

BHARAT FORGE

February 12, 2021

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**

Dear Sirs,

Re: Earning Update for Q3 of FY 2020-21

Please find enclosed herewith Earning Update issued by the Company for Q3 of FY 2020-21.

Thanking you,

Yours faithfully,

For **Bharat Forge Limited**



Tejaswini Chaudhari
Company Secretary

Encl.: As above



KALYANI
GROUP COMPANY



BHARAT FORGE



**Inspiring Innovation.
Worldwide.**

ANALYST UPDATE Q3 FY21



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BFL 3 MONTH REPORT

“The strong recovery in end market demand across sector continued into this quarter enabling the company to register healthy double digit growth in key parameters. On a sequential basis, Revenues, EBITDA & PBT grew by 17.5%, 39.9% & 42.2% respectively.

The union budgets focus on infrastructure development along with the vehicle scrapping policy bodes well for both the Commercial Vehicles & Industrial sector growth over the medium term.

The government’s recent announcement on Production Linked Incentive (PLI) coupled with the mission of AtmaNirbharta are major steps in enhancing the scale & competitiveness of manufacturing in India. We expect these initiatives to open up new growth opportunities for the company.

Looking ahead to into the coming quarter, demand is expected to remain robust across all key geographies & sectors. In the export market, we are witnessing demand recovery across sectors”.

B.N. Kalyani
Chairman & Managing Director



ANALYST UPDATE Q3 FY21

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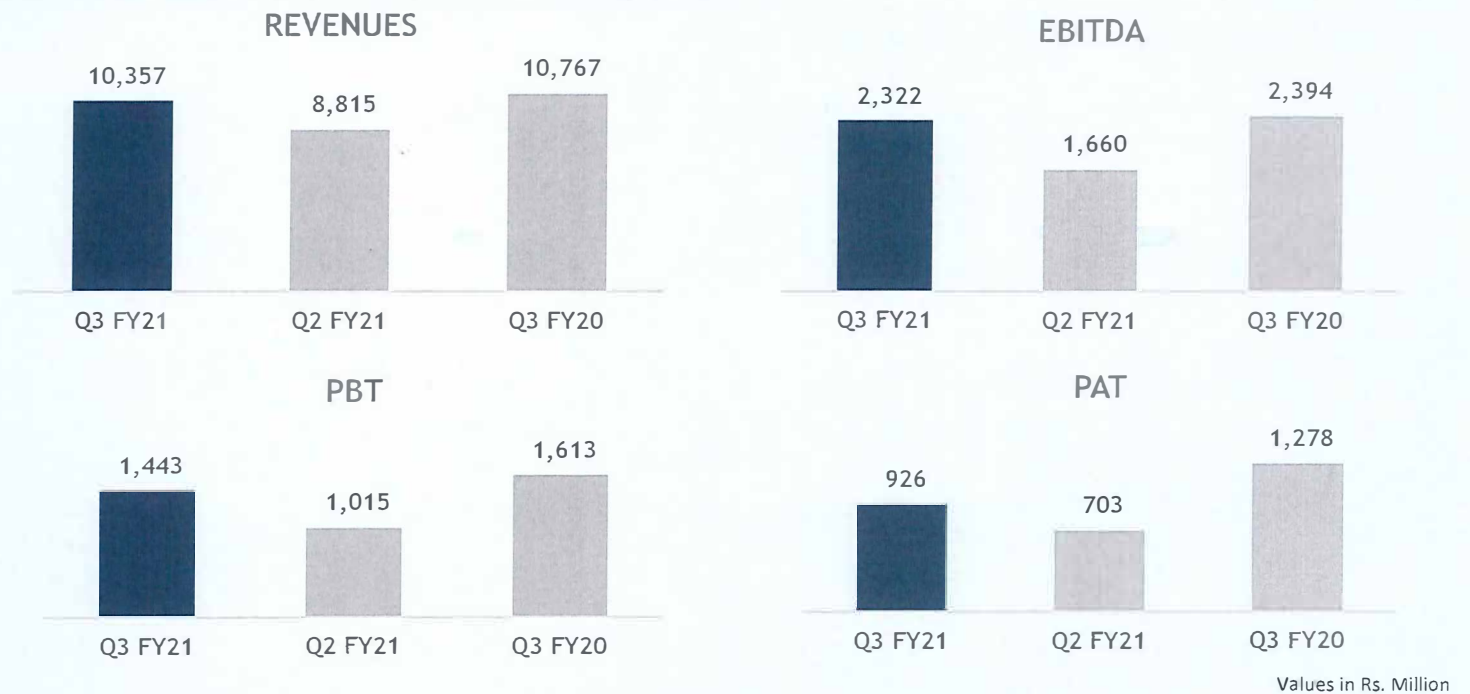
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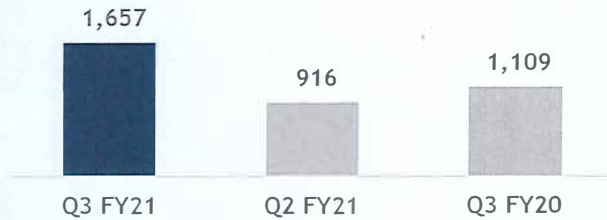


- Total revenues in Q3 FY21 at Rs 10,357 million, marginally lower by 3.8% as compared to Q3 FY20.
- EBITDA at Rs 2,322 million decreased by 3.0% as compared to Q3 FY20, EBITDA margins have expanded by 20 bps driven by sharp focus on cost containment
- PBT before Exchange gain/ (loss) decreased by 10.5% on a YoY basis to Rs 1,443 million in Q3 FY21.
- PAT stood at Rs 926 million, a decline of 27.5% as compared to Rs 1,278 million in Q3 FY20.



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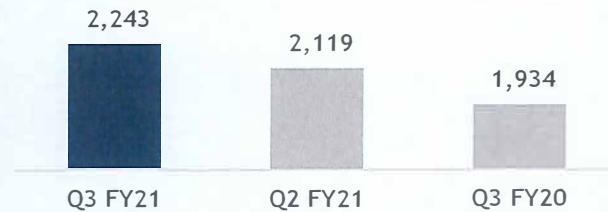
Commercial Vehicles



Passenger Vehicles



Industrials



Values in Rs. Million

Automotive Business

- Q3 FY21 witnessed continuation of recovery in the domestic automotive industry driven by robust economic growth, pent up demand and low interest rates.
- With almost all economic activities back on track, signs of recovery are visible in the heavy truck industry.
- Increased infrastructure spending, mobilization of construction projects and mining activities are expected to improve fleet utilization and M&HCV demand further in the coming quarters.

Industrials Business

- Industrial business showed sequential as well as YoY growth in Q3 FY21 as the economy re-opened and started recovering.
- Focus on infrastructure spending by the Government would provide impetus in the near to medium term.



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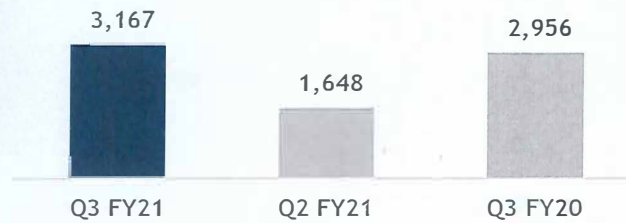
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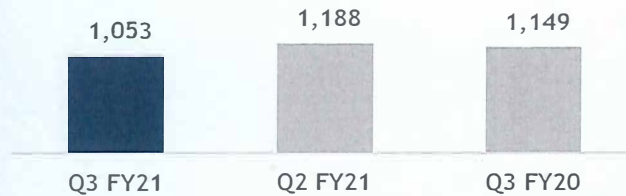
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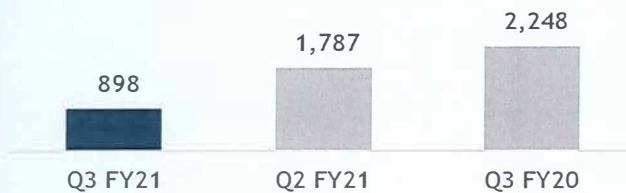
Commercial Vehicles



Passenger Vehicles



Industrials



Values in Rs. Million

Automotive Business

- From mid CY 2020, usage and demand for heavy trucks in both North America and Europe recovered swiftly than expected.
- Heavy truck market ended the most challenging year on a high note with order volume for Q4 CY20 one of the strongest ever.
- Freight volume growth, increased freight rates and shortage in transport capacity are stimulating expansion demand
- As economy continues to recover, fleet operators are showing increasing confidence about business conditions in 2021.

Industrial business

- Industrial business severely impacted by the tepid market demand from the Oil & Gas sector and lower end user demand for construction and mining equipment.



Values in Rs. Million

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PARTICULARS (Standalone)	December 31, 2020	March 31, 2020
Long Term Debt	23,137	18,351
Working capital & Bill Discounting	14,452	14,084
Equity	56,709	53,551
Cash	26,374	18,821
D/E	0.66	0.61
D/E (Net)	0.20	0.25

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- Total revenues in Q3 FY21 at Rs. 17,232 million registered a de-growth of 6.0% as compared to Q3 FY20.
- EBITDA at Rs 3,114 million increased by 31.9% as compared to Q3 FY20. EBITDA margins have expanded by 520 bps driven by improvement in performance of Overseas Operations.
- PBT before Exchange gain/ (loss) stood at Rs 1,551 million in Q3 FY21.

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STANDALONE FINANCIALS	Q3 FY21	Q2 FY21	QoQ %	Q3 FY20	YoY %
Shipment Tonnage	50,943	40,775	24.9	46,998	8.4
Domestic sales	5,158	4,036	27.8	4,079	26.5
Export Sales	5,117	4,623	10.7	6,353	(19.5)
Other Operating Income	82	156		335	
Total Revenue	10,357	8,815	17.5	10,767	(3.8)
EBITDA	2,322	1,660	39.9	2,394	(3.0)
EBITDA %	22.4%	18.8%		22.2%	
Other Income	353	313		398	
PBT	1,443	1,015	42.2	1,613	(10.5)
PBT %	13.9%	11.5%		15.0%	
Exchange Gain/(Loss)	(175)	(94)		(38)	
PBT after Exchange Gain/ (loss)	1,268	921	37.7	1,575	(19.5)
Exceptional Item	(55)	(29)		-	
Profit After Tax	926	703	31.7	1,278	(27.5)

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CONSOLIDATED FINANCIALS	Q3 FY21	Q2 FY21	QoQ %	Q3 FY20	YoY %
Total Revenue	17,232	13,761	25.2	18,328	(6.0)
EBITDA	3,114	1,655	88.2	2,361	31.9
<i>EBITDA %</i>	<i>18.1%</i>	<i>12.0%</i>		<i>12.9%</i>	
PBT	1,551	325		980	58.3
Exchange Gain/(Loss)	(280)	7		(118)	
Exceptional Item	(2,994)	(60)		(276)	
PBT after Exchange Gain/ (loss)	(1,723)	272		586	
Profit After Tax	(2,068)	(15)		490	
Associate/ JV (Profit /Loss) share	(37)	2		(86)	
Minority Interest	12	14		14	
Profit After Tax	(2,093)	1		418	

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OVERSEAS OPERATIONS	Jul - Sep 2020	Apr - Jun 2020	Jul - Sep 2019
Total Revenue	6,191	3,493	6,324
EBITDA	562	(334)	258
EBITDA %	9.1%	-	4.1%
PBT before Exchange Gain/(Loss)	(82)	(952)	(236)
INDIAN SUBSIDIARIES	Q3 FY21	Q2 FY21	Q3 FY20
Total Revenue	203	178	89
EBITDA	(16)	(15)	(25)
PBT before Exchange Gain/(Loss)	(38)	(33)	(31)
BFL + BFIL (TRADING SUBSIDIARY)	Q3 FY21	Q2 FY21	Q3 FY20
Total Revenue	10,838	10,090	11,915
EBITDA	2,568	2,004	2,128
EBITDA %	23.7%	19.9%	17.9%
PBT before Exchange Gain/(Loss)	1,671	1,310	1,247



DISCLAIMER

This presentation contains certain forward looking statements concerning Bharat Forge's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and the target countries for exports, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions with respect to investments, fiscal deficits, regulations, interest rates and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company. No part of this presentation shall be reproduced, copied, forwarded to any third party either in print or in electronic form without prior express consent of the company.



Thank You