

June 09, 2026

To,

Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Tower, Dalal Street,  
Fort, Mumbai-400001  
**Scrip Code: 513509**

National Stock Exchange Of India Limited,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai-400051  
Symbol: **KALYANIFRG**

Dear Sir/Madam,

**Sub : Transcript of the Analyst/Investor Conference Call held on May 26, 2026.**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the transcript of the Analyst/Investor Conference Call held on May 26, 2026.

The same is available on the website of the company [www.kalyaniforge.com](http://www.kalyaniforge.com).

Kindly take the same on record.

Thanking you,

For **Kalyani Forge Limited**

**Viraj G. Kalyani**  
**Managing Director**  
**DIN: 02268846**

**Encl: As Mentioned Above**

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# KALYANI FORGE



**KALYANI FORGE LIMITED  
ANALYST / INVESTOR CONFERENCE CALL  
Q4 AND FINANCIAL YEAR ENDED ON MARCH 31, 2026 RESULTS**

The company has hosted an Analyst / Investor Conference Call (Virtual - Mode) to discuss the financial performance for the fourth quarter and financial year ended on March 31, 2026. Details of the conference call are as follows:

**Date: Tuesday, May 26, 2026**

**Time: 10:30 AM to 11:35 AM IST**

The Management team represented by **Mr. Viraj G. Kalyani**, Managing Director.

**E&OE** - This transcript is edited for factual errors and formatting. In case of discrepancy, the video recording available on the website of the company will prevail.

**Moderator:** Mr. Anup Sancheti (Company Secretary & Compliance Officer).

**Moderator:** I welcome you all to the Investor and Analyst Conference Call of Kalyani Forge Limited for Q4 and FY 2025-26. I am Anup Sancheti, Company Secretary and Compliance Officer of Kalyani Forge Limited.

Before we begin, I would like to make few disclosures on behalf of the company. This call is being recorded. The video recording and the transcript of this conference call will be made available on the company's website and stock exchange portal within the prescribed time period.

During the course of this call, there may be certain forward-looking statements based upon current expectations and assumptions. These statements involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied. All the material information required to be disclosed under applicable SEBI regulations have been duly shared with stock exchanges.

No unpublished, price-sensitive information i.e. UPSI will be shared during this call. All the participants are on mute by default. You may raise your hand or use the chat box to ask the questions after the presentation.

We have with us our Managing Director, Mr. Viraj G. Kalyani. Now, I hand over the platform to our MD, Viraj Kalyani. Over to you, Viraj sir.

**Mr. Viraj Kalyani, Managing Director:** So, good morning. This is our investor presentation for Q4 and we will be covering the entire financial year results as well. So this is our usual Safe Harbor statement. This presentation contains forward-looking statements about our outlook and potential growth, opportunities. So, these are inherently subject to risks. So please go through the entire Safe Harbor Statement, carefully after this call. And use the information appropriately.

These are our Q4 FY26 highlights. We're very happy to share that we achieved a record high profit after tax for the entire year and a second consecutive quarter of **EBITDA of 15%**. Our **FY26 profit after tax was Rs. 9.32 crores, which is the highest profitability in around 14 years. FY26 earnings per share is Rs. 25.6. Q4 EPS is Rs. 16.17. Q4 EBITDA margin is 15.2%**, which is a second consecutive quarter. This was extremely important, as a lot of investors were curious about our improved EBITDA margin last quarter. And, of course, we are all expecting it to be sustained and grow further, so we are quite happy with this result, and more confident of achieving more on the EBITDA front. **FY26 EBITDA is Rs. 31.58 crores**, which is an overall 13.3% margin for the year. **This is up from 11.1% EBITDA margin in FY25.**

We had 3 **major order wins** in Q4. We had an OEM wheel hub from customers like SKF and Schaffler, all ramping up from Q1 FY27. Capex is delivering on the plan that we have outlined. We have a PPE installed of Rs. 86.5 crores now, versus Rs. 60.5 crores last year, a CWIP of 10.3 crores.

Fixed asset turnover is coming down and getting closer to the industry benchmark of 1.5 to 2.

Inventory is also rationalized, significantly. One major point I'd like to highlight is we have reclassified our dyes and toolings inventory into fixed assets in line with the industry best practices. And this will help us to strengthen our inventory policy, as well as update our Capex plans in a more, capital-efficient way.

These are all our product offerings. This is just a refresher slide for everyone. Some of you may be familiar. Our three main product groups are engine, driveline, and axle. Engine has been the core product group especially connecting rods. And this accounts for around 60% of overall revenues. Driveline is a fast-growing Products, segment. Particularly in passenger cars, and it accounts for 20% of our revenues, and Axle around 10%, which is also a fast-growing segment. Both driveline and axle are fuel agnostic products which means they are applicable in any type of drivetrain system including electric vehicles. It's a very future-proof business. And our engine business is primarily based in the heavy commercial vehicles and off-road applications, and as well as agro segment, so all these have very **long-term visibility of growth**. So overall, we are very well hedged in terms of our product portfolio. And as some of you who have been tracking us for many quarters or a couple of years now, you may notice that our product portfolio is much more simplified and focused compared to earlier and that is what is helping us achieve **better profitability, better execution, and better ability to scale**. So, this is our growth formula, strong execution, business development, and capex. And that is what we are continuing to work on in each of these three pillars, and I will take you through all of them. This is our consolidated profit and loss for the quarter, as well as FY26. I'd like to highlight our total Revenue for the year is Rs. 238 crores, and for the quarter is Rs. 59.24 crores gross.

In this FY26, although the revenue is flat compared to FY25, one important point to note is that we have phased out around Rs. 40 crores of non-fit business, which I will also talk about in a later slide. So, in spite of removing non-profitable or difficult to scale businesses out of the entire portfolio. We were still able to grow the core business revenues and that's how we have achieved the same or a stable revenue for the year. While at the same time, we have significantly increased our profitability. Our EBITDA is now Rs. 31.58 crores for the year, compared to Rs. 26 crores last year, and it's Rs. 9 crores for Q4. EBITDA margin, as I mentioned earlier, 13.3% for the year, 15.2% for the quarter. Profit before tax Rs. 14.37 crores for the year, Rs. 6.13 crores for Q4. Again, this is majorly because of **higher EBITDA. PAT is Rs. 9.32 crores** which is significantly higher than last year, Rs. 8.31 crores for the same level of revenue and also the **highest in the last 14 years**. In terms of the PAT for Q4, which is Rs. 5.88 crores. I'm not highlighting this as a major quarterly achievement and I would like everyone to focus on the EBITDA for the quarter, because if some of you may remember, in Q3, our PAT was close to zero and it was because of deferred tax and we had also mentioned last quarter that we will see a reverse effect of deferred tax in Q4. So, that has helped in improving the PAT for the quarter. When we look at the graphs, we will see that Q3 and Q4 PAT should be taken together for a smoother analysis. This is the quarterly

trends of all the major financials, total income, EBITDA and EBITDA margin. As you can see, our EBITDA last two quarters has been Rs. 9 crores plus which is a new level that we have reached compared to earlier quarters and EBITDA margin is also 15%. Plus, in the last two quarters, again, a new level and a new floor that we have achieved. And here's the PAT graph. Q3 PAT was negative, almost zero, while Q4 is Rs. 5.88 crores, which is more than double of previous quarters. It's an effect of deferred tax between both these quarters. And the timing of capitalization of assets which impacts this calculation. Over time, we will be smoothening this out. As we get more mature in our Capex execution and accounting practices.

This time, I'm also adding some key ratios for all our investors to understand our performance better, and this is something we have started tracking more in depth. Our main ratios in focus are ROCE, that's return on capital employed, EBITDA margin, debt-to-equity ratio and cash conversion cycle.

EBITDA margin, as I've said, has sustained above 15% for two consecutive quarters, establishing a new profitability floor. ROCE has **also improved from 14% in Q1 FY26 to 18% in Q4** reflecting stronger capital efficiency. Cash conversion cycle had peaked in Q2 to 176 days and has started improving sequentially. This is a major area of focus for us and a major area of de-risking, where we are working on improving both our inventory, receivables and payables days in line with more clear benchmarks. We will see these improvements in the coming quarters. Debt-to-equity ratio is 1.11. It has increased and linked to growth capex and working capital for scale-up initiatives. That is the main reason for the debt-to-equity ratio increase. We are targeting to maintain around 1.2 to 1 to 1.2 as a ratio for debt to equity. Our focus for FY27 is profitable growth, cash conversion cycle reduction, ROCE improvement and sustaining 15% EBITDA margins. The main factors for the EBITDA margin expansion, is, first and foremost, exit from low margin business which was a painful decision we took in Q2 and Q3 of FY26.

Vridhhi Council projects are bearing fruit. As some of you may know, Vridhhi Council is our group of strategic initiative projects and a group of project leaders who are leading these initiatives. They're in various different topics, like supply chain optimization, material cost reduction, machining, efficiency, machining engineering power cost reduction, etc.

Each of these highly focused cost reduction as well as margin improvement actions are bearing fruit. The third factor has been a new initiative called Plant Engineering, which we have started in Q4. And it is unlocking a lot of efficiencies and basically correcting lot of legacy layouts and architectures in all our plants, which were designed in a more planned as a full system. A lot of our plant layouts were done as the company was scaling up putting new lines for new programs. But now we are putting much more method to this very important activity in any manufacturing organization. And this is a new vertical we are creating in our engineering department called Plant Engineering. So, we will be able to share more updates on this in coming quarters. But it's something I am personally very excited about because we really get to go deep inside the shop floor and fix a lot of design and create a really strong, robust architecture for the future.

The fourth factor has been improved material and power cost discipline. Again, this has involved several granular activities in all the plants, negotiating material costs with suppliers, improving yields of our forging products. And on the power cost side, just simplifying lot of electrical circuits, removing extra or replacing inefficient components in the manufacturing lines and so on.

Fifth is operational stabilization. Our machine reconditioning projects and die-run prioritization has also helped to stabilize the production cycles in various plants especially in forging. And this is also helping to increase uptime, increasing output and capacity utilization.

Now we come to sales and the sales mix. This is our sales by product group. As you can see, all three product groups have had an increasing trend in sales but particularly the driveline and axle sales are at the highest level in the last four or five quarters and there's a good jump quarter and quarter. Core business has grown with focus on OEM's growing demand. Domestic EV business also has experienced increased demand which is seen in our wrap-up programs. So, the overall product mix has remained stable compared to earlier quarter, Q3. And here we have showcasing another visibility on our revenue, which we're showing for the first time, is the sales by segments and market segments. We have, as you can see on the graph on the right we have a strong growth in passenger cars, trucks, and agro-segments. So there's this blue, orange and yellow. Cars, trucks, and agro segment, which have been focus areas for us. We have received some additional share of business from our customers and we have been prioritizing, our overall operational planning around these growing businesses. The other segment, which has a mix of some of the legacy businesses which are part of being phased out. Those have been reducing and they're tapering down stage.

Core exports business has been growing. Now coming to exports and domestic, our exports have been much lower in Q4 at 11% in terms of percentage and the reason is because we have removed legacy non-fit business or reduced those businesses. We are not committing to too much of those businesses and the new exports businesses which we received orders for, those are growing. And we have a lot more confidence on getting further new orders Along similar product lines. Coming to business development, we had a new order win of EV high-volume Axle businesses worth Rs. 20 crores annual revenue. Additional business allocation received from top customers for core engine business establishing trust in the company's reliability.

The vehicle's share of wallet has been increasing with our offerings of engine, driveline, and axle components to the same OEM. And Kalyani Forge is the only forging company to offer engine, driveline, and axle components to OEMs due to a combination of hot and warm forging technologies built over decades.

Now we come to the Business Mix Optimization Progress Update. This was also a slide I had shown last quarter and there are further updates this quarter. The main aspect is that we are now in Phase 4, which is resource reallocation.

Phase 1 to Phase 3 took place over the last 2 years. Last financial year was more of product rationalization as well as the early part of this financial year and Q2, Q3, and Q4 have been focusing on good fit customers and increasing volume and getting better prices. So, increasing high-volume businesses and getting better prices for the same and pruning low-volume, low-price export and legacy programs. As a result of this painful transformation, we're able to increase our OEM revenues and we have reached Rs. 37.3 crores in FY26, which is the highest in several quarters over the almost 2 years. And this is on an upward trend. This continues to be our focus. Approximately Rs. 40 crores of non-fit business have been phased out in FY26. We've started Phase 4, as I mentioned and rationalization actions are deliberate, measured and aimed at improving scalability, better capacity allocation and long-term margin stability. So now, in phase 4 resource reallocation, what we're doing is, Capex budgets are aligned to core customers. Earlier, our CAPEX planning for earlier years was not tightly linked to specific customer programs including existing programs. In FY27 Capex budget we have done this in a pretty granular level. Capacity allocation also prioritized for high-volume businesses. And our engineering effort is focused on the same core businesses, so that we keep improving in these areas and satisfy our customers better.

Now coming to CAPEX which is all about fueling growth. 60% of the Capex allocation is done to future growth areas. Now I'm talking about Capex. The capex plan for FY27, which is the new financial year we are in. 60% allocation for new business, new growth areas, like driveline and axle as well as ramp up and new business. As you can see in the graphs on the right. This is the driveline and axle allocation. This is the engine which is more of a cash cow business and this is the CAPEX plan by stage of businesses. So, existing business around Rs. 5 crores, ramp-up business Rs. 10 crores, new business Rs. 10 crores and future business Rs. 5 crores. As we are well aware, top-line growth is one of our biggest priorities, but we have to do it in a very sustainable and profitable way. While we have been focusing on EBITDA margin improvement and removing non-fit businesses in the last couple of years. Our CAPEX plan is, as you can see, is geared towards growth. And there's a bias for future growth and high ROC areas to upgrade the asset base for predictable growth, increase OEE, and remove bottlenecks.

Another point I had mentioned earlier is that Rs. 10 crores Dyson tooling is reclassified from inventory to fixed asset. This is aligned to industry benchmark and helps in better inventory management. That is one of the factors for the overall increase in fixed assets, but we have also done a capex of Rs. 23.44 crores in FY26, which does not include this reclassification exercise. This Rs. 23.44 crores is new in capex in FY26 in line with our overall plan for the Europe. Our plan for FY27 is Rs. 30 crores. Now, coming to funding, we are maintaining our debt-to-equity ratio, as we've discussed, and we are also working on the equity funding, which involves more legwork. Actions are outlined for strengthening the balance sheet. There are many steps that we have strategized to be fully ready for equity funding based on our initial meetings with potential investors. We've got good feedback from the market and we are working on the same. That's all for the updates for the year, and for Q4.

The remaining slides are all about the company for all of you who. Some of you who may be joining us for the first time. Please have a look at these slides and I'd like to open up for questions.

### **Q&A SESSION:**

**Moderator:** Yes. Thank you sir, for your insightful presentation. Now, we move forward with the question-and-answer session. Anyone who wishes to ask questions may please raise their hands or use chat box. Please note that, there will be two to three questions taken up.

We have one from Mr. Vansh. Why is the interest cost Rs. 0.24 crores, although borrowings have increased? This is the question.

**Mr. Viraj Kalyani:** I will answer that. This is interest cost for Q4. There were some interest costs which are related to term loan and some are related to the regular working capital. So, as we capitalized a significant portion of assets in Q4. Similarly, we capitalized the term loan for the same as per the accounting standards. And that's why it's looking much less than a typical quarterly trend. So, I would look at the full year figure for the interest cost.

**Moderator:** So, the next question is from Vansh. At the current fixed asset level, what can be maximum sales that can be reached?

**Mr. Viraj Kalyani:** The typical fixed asset turnover ratio in the industry is 1.5 to 2. We have always operated at a level of 3.5 to 4 which is highly stretched. So, if we look at our Kalyani Forge's historic pattern, I would take a ratio of 3 and so with Rs. 90 to 99 crores fixed assets, that would be a Rs. 300 crores turnover at a sort of steady-state level.

**Moderator:** Next question is from Vansh only. Receivables have been increasing faster than the sales booking. So, why the working capital getting stretched? What should be the compatible cash conversion cycle going ahead?

**Mr. Viraj Kalyani:** Yes, this is an area we are putting a lot of focus on. With credit controls to ensure timely payments from customers in a systematic way. At the same time, we have made warehousing or stocking commitments to some customers, where they keep some safety stock and have a more just-in-time delivery. Some of our key OEMs, so that would increase some receivables in the short term. But it will stabilize going forward. In terms of the cash conversion cycle, we are targeting, at the first level, 120 to 130 days to come down from our current levels.

**Moderator:** The next question is from Mr. Saket Kapoor. Please unmute yourself.

**Saket Kapoor:** Yes. Namaskar Viraj ji.

**Mr. Viraj Kalyani:** Namaskar.

**Saket Kapoor:** Hearty congratulations to the entire team at Kalyani Forge and sir, firstly, congratulations for not only a good set of numbers but quality set of numbers and the effort you have taken in explaining to us what has contributed to it and how are things shaping up. So, thank you, first of all, for your efforts, sir. Sir, just to the previous participant chat box questions on the finance cost, if you could just explain, sir, I just missed it because of a bad line, why were the finance cost at Rs. 24 lakhs versus the average of Rs. 2 crores for the quarter?

**Mr. Viraj Kalyani:** Yes. Typically, we capitalize the term loan, which is used for Capex. So, we did some significant capex installation in Q4 and therefore, we were able to capitalize the term loan for the same and that has reduced the interest cost. This is more from an accounting perspective, but for a full year, the overall interest cost would be in line with the trend.

**Saket Kapoor:** So, just to dwell it in, just to have a better understanding, when we have a quarterly run rate of Rs. 2 crores plus, there are some, embedded finance costs that are part of the business. That does not go out, even if we capitalize a large part of the capex. That connect is not getting.

**Mr. Viraj Kalyani:** Yes, the term loan interest costs were the interest costs taken in earlier quarters and those were capitalized in Q4. That's why, it was a significant amount. And it's not just one quarter's value which was capitalized.

**Saket Kapoor:** One more question can I ask and my second question.

**Moderator:** Yes.

**Saket Kapoor:** Sir, you have also just explained to us that, depending upon the order booking, the bit pipeline. Now, these qualitative numbers or the EBITDA margin of 15%, what the base formation should be. It is not a one-off number that has come, because we are only concentrating on the EBITDA number, so going ahead, sir, we can be now on the path that Schaeffler or SKF, for the OEM part, if you could explain these two correlations, and how should then the EBITDA margin trajectory be going, these are the points, and then I'll join the queue, sir.

**Mr. Viraj Kalyani:** Yes. As we're focusing on OEMs, we are definitely adding, providing their value addition in our products. So, they command a better price and there are better margins overall. That's the top line, quality improvement. On the EBITDA margin, definitely, 15% is now a floor, it's a baseline. And it's a minimum that we need to be achieving. Going forward, we are targeting 20% EBITDA margin, which we hope to reach, I'd say, in a year's time. So, by end of this financial year, or early next financial year, we should move upwards closer to 20%.

**Saket Kapoor:** Right, sir. Sir, I will definitely join the queue for my follow-up and I hope the moderator gives me an opportunity.

**Moderator:** Yes, thank you.

**Saket Kapoor:** Thank you.

**Moderator:** Okay. So, we have next question from Mr. Ankur Agarwal. I request him to please unmute and ask the question.

**Ankur Agrawal:** Hello?

**Moderator:** Yes.

Viraj Kalyani: Yes, hi.

**Ankur Agrawal:** Hi. For this quarter, there is some other income in comparison to last year, Rs. 2 crore excess. That will reflect in bottom line. It is, what type of this other income?

**Mr. Viraj Kalyani:** This includes multiple items. Some of it are incentives for exports or other government schemes. Some of it is also sale of old assets. Where we have done a resale. of some fixed assets, which are obsolete for us and have a market value outside.

**Ankur Agrawal:** Okay, that's okay from my side. Thank you.

**Mr. Viraj Kalyani:** Okay.

**Moderator:** Is there anyone who wants to ask questions?

**Saket Kapoor:** So, may I continue then, Anup ji?

**Mr. Viraj Kalyani:** Yes.

**Saket Kapoor:** Yes sir. So, just to the earlier part also, sir, so if we eliminate that this other income is not going to be the part of the core, going ahead. That understanding, correct?

**Mr. Viraj Kalyani:** No, there's part of it is always there, especially the incentives. Our government incentives are fairly stable and they will increase as we increase our exports. And we may apply for more incentives, based on new schemes coming up for encouraging manufacturing. Also, in terms of sale of old assets. This is a routine exercise we do every year. So, some assets get retired, they become obsolete and then we have replacement capex so there will always be some portion of this. Because of our existing initiatives of transforming the company, we have been able to unlock more of such opportunities. That is the benefit or another additional benefit of the transformation initiatives.

**Saket Kapoor:** Correct, sir. Sir, as you have been speaking to us over a period of time and the sense, which we investors are getting is that we are in that transformative phase, wherein, you as a management and we as investors are better aligned to see the sustained set of operational and financial performance from the company. Since we are in a sector which is performing good. So that understanding is getting embedded now. Sir, as you have mentioned 4 to 5 points in press release, in your business and operational progress,

wherein you have mentioned about strategic new order win, continued operational efficiency, progress on modernization of the forging and the plant energy engineering initiative, then strengthening of supply chain, and the clean audit roadmap. Sir, going ahead, how to model our company, especially, such as SKF or Schaeffler. Taking that also into context, your bid pipeline, revenue visibility, program of business, if you explain further and whether we can come for plant visit. These were the questions.

**Mr. Viraj Kalyani:** Yes. Okay, okay. So, Anup, could you share the press release on the screen. I'll just stop my screen.

**Moderator:** Yes.

**Mr. Viraj Kalyani:** Do you have it on that laptop? Otherwise, I will just share it from my laptop.

**Saket Kapoor:** I can narrate it, you can just speak on the same.

**Mr. Viraj Kalyani:** I have got it, I'll just share it.

**Saket Kapoor:** Yes.

**Mr. Viraj Kalyani:** It's fine, Anup. Okay, can you all see.

SAKET KAPOOR: Yes, yes, visible, sir.

**Mr. Viraj Kalyani:** Yes. This is our press release. And the points you were talking about are these 5 points.

Strategic new order wins in high-volume and EV products, continued operational efficiency and cost optimization initiatives, progress on forging modernization and plant engineering initiatives, strengthening of supply chain and raw material planning systems and clean audit roadmap has moved forward to Phase 2.

The first one, strategic new order wins, all the new business that we are targeting and winning is the kind of business we want and we know that that will work very well in our setup and match with our capabilities. We have received these new order wins in the axle segment. Like, I mentioned, some customers, like Schaeffler and SKF, they are in the bearings market, which is, especially for passenger vehicles.

**Saket Kapoor:** We are on the same page, and you can speak, sir. We got your point. Yes, yes, now it is good.

**Mr. Viraj Kalyani:** Now you can see it?

**Saket Kapoor:** Yes, yes, yes.

**Mr. Viraj Kalyani:** Let me just quickly repeat the five main points on business and operation progress. Strategic new order wins, continued operational efficiency and cost

optimization initiatives, forging modernization and plant engineering initiatives, strengthening of supply chain, and clean audit roadmap. I was on the first point. The new business orders we have won from some OEM and Tier 1 customers. These are in the axel segment, and they are for passenger vehicles. And they are typical components which fit in the wheels of passenger cars, so they are typically Gen 3 hubs and at the roof forefront or an advanced product line in passenger vehicles. This is extremely good for us, because the kind of orders we are winning are future-proof, they are growing. They have a large market size. And they fit with our capabilities. So that's what, we will continue to target. So, when we have made a order-winning target for this year, FY27 and I've discussed it with our business development team and the leadership, as well. Where we are not going after too many customers or too many opportunities. We will stay focused on these few products and markets and go deep in those critical market leaders in those segments. So our entire business development strategy, is getting more focused, to achieve this.

Second is the continued operational efficiency and cost optimization initiatives. We have, concluded our Vriddhi Council project for FY26. We had a good review with our entire Council. And, we brainstormed on lessons learned, what went well, what needs to improve. And particularly on redefining some projects. So we had around 13 to 14 projects last year. Now we have, refined the project topics and focused on 10 critical projects. And within that, we have added the plant engineering, initiative as well. So, each of these projects will run much more efficiently compared to last year, based on the overall team learning, which has built up over one year. So, we are going to get much better at it. The maturity of driving transformation projects of leadership skills of our team members, all of that is increasing, and I'm very happy to see that progress in our organization. And the result of that is straight to the bottom line, where we see better EBITDA and net profit then progress on forging modernization and plant engineering. In both these areas, in forging modernization especially, related to forging machinery, we are going really deep into our machine recon projects. We are resetting the standards of these machines in terms of what kind of tolerances they should have, so that we automatically achieve the quality levels and the productivity in the production process. This depth of our manufacturing understanding and implementing that in the machines, is going to give very good results. And it is, along, similarly with plant engineering as well. We are redesigning layouts of the electrical, water, and air pipelines in all the plants and all of these feed into the machines, into the lines, production lines. We're also redesigning layouts, decongesting the shop floor, making it much more world-class, less clutter, safer. All of this, the beauty of it is that it just requires a lot of brain work and a lot of sheer human effort. It doesn't require too much capex.

So, basically, we are putting our own team's strength and focusing it on what everyone does best. And bringing out their talents in these areas. So these are really exciting projects.

And we see, every week, typically every Sunday, the maintenance and utility teams are working in the plants while the production is off and they are removing a lot of old pipelines, simplifying the circuits, simplifying the layouts and it gives a lot of satisfaction.

And, with each week, the production team members can see the effect of that in their day-to-day production. Even the operators on the line are beginning to notice the benefits. So, this is a good initiative. And very important one for Kalyani Forge, given that it was an area that we never looked at in so much detail or so much depth. And now, we are able to do it, because once we came upon the realization that this is one of the deep root causes of low OEE and a deeper root cause for some machine breakdowns, etc., and downtime. That's when we started moving fast into this area and it happened just in the last quarter.

Fourth one is strengthening of supply chain and raw material planning systems. So, as we have simplified our business on the customer side and we have focused on high-volume, OEM, Tier 1, good quality business. It is very demanding business and we need to be very fast and that is correctly putting pressure now on our supply chain, our supplier base, on our purchase teams. We are now strengthening that side, the supply side of the business, engaging more deeply with our suppliers to improve their delivery and quality performance and taking the learnings from our own shop floor and from our own production, we are sharing that with our supplier base to gear them up and we will be deepening those relations in the coming quarters as well.

Finally, the clean Audit Roadmap has moved to Phase 2. This is a very important governance and compliance initiative, where we are working closely with our statutory auditors and our internal auditors. To work on all their critical observations, in our accounting system, in our controls across various business processes. This involves a lot of, I would say, going deep inside our SAP data into our books of accounts, doing some clearing entries, simplifying the ledgers and things like that, so that our reporting of numbers becomes much, much more robust, much more seamless and reliable. So, that's the clean audit roadmap, and in Phase 2, we have hired an external consultant to add bandwidth to the existing internal team to work on this in a very focused way and we are continuing with that.

**Saket Kapoor:** Just to add one thing, Anup ji and I know it is a paucity of time, sir, in the order booking segment, in slide number 12, the new business order book, it is the same which was for Q3. So, can you give us some understanding, since we have been adding new businesses.

**Mr. Viraj Kalyani:** Yes, yes.

**Saket Kapoor:** Number remains same, sir.

**Mr. Viraj Kalyani:** Yes, the number remains the same. Because some of those items have moved to production. It's like a balanced figure. This is the order book, which is to be moved to production.

**Saket Kapoor:** Right, sir. And these are the long-term programs, as you mentioned earlier, also.

**Mr. Viraj Kalyani:** Yes.

**Saket Kapoor:** It is for years, multiple years that we are going to continue the same, sir? It's a multi-year program?

**Mr. Viraj Kalyani:** Yes, all our businesses are multi-year programs and typically, 5 to 10 years in life cycle. Many of them are even more than 10 years, some of them go on for 20 years. If the design hasn't changed of the OEM.

**Moderator:** Okay, so with this note, we conclude this call. Thank you, all the participants, for joining this call today. And the transcript and recording will be available on the Stock Exchange portal, as well as company's website. Thank you.

**Mr. Viraj Kalyani:** If there are any further questions, we can take them offline and we will also organize the plant visit of any interested shareholders, so please reach out to Anup Sancheti, our Company Secretary for the same.

**Saket Kapoor:** Yes and okay, please share your email ID, or whatever update you can have. You have my number also, I think, so it could be available to connect with you.

**Moderator:** Yes, thank you.

**Saket Kapoor:** Thank you, Anup ji, Thank you, Viraj, sir and all the best to the team, sir. Yes, thanks a lot. Thank you, sir.

**Mr. Viraj Kalyani:** Have a nice day, everyone. Bye-bye.

**Saket Kapoor:** Same, same here, thank you.

**Ankur Agrawal:** Thank you, thank you.

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