

BHARAT FORGE



KALYANI

# INVESTOR PRESENTATION

November 2015 | Bharat Forge Ltd. | Pune

MAKING IN  
**INDIA**  
FOR THE WORLD



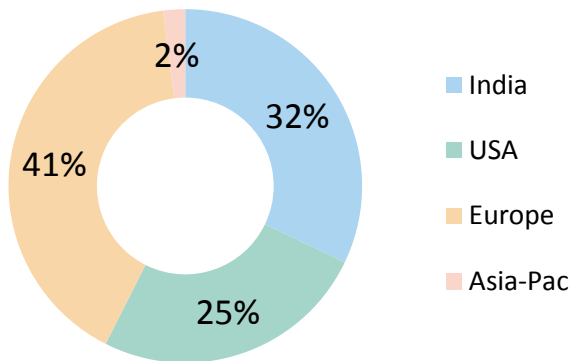
# Bharat Forge Limited - A Global Industrial Conglomerate



## BHARAT FORGE: PROFILE

- Consolidated Revenues: ~ US\$ 1.3 bn.
- 10 Manufacturing locations across 4 countries.
- Global Marquee Customer base of more than 35 OEM's & Tier-1 companies across automotive & industrial applications.
- Non Auto: 38% of consolidated revenues in FY 2015.
- No single customer exceeds 6% of consolidated revenues.

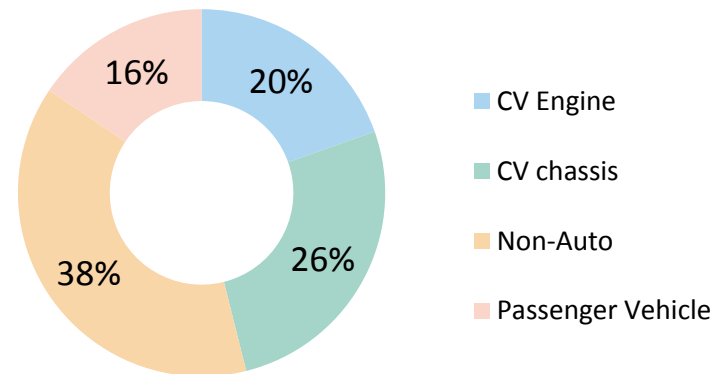
## REVENUE BREAK-UP BY GEOGRAPHY – FY 2015



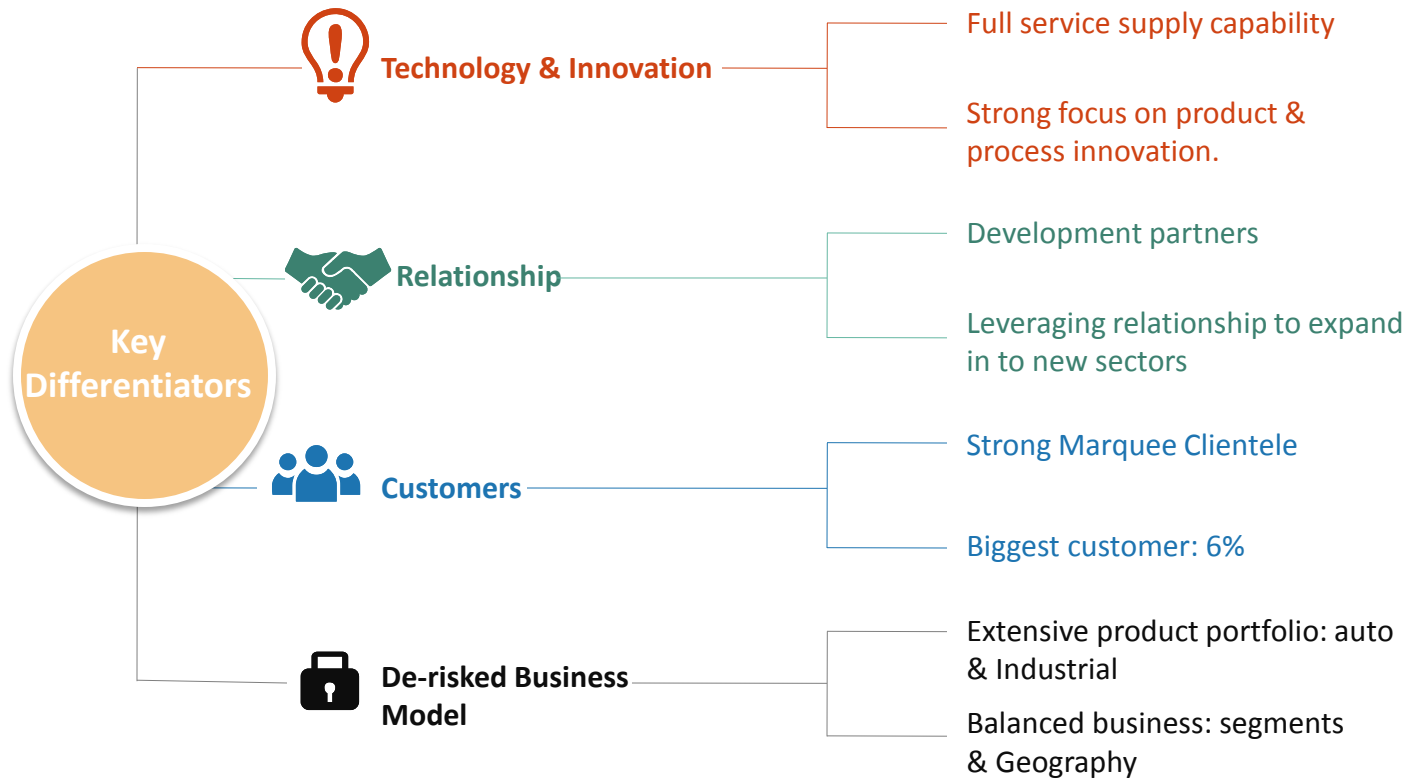
## GLOBAL FORGING CONGLOMERATE

Geography	Capacity (TPA)
	<b>403,750</b>
	<b>180,000</b>
<b>Total</b>	<b>583,750</b>

## REVENUE BREAK-UP BY SEGMENTS – FY 2015



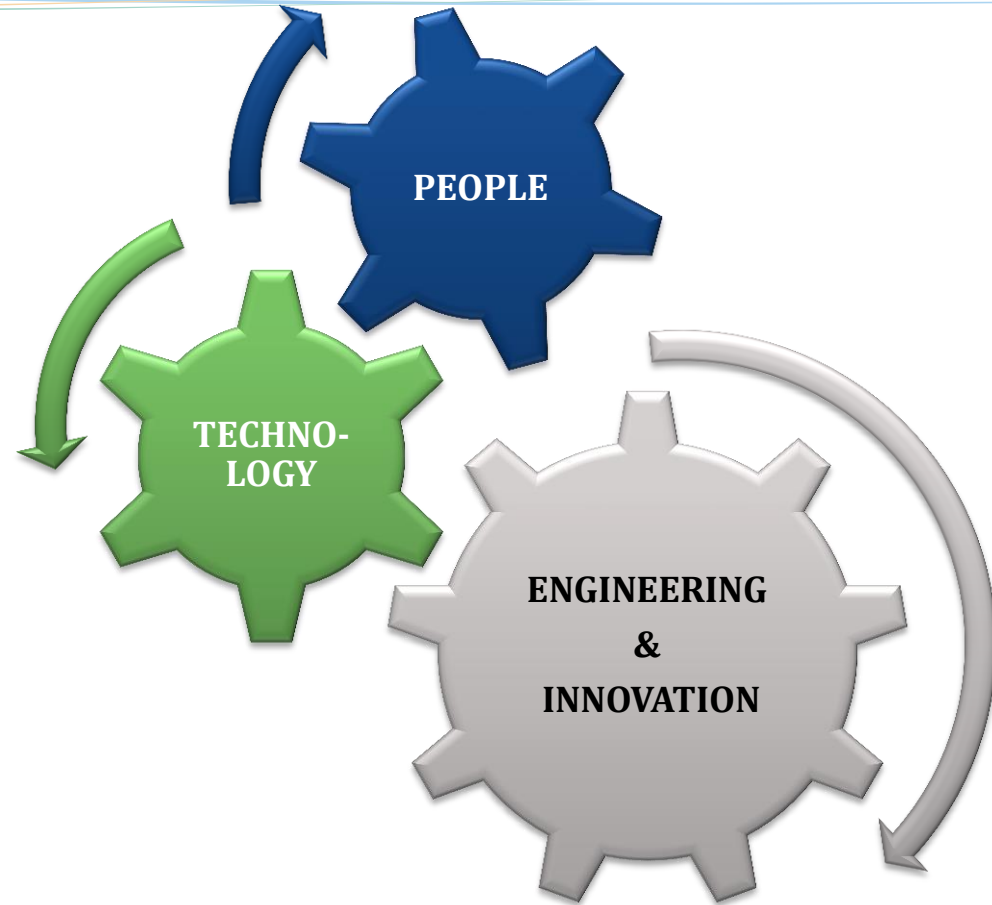
# Bharat Forge Limited – Key Differentiators



# Transformational Shifts around the three Success Levers



1. From 'Muscle Power' to '**Brain Power**'
2. Creating a '**Knowledge Workforce**'
3. **Modernizing Technology & Operations**
4. From a 'Generic Supplier' to a '**Partner of Choice**'
5. From an 'Indian Company' to a '**Global Company**'
6. **Diversified Business Model** across –
  - i. Geographies
  - ii. Industry Segments



# Highlights for H1 FY 2016



Volatile market conditions continued in the global commodities and its allied sectors.

Strong cost reduction measures undertaken in last few quarters has helped to improve EBITDA margins to 31%

Prudent focus on cash flow management and debt reduction

Increased focus on new product development, new customers and faster ramp-up of new businesses

De-risk business model helped partially compensate volatility in Industrial sector with increase in passenger vehicle business

Seeing traction in the aerospace sector and in the "Make in India" program.

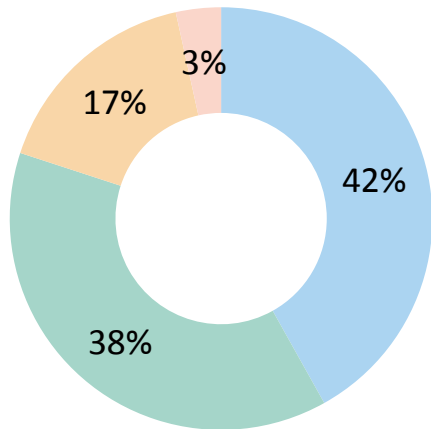
# Standalone Results – H1 FY 2016



(INR Million)

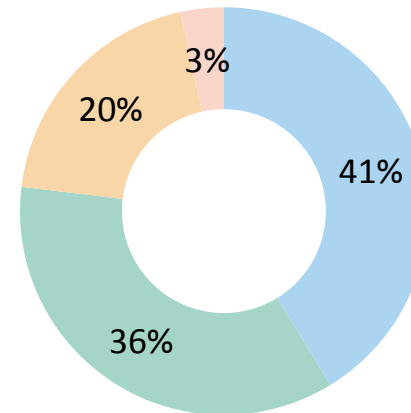
Particulars	H1 FY16	H1 FY15	Growth %
Shipment Tonnage	106,543	101,683	4.8
Domestic Revenue	9,404	8,772	7.2
Export Revenue	13,049	12,492	4.5%
<b>Total Revenue</b>	<b>22,453</b>	<b>21,264</b>	<b>5.6%</b>
EBITDA	6,952	6,220	11.8%
<b>EBITDA %</b>	<b>31.0%</b>	<b>29.3%</b>	
PBT before Ex Gain/ (loss)	5,765	4,810	19.9%
<b>PAT</b>	<b>3,705</b>	<b>3,195</b>	<b>16.0%</b>

# Geographical Breakup - Standalone



**H1 FY16**

- India
- Americas
- Europe
- Asia-Pac

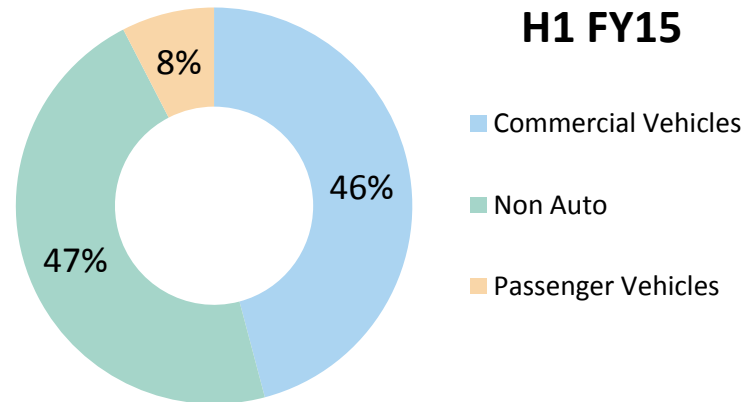
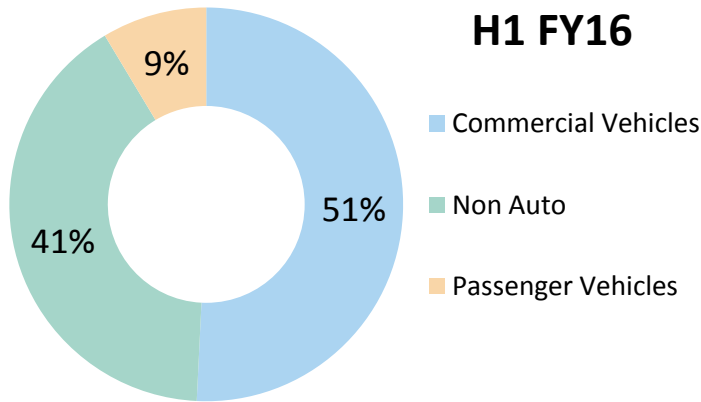


**H1 FY15**

- India
- Americas
- Europe
- Asia-Pac

Particulars (INR Million)	H1 FY 2016	H1 FY 2015	% Change
India	9,404	8,771	7.2
Americas	8,564	7,581	13.0
Europe	3,711	4,180	(11.2)
Asia Pacific	774	731	5.8

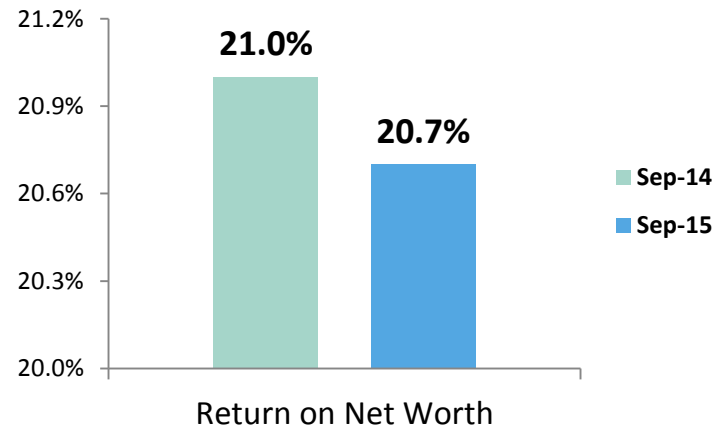
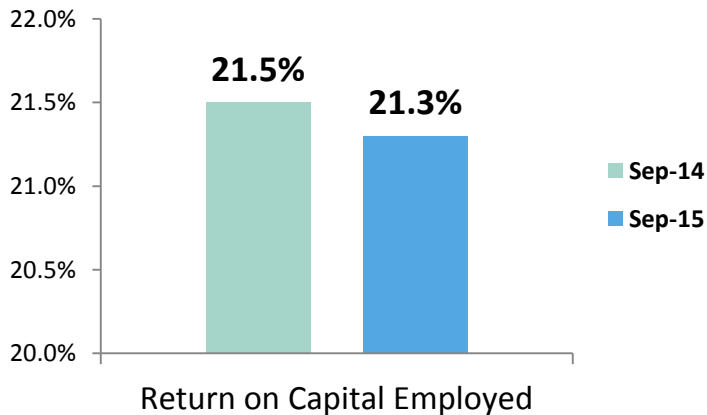
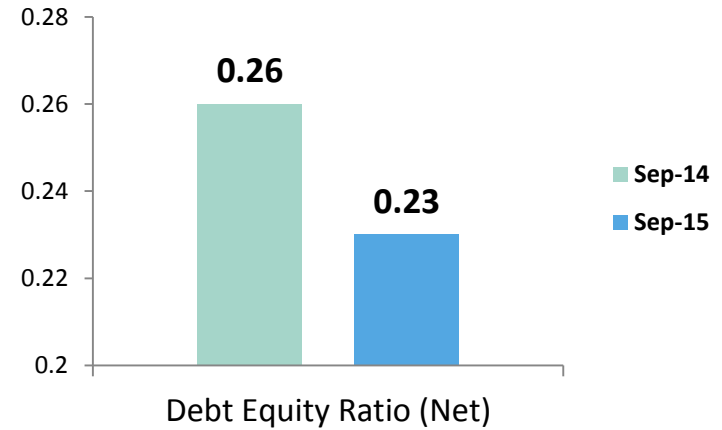
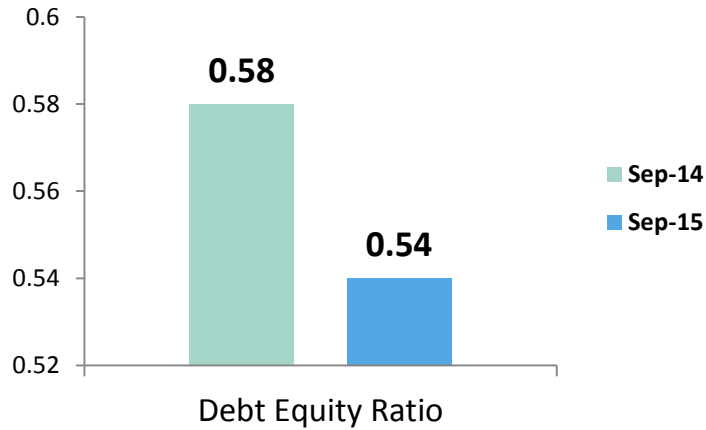
# Segmental Breakup - Standalone



Particulars (INR Million)	H1 FY 2016	H1 FY 2015	% Change
Commercial Vehicles	10,579	9,020	17.3
Industrial	8,464	9,154	(7.5)
Passenger Vehicle	1,794	1,489	20.5



# Standalone Financial Ratios



# Industrial Segment - New Sectors; Contributing to “Make in India”

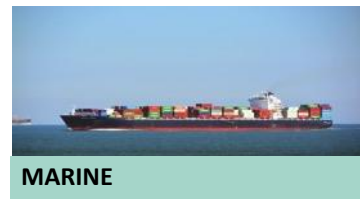


## INDUSTRIAL BUSINESS

### ENERGY



### TRANSPORTATION



### CONSTRUCTION & MINING



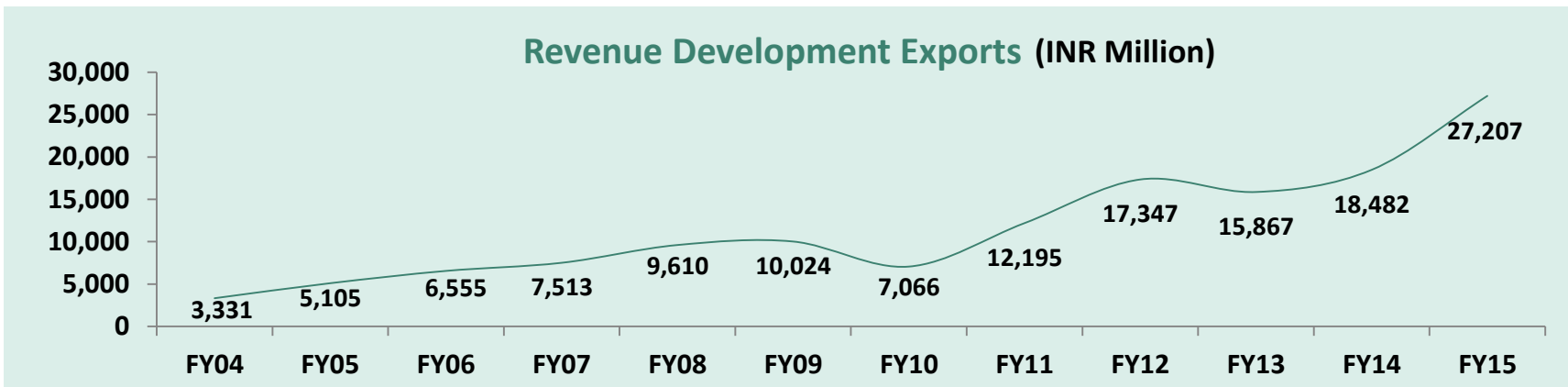
↑  
INFRASTRUCTURE SUPPLY BUSINESS  
↓

# State of Markets / BFL Engagement

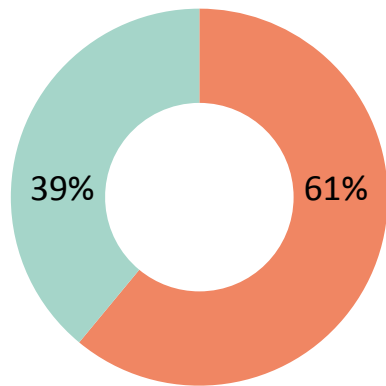


SECTOR	YEAR 2001	YEAR 2004	YEAR 2012	YEAR 2015	YEAR 2017
TRUCK	●	●	●	●	●
PASSENGER CAR		●		●	●
CONSTRUCTION			●	●	●
MINING			●	●	●
AGRICULTURE			●	●	●
OIL & GAS			●	●	●
AEROSPACE				●	●

DE RISKED BUSINESS MODEL	
GEOGRAPHICAL DIVERSIFICATION	●
SECTOR DIVERSIFICATION	●
PRODUCT EXPANSION	●



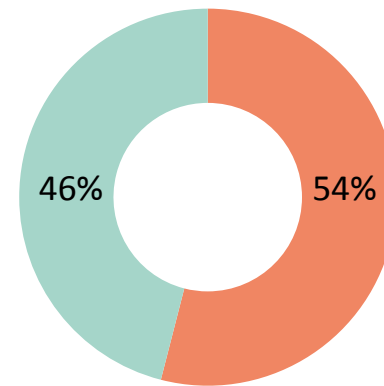
# Progression of Industrial Business



**FY 2011**

Auto Industrial

US\$ 175 million



**FY 2015**

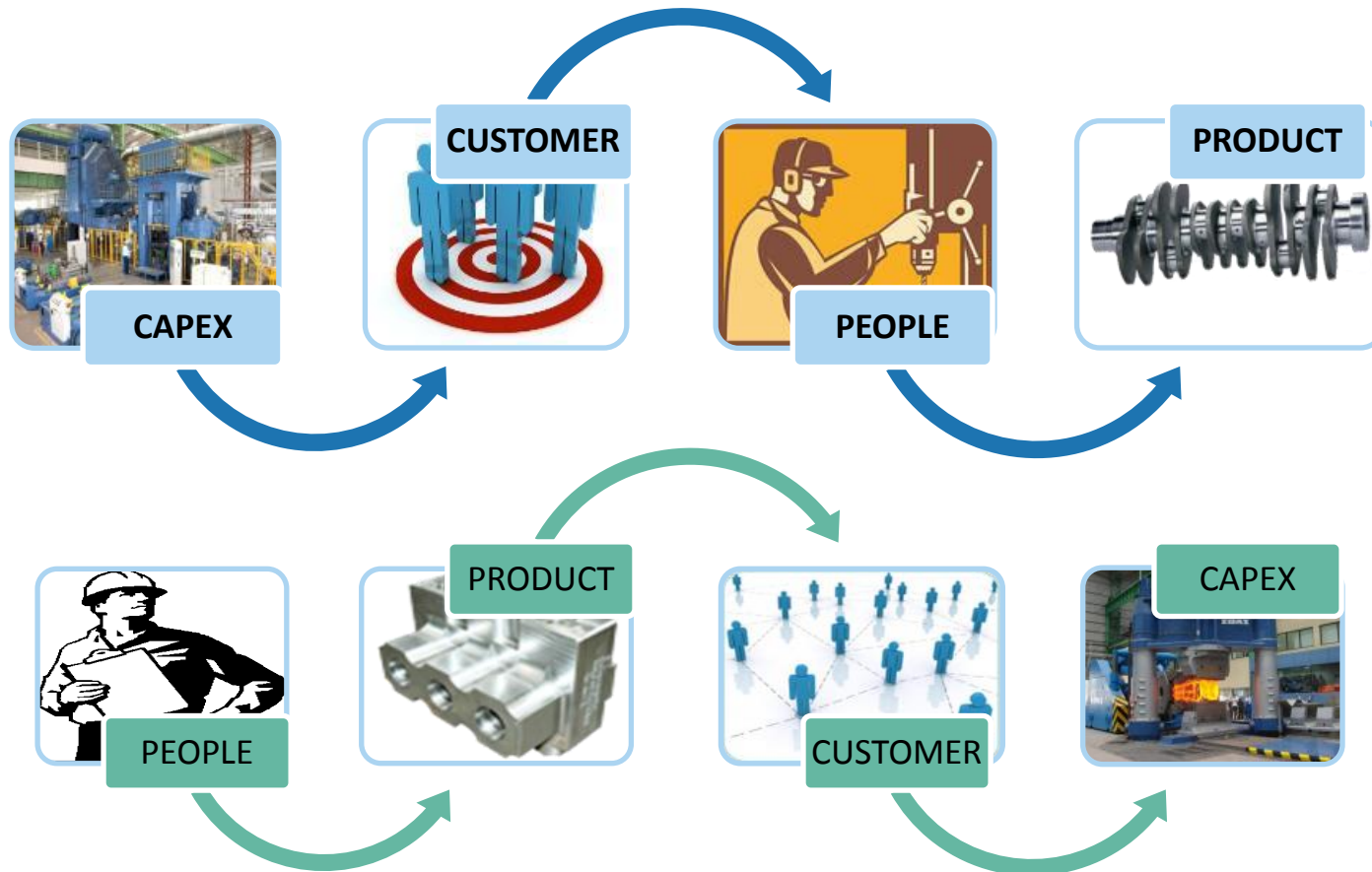
Auto Industrial

US\$ 325 million

Development of product “first time right” using in house technology & capabilities and higher value addition.

Doubled revenues from the Industrial segment. **CAGR of 17%**

# Asset Light Capex: Changing the Approach



# Building a highly skilled & competitive Talent Pipeline



*We promote a culture of continuous learning, skill & knowledge up-gradation across employee groups*



## UNDER GRADUATE STUDIES



**BITS PILANI**

B Sc., Manufacturing Engineering;  
BITS Pilani, India

## POST GRADUATE STUDIES (Management)



**THE UNIVERSITY OF WARWICK**

M Sc., Engineering Business Management;  
Warwick, U.K.

## POST GRADUATE STUDIES (Technical)



**IIT Bombay**

M Tech., Materials, Manufacturing & Model Science;  
IIT Bombay, India

## DOCTORAL PROGRAMS (Technical)



Ph.D. Program, Focused & Generic Research;  
Deakin University, Australia

# Kalyani Centre for Technology and Innovation



# State of Markets



Particulars	INDIA	NORTH AMERICA	EUROPE
Commercial Vehicles			
Passenger Vehicles – High End	—		
Passenger Vehicles – Mass Market			
Oil & Gas	—		
Construction			
Mining			
Aerospace	—		



**BHARAT FORGE**



**KALYANI**

**THANK YOU**

