

SCHAEFFLER

“Schaeffler India Limited

Conference call on acquisition of KRSV Innovative
Auto Solutions Private Limited”

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**MANAGEMENT: MR. HARSHA KADAM – MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER
MR. SATISH PATEL – DIRECTOR FINANCE AND CHIEF
FINANCIAL OFFICER
MS. GAURI KANIKAR – INVESTOR RELATIONS**

Moderator: Good day, and welcome to Schaeffler India Limited conference call on the acquisition of KRSV Innovative Auto Solutions Private Limited. 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 star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Gauri Kanikar from Schaeffler India Limited. Thank you, and over to you, ma'am.

Gauri Kanikar: Good morning, everyone. Thank you for joining Schaeffler India Limited's conference call on the acquisition of KRSV Innovative Auto Solutions Private Limited. We have with us today from the management, Mr. Harsha Kadam, our Managing Director and Chief Executive Officer and Mr. Satish Patel, our Director of Finance and Chief Financial Officer.

Mr. Kadam will first take us through a short presentation, explaining the broader strategic aspects of the acquisition after which we can open the floor for questions. Thank you and over to you, Mr. Kadam.

Harsha Kadam: Good morning, everyone and welcome to Schaeffler India Limited's conference call on the acquisition of KRSV Innovative Auto Solutions Private Limited. And along with me is Satish Patel, our CFO and Director of the company. The Schaeffler Group, as you all know, has been driving forward ground-breaking invention and developments in the field of motion technology for over 75 years now. With innovative technologies, products and services in both the automotive and industrial space, the company has been and is a reliable partner for making more efficient, intelligent and sustainable over the entire life cycle of the products and applications.

That said, the post-sales aftermarket business too is an important aspect of our business. Now having said that, I am sure you will all agree that we see big transformations in the marketplace. Amongst the many transformations you see, one that is playing a very important role is digitalization. In fact, digitalization has become one of the important growth enablers for the Indian economic growth story as well. So, every aspect of our lives today is not left untouched by digitalization.

So, in line with our digital transformation drive within Schaeffler India as well, also our strategy to grow the automotive aftermarket business at a faster pace, we have reached an important milestone. The acquisition is a milestone moment for Schaeffler as an organization from many angles.

For one, this being the very first acquisition for the Schaeffler India entity. For second, this is the very first acquisition in the B-to-B e-commerce space. And lastly, even at Schaeffler Group level as well, this is a very first acquisition in the automotive aftermarket space, just to name a few.

I am on Slide 1 currently. And I would now like to briefly take you through a short presentation explaining more details on this acquisition, after which, we will open up the floor for questions.

Before I take you into the details of the acquisition itself, let me get you all on the same page regarding what this market is all about. And for that, I request you to refer to slide number two. First, let me start with some data points to understand what the market is about. As you can see, the Indian market is a substantially large market and expected to grow at a phenomenal rate.

As you can see, the B-to-B e-commerce penetration today being just about 2%, it is expected to grow to a level of EUR 1.4 billion by the year 2030, and that would be talking about a CAGR growth rate of 30%, as you can see, getting it to a level of 10% penetration of our e-commerce B-to-B platform as well within the entire automotive aftermarket business that is present in India.

A lot of vehicles that get added coming into the space, the vehicle part numbers are expected to hit close to sixty million vehicles on the road and one of the strongest growing markets for the automotive sector within India as well.

So consistently, over the last few years, the automotive aftermarket in India has been growing at a CAGR of 10% in the last 5 years. This is in spite of the pandemic and the disruptive impact that it had on the economy. Predominantly, the large players are the OEMs. And of course, they have a strong distribution network across the country. And with the B-to-B e-commerce coming into this space as well, what it is going to do is it is very apt that we at Schaeffler India participate in this digital ecosystem.

With this platform, we expect definitely that we can double our aftermarket sales by the year 2030. What would this mean to us, this will enable us to access the workshops that are there in the market and the ability for us to engage with them more actively, much faster with our future value-added services, which we have already been extending through our REPPERT. All of this would be now bundled up into the B-to-B e-commerce space as well.

It is also about creating the right deterrent capability in a way, so that we have the ability to protect our business as the auto parts business becomes more digital in the years to come. I talked about speed and obviously, any digital e-platform route is going to enable us for future scalability to increase at a faster pace into other vehicle form factors as well.

This is also going to enable us to access a lot of market intelligence information and big data, which today we are struggling to get access to such data. So, as you have already heard, we are happy to announce the acquisition of Koovers, a B-to-B e-commerce platform. And this is going to enable us to take the automotive aftermarket business to the next higher level.

Now that said, on the 28th of August, the Board of Directors of Schaeffler India, in a special board meeting that was called has approved the acquisition of 100% of the shares of KRSV Innovative Auto Solutions Private Limited, which had a strong brand called Koovers.

KRSV is a Bengaluru-based private limited company, offering spare part solutions to the Indian aftermarket workshops via B-to-B e-commerce platform. This acquisition presents an ideal synergy for Schaeffler's future after sales activities in India. It will become a key enabler for the aftermarket ecosystem, including our own distribution partners and help them to play an important role in the fast-growing and evolving aftermarket digital landscape.

So, as I have said earlier, this is the first acquisition for us in the history of Schaeffler in India. And obviously, this becomes a strategic step for us to maximize the value creation through our repair solutions for our customers.

Our ambition in the auto aftermarket business always has been to simplify the workshop operations and that can be achieved adopting more plug-and-play approach towards our products and solutions, while we continue to build a very strong connect with our customers as well. And this is where Koovers strongly supports this ambition with its innovative digital offering.

To explain a little more about Koovers brand and its vision, I draw your attention to slide number three. Under this acquisition, the company in question here being the KRSV Innovative Auto Solutions Private Limited. The company is headquartered in Bengaluru and KRSV was founded in the year 2015, and it has a compelling story to tell. The company has a brand name called Koovers and Koovers is one of the fastest-growing automotive company in the B-to-B e-commerce space.

With the projected sales turnover of INR 77 crores in 2023, they have been growing at a CAGR of ~112% over the last 3 years.

With 7,000 workshops, 1.8 million SKUs and being present in 125-plus towns, they are still predominantly present in the South of India today only. Their product categories have a wide range, ranging from breaks, filters, lightings, exhaust systems, engine parts, speedometers, fuel systems, suspension, and the works. Now these are also represented by all the top OEM brands that manufacture the products that I just mentioned, to name a few Bosch, Valeo, Rane, Gabriel, Exedy, Sona, Hella so on and so forth.

The top OEM brands they represent or all the major brands they represent on the platform comes from the passenger vehicle OEMs as well. Now this is a digitally enabled app-based platform with the ease of access, reach, connectivity, and efficiency as they are committed to their tagline of 'right spares at the right price and at the right time.' So Koovers today enjoys a high brand reputation among its customers in the automotive aftermarket in India. This is also the very reason that the brand will continue to operate under the Koovers brand name.

We believe this acquisition will be a key enabler for the aftermarket ecosystem, including our distribution partners as well. And Koovers will not only help us to expand our digital presence with quick expansion of scope and the range, but also help us in building an ecosystem of workshops empowering the stakeholders across the entire value chain. With that, I will move to the next slide to share a little more details about the acquisition itself. So, under the share purchase agreement, Schaeffler India Limited will acquire 100% shares of KRSV Innovative Auto Solutions Private Limited for a consideration of approximately INR142.4 crores, now this acquisition is fully funded by own cash generation.

The transaction will be completed in the next couple of weeks and in this quarter of 2023, subject to the customary closing conditions. For the fiscal year '23, Koovers has recorded a turnover of INR77.7 crores and has ~162 employees on board. Now explaining the integration model post the acquisition, while the KRSV Innovative Auto Solutions will be a subsidiary of

Schaeffler India Limited. And this B-to-B platform would continue to operate under the Koovers brand name within the Schaeffler India Limited entity.

So, moving to the end of the presentation, I would like to draw attention to the next slide, Slide number 5, where I would like to highlight the strategic rationale. So first and foremost, this acquisition is based on the market attractiveness that we see. This acquisition will strengthen Schaeffler India's position as a major player in the Indian automotive aftermarket space and the e-commerce platform will not only help with market penetration but will also help us to access the market intelligence and big data as India's car parc numbers are closing to around sixty-nine million vehicles.

This will help us get access to deeper insights into the market dynamics as well as to customize our own offerings in the automotive aftermarket space. The second, the biggest driver we see is the scalability. India's strong economic growth, supported by the high e-commerce penetration, which is beginning to happen, and it is also linked to the strong automotive aftermarket indicators, the development of the car parc and average car age will lead to a 75% increase of the automotive aftermarket business by the year 2030.

Having said that, this is where Koovers will offer a wide spectrum of automotive products to its customers. And this also brings in a good synergy potential with the existing Schaeffler automotive aftermarket products and its business as well. It also helps us to strengthen the overall digitalization process within the automotive aftermarket ecosystem, which we have been diligently striving to drive it. So, with this one other opportunity that we get is to scale up our automotive aftermarket business to a much higher level, at a much faster pace as digitalization, enables us to connect with the end users in a much faster way.

Talk about customer centricity and the complementarity, Koovers has an established automotive aftermarket e-commerce platform, which becomes an enabler for including our customers as well and helps them to participate as well more actively and bringing us closer to the end customer as well. Schaeffler India, of course, would definitely complement the technical platform requirements, with its in-house expertise of cloud-based architecture as well as the cataloguing expertise that we have within us as well.

Last but not the least, the digitalization. Now this acquisition contributes to the aftermarket digitalization journey, which has been in our strategy as such. And as highlighted earlier, the digital penetration level, which we see in the market, which is currently at about 2%, is going to get to over 10% level of penetration, and we want to play the game there as well.

And the last year, the acquisition contributes positively to the ambitious journey that we at Schaeffler India have strived to always and plan to scale up our digitalization efforts in India. With that, I come to the end of my presentation. We open the floor for questions.

Moderator:

Thank you very much sir. Before we begin, we ask all the participants to keep their questions to those that are directly linked to the acquisition. We will take the first question from the line of Vimal Jamunadas Gohil from Alchemy Capital Management Private Limited. Please go ahead.

Vimal Gohil: Sir, my first question was on -- if you can just talk about in terms of synergies, while you did highlight a few points there. Will we be able to host our existing products like your wipers or batteries, etcetera. on this particular platform. Do we expect some synergies and growth in our existing business because of this acquisition? That is point number one.

Harsha Kadam: Yes. Thank you for the question, Vimal. Yes, you said it right. There is lot of synergy between the products that we already are selling as well as you know, the current business model that we follow is we put our products on the shelves of our distributor shops well. Now the digital platform enables us to have a faster access and reach. This being an app-based platform, obviously, all one has to do is download the app and then scroll through the products that would be available for them. And certainly, we will have the Schaeffler products as well onto the platform.

Vimal Gohil: Understood, sir. Sir, in terms of -- if you can highlight the margins and if the acquisition is going to be EPS accretive immediately or is it going to take some time if you can highlight that?

Satish Patel: Vimal. Satish Patel here. Good morning. In terms of the current Koovers performance which was indicated by Harsha of reaching the turnover of INR77 crores by now with a CAGR of over 100% in the last 3 years. Certainly, they have actually reached -- the company has reached to a level of positive gross profit. And we are expecting that this level would improve because there is a tremendous opportunity of growth. As of now, the platform is largely utilized in South of India, and there are strong plans to roll out pan India. With the advantage of that scale up, the margin level will certainly be there. I am not going to point out how much would that be. But certainly, there is a good and larger, let us say, possibility of improving the margin.

We have to focus in terms of the technology advancement of the platform and we have also to set the entire business with certain sort of centres across India. So that would also involve some sort of cost. But at the same time, there is a scale of opportunity of growing in this field at a much larger space. That is going to bring the margin in terms of the overall contribution to the business.

Vimal Gohil: Understood. Sir, and just one last question was on proposition of some of the well-known vendors also have their own distribution channel and also their own platform, digital platforms for their spare parts and services, repairs, etcetera. How does our platform sort of differentiate? Why will an OEM host its products on a platform where there are other OEM or other products also available? So, what is the proposition for OEMs, which have that their captive platforms?

Satish Patel: So, let me try to answer your question. I think you are meaning our platform. Let me clarify, we do not have a platform as of now. This is the first platform that we are going for in the digital space.

Vimal Gohil: I meant OEMs capital platform. So, Maruti a Volkswagen may have their own captive platform or a digital platform, it could be anything. So, how does our proposition help? How is it different in that sense?

Harsha Kadam: Let me try to answer that, Vimal. So, if I am an end user and I would want choices of the product, between brands to be available for me, obviously, I would want a platform which can give me variety. So, if I have to buy a Maruti product, obviously, I would go into the Maruti's website to look at their products. But if I were to also look at the Koovers platform, I will have multiple choice here, so I can pick. Most of the parts today in the automotive aftermarket are also standardized. There could be some specific products pertaining to that OEM brand, though definitely one has the opportunity to buy directly from the Maruti platform as well as from the Koovers platform, correct.

So, there are products where it is already a standardized product. It does not matter which brand it is. So, this platform enables us to put all the products, all the brand products making it more accessible, more convenient for the customer and giving the customer the preference to make a decision himself.

Vimal Gohil: Understood, sir. Sir, if -- how many B-to-B partners do we have over here? Any -- sorry, if you highlighted the number, I may have missed it.

Satish Patel: I think Harsha mentioned about 7,000 workshops.

Harsha Kadam: And that is just in the South of India, by the way. And this brand is to be now taken across pan-India. So, this has been a small company in the South of India, which we want to now leverage and take it across the entire length and the breadth of the country.

Vimal Gohil: Understood, sir. Thank you so much and all the very best.

Satish Patel: Thank you.

Moderator: Thank you. We will take the next question from the line of Ashish from JM Financial. Please go ahead.

Ashish: Thank you for the opportunity. Sir, my first question is more on getting your thought process on this particular acquisition. So, let us say, first our main objective is to further deepen our presence in the aftermarket. Could that have been achieved by probably getting more listings on portals or on apps like Koovers or we needed to acquire it in order to deepen our presence?

And two, now that this platform is owned by a manufacturer like yourself, will this lead to some of your competitors, etcetera, probably sort of feeling threatened or may want to pull out their products from this platform because they may perceive some sort of maybe a conflict because it's owned by a manufacturer or a product owner like, yourself? Your insights will help, sir. Thank you.

Satish Patel: Yes. Let me first get full clarity of your first question, and if I can request you to repeat the first part of the question.

Ashish: Right, sir. So what I was saying, sir, is that -- so if our primary objective is to actually become more deeper player or more engaged player in the aftermarket space where we sell more or have greater visibility, would that have been achieved by having listings with more number of such

B-to-B players or Koovers kind of players or having more product listings on Koovers itself, for example, I mean do we need to own Koovers as a B-to-B platform in order to further our interest in the aftermarket or we could have done it otherwise. That is one. Again, I think if you want, I can repeat, sir.

Satish Patel:

Thank you. So let me just answer that question. Yes, partly, yes, but not largely. The reason is that this platform is not only the digital space sort of that we can get into, but it is also the existing network of the 7,000 touch points and over 1.8 million parts. So, this is the network that we get and that is going to expand significantly. So, it is not only the digital space that we are getting, it is the entire business footprint, which is existing available, and we have a significant scope of expansion into which we are venturing. So, we get the benefit of that.

The second thing is that we are not going to limit this only to our products, right. This is for all the applicable products in the auto component space. And that gives lot many opportunities. In addition to synergizing our own business for our own products, but also expanding to the bigger opportunity that this aftermarket digital space offers. So yes, coming to your question, partly to a certain extent, we could have achieved by actually setting up such platforms, but not to the extent that we can have under the model that we have acquired.

Harsha Kadam:

So, if I may add to Satish. Mukesh, we are already present pan-India. We have a large distribution network already in place. And this is a big strength in the backbone of our automotive aftermarket business. So many times, such e-commerce platforms cannot function without the support of the logistics as well as the back-end support systems. So, we believe that leveraging these two effectively plus already the workshops that Koovers has in this portfolio, it would only be complementary, if you see. And I think more importantly, as well to point out that if we were to try to do this on our own, it will take a longer time. And this by this acquisition is a faster way to scale up, correct. And hence, we believe that it is important that the acquisition route is the right way to go forward.

Ashish:

Sure, sir. The second part of my question is that now that Koovers is owned by us, does it sort of maybe put the other competitors, our competitors in a similar product lines. In some sort of dilemma, whether to continue their presence on the platform because they may perceive it as some sort of conflict of interest. So, it could be a perception issue, but any insights there that helps.

Harsha Kadam:

Thanks, Mukesh. You partly answered your question yourself by using the word perception. Let us look at the traditional business model today that is existing, right? If you see, we have our own distribution channel plus the OEMs also have their own distribution channels to their own, as we call it, OES part of the business. So, all of us do coexist within that space.

The e-commerce is going to transform the way we are able to do the business. It is not that the business is going to be replaced or it is going to be rejigged or it is going to shift hands. The way we are able to do business in future is going to be more digital. That is what it is all about. And that is happening already.

Today, the penetration level of e-commerce in this business space is just about 2%, and it is likely to scale up. And even by the year 2030, if you look at Frost & Sullivan report, it talks about it is going to scale up to about 10%, which means there is still the 90% of the business still continues in the traditional model, which is happening today. So, to me, is that going to be competition, I do not think so. It is going to complement each other. So okay, ultimate whose product, everyone gets to sell their products, isn't it? So, it does not matter what platform we put them on to. So rightfully, you use the good word, perception, so it is about perception here. It depends on how one wants to perceive it.

Satish Patel: And just to add Harsha, what we have also taken care in the entire acquisition is that this company is going to remain separate. That is not going to be integrated with Schaeffler India Limited and also the brand remains separate. So Koovers would stay as the brand as it is today. So hopefully, they take care of certain perceptions and aspects.

Ashish: Got that, sir. Thank you very much for your answers. Thank you.

Moderator: Thank you. We will take the next question from the line of Mukesh Saraf from Avendus Spark. Please go ahead.

Mukesh Saraf: Yes, sir, good morning and thank you for the opportunity. My first question is with regards to your existing distribution network that you have on the aftermarket. Will this move in some form be competing with some of your distributors already? And how are you kind of going to manage that situation if at all?

Harsha Kadam: Well, the business model that it is going to follow is our distributors will definitely play a critical, crucial part in ensuring the entire value chain operates. If you see, this is all about having, if you look at the tagline, it is having the right part at the right price at the right time. And that cannot happen if our distribution network too is not fully aligned with this business model.

And rightfully so, this is going to be an enabler, not a disabler for our distributors as well. And we have made all the efforts to make sure that, that level of transparency and trust is going to be there with our distribution partners, because they are going to remain a valuable part of this long-term infrastructure.

Satish Patel: I am going to add that, today if you see, there are many layers in the entire supply chain. OEMs, then distributors, then we have wholesalers, retailers, and the auto service providers. So, this many layers, some of them are going to be actually squeezed, but the main layer of distributor is actually going to be optimized and they are going to actually have the larger space available to play in the whole system. So it is more of the next layer, which are there already almost three to four of them. Some of them will be actually squeezed because of the digital service platforms.

Mukesh Saraf: Right, understood. And if you have some sense of the 7,000 workshops that are currently getting serviced, what would already be workshops that are being serviced by your distributors already so that there is some kind of overlap? Or do you think that the majority of the 7,000 would be incremental workshops that Schaeffler's products will be going to?

Satish Patel: So, the question is about 7,000 workshops which are currently the touch points for Koovers. How many of them are already touch points of Schaeffler by distribution? I do not think, we have the number here, but some of them would be.

Harsha Kadam: The first thing I think is, this is going to be a good synergy between our own, the Schaeffler products that we are already selling to our distribution channel and it's going to complement each other. So, it is not going to kind of compete with each other. That is the reason.

Mukesh Saraf: Right. And just lastly, would this give you some new opportunities in terms of some of these digital products, like you have wipers and batteries, which you do not manufacture. So, would this kind of give you some more insights into maybe some other products that you could privately, and you could kind of introduce? Is that also kind of an outcome of this?

Harsha Kadam: Rightfully, this is only going to enable us to have more products to be put on the platform and also today it was just about one brand, the Schaeffler brand but then now we want to have put it up along with the other brands as well. So, this is kind of an exponential opportunity for the end customer. Look at it from his point of view, he is going to have choices, he can buy whatever brand he wants, and the price definitely is going to be differently priced on the platform.

This is also going to enable as Schaeffler for us to gain a lot of insights into the way that the automotive aftermarket functions and with digitalization coming in, it is very important. We have seen that happen in the other platforms, take for example Amazon and others, and hence we believe that this is also going to be one important element in the future, and we want to be a part of this future growth story.

Mukesh Saraf: Sure, all the best, sir. Thank you so much.

Moderator: Thank you. We will take the next question from the line of Chandra Gupta, an individual investor. Please go ahead.

Chandra Gupta: Yes, thanks for this opportunity. Sir, two questions from my side. First is, so what happens to the founders or the senior management of Koovers? Will they remain with us, or will we be putting a new team altogether?

Satish Patel: Very good question. Yes, I confirm that founders remain with the company, and we have a specific agreement with certain type of KPIs to be achieved as we have charted out strong growth plan for this acquisition. So, founders do remain associated with us and the management, which is largely consists of founders as well as the operative management remains unchanged.

Chandra Gupta: Okay, thank you. The second question is now, what does this hold for the future of our aftermarket business? Will there be more investments going ahead like this, both organic or inorganic or how do we see it panning out?

Satish Patel: See, we would as far as our own aftermarket business is concerned, we have a strategy to grow at least double digit and that part of the focus remains unchanged and rather we are going to focus more and if there is some sort of a synergy, which is still there with this sort of platforms,

that is only going to help our own foundation business. But at the same time, I like to also mention that this space is for all the auto component products and ours is one of them.

So, in terms of the overall Koovers sort of business that we look at, maybe our own products would not be as significant because it offers a wider sort of product portfolio. And therefore, our own product would not be significant, but there are synergies of our own product growing, because of the digital space, which is now available to us.

And our own core business expansion that we have in terms of the market, as well as in terms of the new product launch like we have launched the battery recently, we had also already launched TruPower, certain lubricants and all those types of launches will continue and that will also support the growth in the aftermarket.

Chandra Gupta: Okay, but are we looking for similar such more acquisitions or something like that?

Satish Patel: We settle down with this acquisition.

Harsha Kadam: The task in hand right now is to ensure that, we leverage and justify the investments, we have made, and we want to scale this up and, enable our distribution partners. They are also selling a variety of products. So, this is a platform we are offering even to our existing distributors to put up their products on the platform. So, as you can see, there is enough and enough work to be done here, which is the priority right now for us to scale this up and start to leverage and exploit the opportunities, we see in this digitalization effort.

Surely, we have a very clear strategy that we would like to grow as Satish already said. Our automotive aftermarket business to grow at a double digit CAGR growth rate and to that effect, if we have to make investments, whether it is organic or inorganic, we certainly would take cognizance of it, as and when the opportunity arises.

Chandra Gupta: Okay, sir, thanks a lot and all the best.

Moderator: Thank you. Sir, can we take one more question? There is a participant. Okay. We will take the next question from the line of Ashish from JM Financial. Please go ahead.

Ashish: Yes, thank you for the follow-up opportunity. Just one quick question. You did say that Koovers is, gross margin positive. But at the same time, we are looking to take it pan India and expand. So, what kind of further investments that will be needed from Schaeffler towards this platform in order to expand and go on a pan India business? What do you expect beyond the INR142 crores that will invest to acquire this?

Harsha Kadam: Yes, I think two types of investments are needed. One is the investment for IT and the technology upgradation, because the platform needs to be upgraded in order to serve the pan India and the larger business that we are actually aiming for. And secondly, the logistics network, though most of the logistics happens direct on this platform, so not so much of inventory that the company holds but as we expand certainly that level of logistics network also goes up.

So mainly these two investments, there is no number assigned as yet, but yes, there is broad number, but not be exact number assigned. But these two are the investments, but we are pretty sure that, given the growth opportunities that we have built in, in the acquisition, even after this cost and the capex, there is significant growth, both in terms of the top line as well as the margins.

Ashish: Right. Any scale of magnitude of how much may be needed for the next three years or five years? I mean any broad magnitude?

Satish Patel: No, we are right now focusing on completing the acquisition. We have to then brainstorm also with the founders and work out as to how this business that we sort of focus in terms of the growth that we have planned. So, it is very difficult for us to spell out those numbers right now.

Ashish: Thank you, sir. That is all from my side.

Moderator: Thank you. Ladies and gentlemen as there are no further questions, I would now like to hand the conference over to Ms. Gauri Kanikar for closing comments. Over to you, ma'am.

Gauri Kanikar: Thank you everyone for joining us today. If you have any further queries, please do reach out to me at gauri.kanikar@schaeffler.com. We now conclude the call. Thank you.

Moderator: Thank you, ma'am. Ladies and gentlemen, on behalf of Schaeffler India Ltd. that concludes this conference, we thank you for joining us and you may now disconnect your lines. Thank you.

(This document has been edited for improving readability)

Registered Office:
15th Floor, ASTP (Amar Sadanand Tech Park),
Baner, Pune – 411045, Maharashtra
Contact Details:
Investorsupport.IN@schaeffler.com
Website:
www.schaeffler.co.in
CIN: L29130PN1962PLC204515