to understand your construct for your ROCE improvement, return on capital improvement to 20%, is it going to be more of working capital improvement and CAPEX efficiency or is it going to be more margins improvement and led by a revenue growth improvement?

Management:

I think it is a going to be a combination of revenue growth that is clearly the first thing, 33:06.6 _____ like Amit explained this is something which we are doing constantly and now you are seeing the results not only in India but across the European subsidiaries also, so the scale is there, the margins are there, and yes we are now recalibrating some of our working capital to see how much we can squeeze out from the system, so I think this is it. The last one CAPEX again is going to be fairly limited, lot of our CAPEX is already over in many ways, Sanghvi some of these assets we are acquiring at very low cost, so my asset turns in these kind of investments is going to be more like three and four, so that is how we are going to improve the ROCE.

Moderator:

Thank you. The next question is from the line of Kunal Gupta from L&T Mutual Fund. Please go ahead.

Kunal Gupta:

Thanks for taking my question and congrats on a good set of numbers, Amit could you tell us in addition to the land, what sort of investment would we require for setting up this defense facility?

Management:

I think this is something again we are working on. The advantage with Khed in fact it is also fairly close to our existing facility in Mundhwa, Mundhwa we have no land available, but we have a lot of CAPEX already installed here, so the plan we are working is that we will use a combination of the existing facility here as well as minimal CAPEX at Khed to optimize the requirement, this is something which we will come back.

Amit Kalyani:

We are setting up interim facilities and we have smaller facilities which are already doing these products in either Mundhwa or at a rented facility where we are doing for the emergency procurement. Large part of the equipment is already there what is needed, it will just be moved from there to a new facility at a larger scale and with slightly more manpower so that we can have a more streamlined scaled up production facility and the CAPEX for that is very low.

Kunal Gupta:

Just in terms of what is the outlook on the oil and gas side that how you are seeing, you mentioned that there is a revival?

Amit Kalyani:

Right now, strong demand.

Kunal Gupta:

Okay, but could you sort of quantify that, could we get back to 50% of peak or where do you see the?



Amit Kalyani: I think to get to 50% of peak is a fair number.

Kunal Gupta: Just lastly on the India truck side, I mean like we did see a sharp slowdown for the OEMs even

in the month of April, so it does seem there was some amount of channel inventory issues as

well, so how do you see the outlook for India trucks for this year?

Amit Kalyani: Very questionable, I expect second half to be very strong, first half to be quite weak and from

second quarter, it should start picking up.

Moderator: Thank you. The next question is from the line of Nishant Vass from ICICI Securities. Please go

ahead.

Nishant Vass: Thank you for the opportunity and congratulations for a good results, just a small clarification,

Amit first on your CAPEX you mentioned about CAPEX number you included the Khed

investment right, is that correct?

Amit Kalyani: Khed will happen over a three-year period, it is not going to happen in one year.

Nishant Vass: Will you be expensing anything out this year?

Amit Kalyani: It is included.

Nishant Vass: Second, can you share the 4Q number for oil and gas because if I remember last quarter you

mentioned 10 million US as your revenue for oil and gas?

Amit Kalyani: I cannot understand what you are saying.

Nishant Vass: I am saying all India's revenue for exports last quarter you had mentioned was around US \$ 10

million, can you share what was it 4Q?

Amit Kalyani: This quarter it is a little higher about 40% higher than that.

Nishant Vass: Sir, my last question is on in the domestic industrial business could you shed some light on...

Amit Kalyani: Last quarter the oil and gas was almost 0, that is Q3 it was almost 0, Q4 it is like 5 to 6 million.

Nishant Vass: Thanks for that clarification.

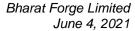
Moderator: Thank you. The next question is from the line of Mukesh Saraf from Spark Capital. Please go

ahead.

Mukesh Saraf: Good Afternoon, thank you for the opportunity, so first thing is beginning of this year you had

kind of elaborated on a cost cutting plan that you had which is like structuring reduction in some of your costs and you said that by this year-end we will be kind of done with it, so are we entirely

done with that initiative that we had planned?





Amit Kalyani: We are not completely done here, I would say we are done with about 75% or 80%, 20% is yet

to be done and that will happen in the next I would say six to nine months.

Mukesh Saraf: Secondly on the, obviously the MEIS benefit is not there anymore, but any update on the

RoDTEP scheme?

Amit Kalyani: Your guess is as good as I mine, we know they are hoping to do something and planning to do

something, but we have to wait because again nothing has come out yet.

Mukesh Saraf: Whenever it gets announced, we will be kind of able to retain that benefit that we get, or would

it have to pass through?

Amit Kalyani: This will come to us; this is no pass through.

Moderator: Thank you. That was the last question. I would now like to hand the conference over to Mr. Kalyani

for closing comments.

Amit Kalyani: Ladies and Gentlemen, thank you very much for your participation and your interest in our

families. These are unprecedented times that we are going through as a country and as a business we have tried to do the best possible without endangering the operations or putting anybody at any undue risk and I must say that I am very proud of the team that we have in our company and all the people who are very committed to our company and to its success and have put in extraordinary

business. Once again I sincerely wish you all a good health and safe and wellbeing to you and your

efforts in bringing operations back to this level at such difficult times. Undoubtedly, we see good future ahead of us especially next quarter, quarter after that and I am certain that we will be able

to give you a positive outlook and keep you positively satisfied with what we do, please do keep your engagement with us, ask us questions, give us ideas, and it is a two-way street, we learn from

you and you will understand what we do, and we look forward to being associated with each other

for a long time and growing our business. Thank you very much and have a nice weekend.

Moderator: Thank you. On behalf of Bharat Forge Limited, that concludes this conference. Thank you

everyone for joining us and you may now disconnect your lines.