

BHARAT FORGE

February 15, 2023

To,

BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
Mumbai - 400 001
BSE SCRIP CODE – 500493

National Stock Exchange of India Ltd.,
'Exchange Plaza',
Bandra-Kurla Complex, Bandra (East)
Mumbai- 400 051
Symbol: **BHARATFORG**
Series: **EQ**

**Sub: Transcript of the Analyst / Investor Conference Call on financial results
for the quarter and nine months ended on December 31, 2022**

**Ref: Regulations 30 and 46(2) of SEBI (Listing Obligations and Disclosure
Requirements) Regulations, 2015**

Dear Sir/Madam,

We are enclosing herewith transcript of the conference call with analysts, which took place on February 14, 2023, after announcement of the Unaudited Standalone and Consolidated Financial Results for the quarter and nine months ended on December 31, 2022.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For Bharat Forge Limited

Tejaswini Chaudhari
Company Secretary and Compliance Officer

Encl.: As above



KALYANI

BHARAT FORGE



“Bharat Forge Limited Q3 FY23 Earnings Conference Call”

February 14, 2023

BHARAT FORGE



MANAGEMENT: MR. AMIT KALYANI – BHARAT FORGE LIMITED

Moderator: Ladies and gentlemen, good day and welcome to Bharat Forge Q3 FY23 Earnings Conference Call. As a reminder, all participant 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 ‘*’ 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 ladies and gentlemen. This is Amit Kalyani and welcome to the Bharat Forge Q3 Analyst Concall. Thank you for joining us. I have with me our teams from management both from automotive and industrial and our investor relations and finance teams.

As usual I will take you through a quick rundown of what happened during the quarter and then open it up for Q&A.

In terms of BFL India:

We had a fairly strong performance, we had a good revenue of 1,952 crores, exports of 1,166 crores which was at highest ever, EBITDA margin was fairly good at 25.2%, PBT was impacted in this quarter because of finance cost and exchange impact on MTM of about 35 crores which is a onetime and notional.

I would expect a normalized interest cost in the range of 50 crores to 55 crores per quarter. Passenger vehicle revenue has continued to grow and is now at about 20% of total revenue, which used to be in mid to low-single digits three, four years ago. Our export industrial revenues grew by 14% sequentially driven by both oil and gas and aerospace. We have had new order wins in Q4 of about 265 crores and for the 9 months of about almost close to 1,500 crores.

Coming to our defense business:

We have had a good run this year, we have had total order booking of about 2,000 crores including 600 crores just in Q3. These are all export order and this will all be completed in the next two and half or so years. These are both for artillery guns, mounted guns and spares and consumables and some part of this will be repeat business and obviously the capital items will have an O&M component to it as well.

Coming to our overseas subsidiaries:

We have had a miserable performance with an EBITDA level loss of 62 crores primarily driven by three factors:

One is low-capacity utilization due to ramp up of the new facilities in Germany and North America. Overall, we have about Rs. 7.5 million pieces capacity per year and our current rate of

production is at about 50%. The old plant is running at about 70% and the new plants are running somewhere between 25% and 30%.

Overall, we have about 50% capacity utilization. I do want to reiterate that while we are in the ramp up phase and we do have to have we have a path to profitability, work going on, the capacity is fully booked with orders, we are continuing ramp up and we are working on getting all our cost compensation and price increases from our customers. I expect that we will see a better performance in January to March and we are very confident that in FY24 all this will be significantly value accretive.

In terms of the JSA business:

I am happy to report that we have had a top line growth of 20% and EBITDA growth of 52% in Q3. We have secured new business of about 153 crores this quarter and our total order wins post acquisitions stands at about 250 crores. We have signed a binding term sheet with Indo Shell Mould to acquire its SEZ unit in SIPCOT. We expect this transaction to complete by March 2023. This plant is located about 3 kilometers away from JSA SIPCOT plant and will therefore have a lot of efficiency benefits of management and overhead and give us significant increase capacity. Our total melting liquid metal capacity will go up to about 120,000 tons and casting capacity will be about close to 75,000 tons or so.

I expect that the JSA business will grow at very healthy double digit CAGR over the next three years. When we bought this company it had a revenue of about 420 to 430 crores and next year we should be at somewhere in the region of 30% to 35% higher than that and year after that should be also possibly similar amount if not more because we may also have the Indo Shell acquisition in place. We are very bullish about this sector and overall I think next year is going to be a really turning point in Bharat Forge history because a lot of the businesses and ventures that we have incubated over a long time and some of the new acquisitions and new ventures will all turn from either dormant to positive or negative to positive or mildly positive to highly positive. So, we expect this growth to continue. We have a lot of new order wins on our traditional business especially in the Pass Car sector, in the industrial sector, in the casting business, in defense and we will turn around our aluminum forging business and our overseas operations.

So, overall, I expect that next year will be a good year and Quarter 4 will be a step towards that direction. I think that is really all I wanted to say and I will now be happy to take your questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Pramod Kumar from UBS. Please go ahead.

Pramod Kumar: My first question is on the US and Europe in aluminum business if you can just help us understand you did mention in the opening comment that you expect them to be accretive next year onwards, if you can just help us understand what is the big drag, what you are facing from the ramp up and where are we in terms of the utilization range for this capacities and directionally

how do you see this margins in context to your existing businesses once they have pull up in the cost they are kind of behind us?

Amit Kalyani: So, right now both these plants are operating at I would say about 25% capacity utilization because we have lot of product development going on, lot of product ramp ups going on and also training and development of manpower especially in the US, how do we see this ramping up. We have a defined production that we have to produce in the year and we are working towards that. At the same time, we also have to get compensation for all the cost increases that have happened inflationary wise in Europe and the US which includes energy, which includes manpower, which includes freight, which includes overhead and so on and so forth. So, it is a combination of growing your top line, increasing your margin through cost compensation and reducing cash **burn** through efficiency.

Pramod Kumar: And margin related to the rest of the business do you expect the....

Amit Kalyani: I would expect our margins when we are running at let us say 75%, 80% capacity to be in the high teens let us say 16%, 17%, 18% in that ballpark.

Pramod Kumar: And of course, there will be upside if you can ramp it up higher beyond like 85%, 90%?

Amit Kalyani: Yes of course.

Pramod Kumar: And the second question is on the CV industry India commercial vehicle you did talk about Q4 momentum being strong, just wanted to understand are we not causing any production disruption when you look at the production schedule what you have on the OEM and do you expect?

Amit Kalyani: No, not that we see because we had a review just last week and our projections for Q4 MHCV is close to 100,000. This is what our customers have told us.

Pramod Kumar: And extending it to the international side because of the increasing concerns on US interest rate and the economy, is the commentary from the OEM changes because as we understand booked out for 2023 most of the capacities they are sold out, but are we on the margin seeing some bit of cancellation and some bit of rush in the optimism on 2023 from the US OEM on the truck size?

Amit Kalyani: Nothing of that kind at all actually I will let Subodh comment about this. So, we are not seeing any slowdown or any downturn in US demand as of now. In fact, it remains strong and we expect that next year will be as strong as this year.

Pramod Kumar: And final question on defense Amit as we understand your gun is like the last one in the fray and they did got used in the Independence Day Celebration last year, but it has been quite some time that we still have not seen the order coming in if not the exports already for a separate gun, by when do you expect some development on that count because you are ramping up capacities, and you are scaling the entire infrastructure, but we have not seen the order coming through?

- Amit Kalyani:** I think we are on the edge I think very soon you should hear something, hopefully in the next couple of months. The PM has also talked about this so hopefully all of it should fructify it something.
- Moderator:** Thank you. Next question is from Jinesh Gandhi from Motilal Oswal Financial Services. Please go ahead.
- Jinesh Gandhi:** So, continuing on defense question so that is 600 crore order is largely for spares and ammunition or we have also got any gun or the vehicle order?
- Amit Kalyani:** So, it is 50-50, 50% is for capital items and 50% is for spares and consumer goods.
- Jinesh Gandhi:** And you indicated this is largely for exports?
- Amit Kalyani:** All of it is for exports.
- Jinesh Gandhi:** Export side is ramping up pretty well in defense so that is good to see?
- Amit Kalyani:** Yes. The entire order book right now is for exports.
- Jinesh Gandhi:** Coming to JS Autocast so we have seen a good amount of pressure on margins vis-a-vis what they used to make earlier from 16% to close to about 11%, is this largely because of metal prices or there is something else to that?
- Amit Kalyani:** So, there are two factors one is inflation and the second is that they had one customer who had a very high margin business which has now come down to almost zero because that customer had its end demand coming from Russia. So, because of that there is a postponement in that business.
- Jinesh Gandhi:** So, sustainable margin for JS Autocast would be about 13%, 14%?
- Amit Kalyani:** I think our goal is to take it to about 15%, 16% in the medium term. So, I would say in a year or two.
- Jinesh Gandhi:** And lastly with respect to the impact of commodity prices have we started to see benefit of lower steel prices and aluminum prices?
- Amit Kalyani:** Not yet it is flat right now.
- Jinesh Gandhi:** So, that will be additional driver of margins from here on?
- Amit Kalyani:** Yes when they start coming down yes.
- Jinesh Gandhi:** And lastly can we indicate USD INR for the quarter USD realization?

- Amit Kalyani:** Maybe 81.50.
- Moderator:** Thank you. The next question is from the line of Mumuksh Mandlesha from Emkay Global. Please go ahead.
- Mumuksh Mandlesha:** So, what was the revenue for M4 this quarter and how much is more pending in coming quarter and any update on the reversal of penalty that occurred in Q2 sir?
- Amit Kalyani:** No so that matter is still being discussed and debated with the ministry. I do not have a figure for you right now. I would say roughly 80 crores for the M4 for this quarter.
- Mumuksh Mandlesha:** So, can you share some light on the Bharat Forge attendance at the aero expo what kind of traction and what are new product companies?
- Amit Kalyani:** So, we currently have a strong business in three areas of aerospace by the way we are at the aerospace show and if any of you are visiting kindly visit us chalet number 35 and I will be there tomorrow as well. In fact, right after this I will head to Bangalore. So, currently our exposure to aerospace is in three areas. We make aero structure components which are forging, complex forgings, we make landing gears and we make engine components and I am very happy to tell you that we are the only company in India which is certified for article forging by NADCAP. So, we are the only company which is certified for all materials including materials that we make in India in Saarloha and using them and converting them to forgings. So, nickel alloys, maraging alloys and titanium. These are the three materials that we forge for the aluminum also. There are certain aluminum parts also we forge for aerospace. We are seeing a very strong growth in our aerospace business and currently what is happening is that we are seeing a lot of US involvement in AatmaNirbhar Bharat by setting up manufacturing facilities to manufacture certain large systems in India and that is where we are becoming part of their supply chain and by getting into the supply chain and value chain of these companies in India we also will get into eventually their supply chain outside India because there is now been an agreement between India and the US where in areas of high technology, cyber and those kind of areas of working too closely together and creating mutual supply chain. This is what happened in the beginning of the month in Washington DC. So, we expect to see some positive fallout from this going forward. In fact, there is a very strong presence of US companies on the buying side at the aero show.
- Mumuksh Mandlesha:** Sir, can you possibly indicate what kind of revenues for FY24 we see for the defence segment?
- Amit Kalyani:** I do not want to give you a forward-looking statement, but it is going to be substantially higher than what it is this year. It will be I would say order of magnitude higher than this year.
- Moderator:** Thank you. Next question is from the line of Pramod Amthe from Incred Capital. Please go ahead.

- Pramod Amthe:** This is with regard to the international operations I understand your aluminum forging is taking time, but even if I have to look at your steel forging on a September quarter to December there seems to be a slippage into losses I give, is it more seasonal or you feel?
- Amit Kalyani:** No, there is no loss on the steel business. It is all from the aluminum business and the steel business is operating positively, but at a slightly lower EBITDA than what we would like. See all of the businesses have had to deal with very strong let us say inflationary atmosphere and Germany has been especially badly hit because not only has it been an inflationary atmosphere, but it also had very big problems in terms of manpower availability during COVID. So, the combination of all this has led to a decline in profits, but it is still EPS accretive and positive.
- Pramod Amthe:** And coming to the aluminum business have you already seen the turnaround in the international operations or you are hopeful of turning around in the March quarter?
- Amit Kalyani:** We are seeing improvement in Q4 over Q3 and in Q1 we will be even better off than Q4 and as I mentioned we will get to the numbers that we have indicated by the middle of the year, but we will be EPS accretive for the full year FY24.
- Pramod Amthe:** And just to understand better are these programs going slow and hence it is taking time to ramp up or it is more about?
- Amit Kalyani:** It is a combination of multiple things. Europe has lost over 1.2 million car production because of supply chain issues last year. Between Europe and US, they have lost 3 million car production because of supply chain issues. So, it is a combination of external and internal factors and please remember that the price escalation and price compensation is something that we need to get in order to be able to operate at the level of profitability that we had planned.
- Pramod Amthe:** With regards to EV parts, you are trying to open up some plants in India, any updates in the sense you have started them or are they on course?
- Amit Kalyani:** Those plants will start next month. One plant will open next month, one in March and one in May.
- Moderator:** Thank you. The next question is from the line of Gunjan Prithyani from Bank of America. Please go ahead.
- Gunjan Prithyani:** Just two follow up just going back to the US truck cycle I mean there is a 6-month, 7 month sort of backlog at the OEMs, but the order intake started slowing for last couple of months, any color on how we should be thinking about the outlook for the industry beyond 6 months, 7 months of backlog?
- Subodh Tandale:** At this point most of the production slots for 2023 are covered at least till November. It is not 6 months, 7 months and then basically the last two months also have been around 18,000 which is

slightly lower than the average, but the expectation right now is 2023 and 2024 will be reasonably okay.

Gunjan Prithyani: And if second follow up I had was I mean I understand the defense ramp up you mentioned next year, but it is possible to get the revenues for both defense and aerospace for this year maybe 9 month or this quarter?

Amit Kalyani: I think we will share that at the end of the year.

Gunjan Prithyani: Just the last thing on the order backlog not 2,000 crore which you mentioned I mean how should we thinking about the translation of this into revenue in terms of timelines this large part of this start contributing from FY24 onwards and the incremental win that we are talking about Indian Army that also starts kicking in FY24, so it will be 2,000 plus is it?

Amit Kalyani: Yes, it will be 2,000 plus, plus because this does not include any of the Indian orders. You should start expecting to see revenues from this start growing from the second quarter of FY24 which is the, July, August, September quarter and the entire 2,000 crores will be done in 30 months largely in two years with some spillover into half year mode.

Gunjan Prithyani: And that should be same for the domestic orders also once they come through like the execution timeline is pretty much?

Amit Kalyani: It depends on what the order ask for. If the order says I needed done in 5 years it is in 5 years, if order says I need to do in three years it is in three years. So, it really depends on what the order conditions and terms are.

Moderator: Thank you. Next question is from Siddhartha Bera from Nomura. Please go ahead.

Siddhartha Bera: Sir, just wanted to understand we have got a couple of orders on both domestic and export defence side, so are we incurring any cost right now in our P&L as well for some of these orders?

Amit Kalyani: So, we are always incurring cost see first of all, all the products that we have developed so far we have developed on our own and all this products, the product development, R&D and testing validation all has been pass through our P&L nothing has been capitalized. Now the new orders that we have won, all the new orders for the systems are going to be executed by Kalyani Strategic Systems Limited as we have already explained, which is a 100% subsidiary of Bharat Forge. It is only because all rest and warranties that one needs to give in this defense business we do not want Bharat Forge to be there, we wanted to be in a separate entity and all the value-added components which we have developed over the last 5 years, 6 years, 7 years they are all going to be manufactured by Bharat Forge and sold to this company at arms length profitable basis.

- Siddhartha Bera:** So, sir I wanted to understand just in case will it be possible to quantify the amount of margin drag some of these cost will be impacting the quarter so that is when revenues done for this will get normalized as we quantify?
- Amit Kalyani:** See whatever cost are being incurred are being incurred as it is. There is not going to be any increase in cost.
- Siddhartha Bera:** And on the RM side also we had some one-off defense cost last quarter so if I adjusted that it did not feel that we have so many benefits which has gone up on a quarter-on-quarter basis, so can you just throw some more color on why the RM to sales....
- Amit Kalyani:** I am not able to hear you I am sorry.
- Siddhartha Bera:** So, just wanted to check like last quarter we had some 70-bps onetime cost on defence vehicles last quarter so if I adjust for that RM seems to be slightly higher only in the current quarter, so possible to highlight any particular reason why RM-to-sales remains elevated?
- Amit Kalyani:** No, raw material prices are high nothing else.
- Siddhartha Bera:** So, based on current procurement how much benefit should you think we should expect from current level?
- Amit Kalyani:** In what I cannot understand your question. My request is maybe you can have a discussion offline with our team and understand this in more detail because I think this is a very detailed question that you are asking and I am not exactly clear what you are asking because we are not able to hear you.
- Moderator:** Thank you. We take the next question from the line of Aryn Pirani from JP Morgan. Please go ahead.
- Aryn Pirani:** Your interest cost has increased quite sharply quarter-on-quarter, is there a reason why that has happened?
- Amit Kalyani:** So, let me explain very simply the interest cost for this quarter has a 35 crore MTM impact which is onetime and notional. If you remove that the interest cost will come to about 55 crores. Now this 55 crores is quite a large increase over what it used to be in the past and the reason for that is that on our foreign currency loans and the working capital loans we have seen a pretty steep rise in interest rates and so forth. So, while the spread remains tight the overall cost has gone up, the base has gone up. So, that is the increase in financing cost.
- Aryn Pirani:** And now it will remain here unless global interest rates come down?
- Amit Kalyani:** I would say that on a normalized basis we should expect a 50 crore, 55 crores quarter interest cost because the MTM is not going to happen every quarter.

- Amyr Pirani:** And just going back to the commodity question I think the reason why a lot of us are a bit confused is because a lot of the OEMs and it is not like-to-like have been talking about benefits on commodities which they have seen in the quarter, but I guess for you, your input is not just basic steel it is specialized steel.
- Amit Kalyani:** It is a pass through.
- Amyr Pirani:** Yes.
- Amit Kalyani:** Please understand that the OEMs bear the brunt of this whereas company who are in the conversion business like us have a pass through.
- Amyr Pirani:** So, ultimately we should be looking at gross profit per EBIT per ton or EBITDA per ton rather than looking at RM right?
- Amit Kalyani:** Exactly you are absolutely right.
- Moderator:** Thank you. The next question is from the line of Arjun Khanna from Kotak Mahindra Asset Management. Please go ahead.
- Arjun Khanna:** Sir my first question is on the defence peace again so while we have talked of the order book of 2,000 crores Chairman on television talked about this largely being export, so is it a fair understanding that this is incremental defence business apart from what we already have and the 1,000 crore what you have talked of execution FY24 would be incremental revenue for the company?
- Amit Kalyani:** 2,000 crores is our current total order book, all of it is exports and roughly that amount what you mentioned is what we hope to do in the first year, execute in FY24.
- Arjun Khanna:** And we already have a defense peace every supply, other equipment to India etcetera?
- Amit Kalyani:** We had, but we have not received orders yet larger orders.
- Arjun Khanna:** I am talking of spares and we have shells etcetera other routine business that?
- Amit Kalyani:** Actually, that comes in our forging business because we have been doing that for so long. These are new businesses which we have developed in the last few years and which are more than just forging, their components, sub systems and systems.
- Moderator:** Thank you. The next question is from the line of Mahesh Bendre from LIC Mutual Funds. Please go ahead.
- Mahesh Bendre:** Sir for the quarter we have reported tonnage of around 63,000 which is a best in last 16 quarters and we have recovered very fast, but still compared to FY19 we are around 10% below that, so

do you think given the growth prospects for next year we are talking about will be able to cross all time high tonnage next quarter?

Amit Kalyani:

I think next year our numbers will be significantly higher than what we have ever done both in terms of I would say production and definitely in terms of sales because we have so many new businesses. See when you looked at 16 quarters ago it was a forging business, there was no defence, there was no aerospace, there was no casting. So, these are three big new growth drivers which are going to have a big impact next year. So, those are going to be significant positive growth drivers in addition to growth coming from our overseas subsidiaries, our Indian fundamentals, standalone business growing and so on and so forth. So, we are going to have a lot of other growth drivers.

Mahesh Bendre:

And last question from my end is we were talking about European business I mean because of the war and everything there was a weakness in the European side, but if I look at the numbers our numbers are really good I mean they are very comparable it is better than FY19 what we had reported, so actually those weakness have not been reflected in our numbers, so if Europe come back next year or recovery happens then our numbers would be substantially higher than what it is now?

Amit Kalyani:

Well, that is what we are hoping and that is what we are working towards.

Moderator:

Thank you. The next question is from the line of Peter from Ksema Wealth Management. Please go ahead.

Peter:

Sir, just want to probe a little bit on the Europe front so in FY22 when US revenues decreased and Europe increased, so first I wanted to know that in the 9-month basis what is the revenue split between India, US, Europe and rest of the world?

Amit Kalyani:

I do not have 9 months I have the quarter. We can have our team share that with you later.

Peter:

For the quarter if you can share sir?

Amit Kalyani:

So, Quarter India was about 40% it is in the update on page 6 of the updates.

Peter:

And in terms of the revenue split in Europe like what percentage is taken by CV, passenger vehicle and industrial and what is the outlook for industrial?

Amit Kalyani:

I do not have that information with me right now, honestly I think you should take that offline, but we expect both the CV and PV to be fairly strong globally for us.

Peter:

And sir my final question is that any update on the any sales numbers and how is the demand looking for Tork?

- Amit Kalyani:** So, demand is looking good and there are new production facility will start next month and then they will be able to ramp up quite dramatically, you know, whatever vehicles they have sold so far they have sold I would say 700, 800 vehicles which have covered more than a million, 1-1.2 million km proven.
- Moderator:** Thank you. The next question is Chirag Shah from Nuvama. Please go ahead.
- Chirag Shah:** Sir two questions sir one is a housekeeping one there is a big FOREX gain of 41 crores in other expenses, does it pertain to US business mark-to-market on the US exposure or is there something else in that?
- Amit Kalyani:** Mainly on the receivables on Euro side.
- Chirag Shah:** And this is again mark-to-market right this will reverse based on how it plays out unless you realize that.
- Amit Kalyani:** Yes.
- Chirag Shah:** So, second question is on the domestic revenue there is a sequential decline of around 2 odd percent in the presentation that you have shared, is it more through pass through effect of commodity or it is largely mix and seasonal thing, anything specifics to call out over there?
- Amit Kalyani:** I think there was a small drop in Pass Car and there was a inventory correction of production in tractors, sales did not drop, but production for some OEMs has dropped a little, small drop that is all.
- Chirag Shah:** So, it is driven by Pass Car it is not even by CV?
- Amit Kalyani:** No.
- Moderator:** Thank you. Next question is from the line of Jinesh Gandhi from Motital Oswal. Please go ahead.
- Jinesh Gandhi:** Can you also update on Sanghvi Forging how it is doing there are in terms of ramp up plans and do we plan to expand capacity or to increase value added?
- Sanjeev Nimkar:** First correction there we have a renamed it has a Bharat Forge Industrial and Technology Solutions so we do not call it Sanghvi Forging. Coming to your question this year we will be doubling the shares than what we acquired last year. So, that business is doing pretty well and right now we are at around 55% of capacity utilization so we have huge scope to go ahead with that. We do not need to expand at this point, but down the line two years we can look at it.
- Jinesh Gandhi:** And are we looking at increasing machining there I believe machining levels are very low and that is the opportunity to increase value added for us there?

- Sanjeev Nimkar:** You are absolutely right. Right now, the machining levels are low there, but going forward when I am saying about expansion primarily it will be on a machining side.
- Amit Kalyani:** Also, we do not need to expand the forging capacity to increase forging output all we need to do is increase some heating capacity which are not expensive. The main heavy investment asset is already in place and that assets can produce as much output as we used to produce from our 4,000-ton forging press in Mundhwa which is quite a large amount.
- Jinesh Gandhi:** And is it now profitable at PBT level or we are in the process of turning it around?
- Amit Kalyani:** It is profitable from day one, but as we add value to the product and we get new products approved and accredited that is when we will start seeing increase in margins.
- Moderator:** Thank you. Ladies and gentlemen that would be our last question for today. I now hand the conference back to Mr. Amit Kalyani for closing comments. Thank you and over to you, Sir.
- Amit Kalyani:** Ladies and gentlemen thank you very much for your patience, interest and questions about our company and comments. Your constant support is something that motivates us and keeps us going and keeps us on our toes as well. So, thank you very much and have a lovely week and lastly please do visit us at the Aero Show even if not tomorrow any of the other days our team will be there it is chalet #35 and if any of you need help in getting passes or whatever just get in touch with Kirti from my office and he will coordinate it. Thank you so much.
- Moderator:** Thank you very much. Ladies and gentlemen, on behalf of Bharat Forge that concludes this conference. Thank you all for joining us and you may now disconnect your lines.