



KALYANI

BHARAT FORGE LIMITED
Regd. Office : Mundhwa, Pune 411 036.

BHARAT FORGE

AUDITED FINANCIAL RESULTS FOR THE YEAR
ENDED 31 ST MARCH, 2010

(Rs in Lacs)

Sr. No.	Particulars	Quarter ended		Year ended		Consolidated Results for the year	
		31st March, 2010 (unaudited)	31st March, 2009 (unaudited)	31st March, 2010 (Audited)	31st March, 2009 (Audited)	ended 31st March, 2010 (Audited)	ended 31st March, 2009 (Audited)
1	a) Sales & Income from Operations						
	- Within India	35,422	17,781	119,032	111,293	119,032	111,293
	- Outside India	21,966	12,027	71,089	100,245	218,209	371,894
	Total Sales	57,388	29,808	190,121	211,538	337,241	483,187
	Less : Excise Duty	2,739	1,363	8,720	12,023	8,720	12,023
	Total Net Sales	54,649	28,445	181,401	199,515	328,521	471,164
	b) Other Operating Income	1,588	817	4,239	6,344	4,239	6,344
	Total Net Sales / Income from Operations	56,237	29,262	185,640	205,859	332,760	477,508
2	Total expenditure :						
	a) (Increase) / Decrease in stock in trade	(2,291)	733	(2,715)	(3,307)	7,427	(8,284)
	b) Consumption of raw materials	26,893	14,315	84,957	101,355	155,840	248,962
	c) Purchase of traded goods	-	-	-	-	-	-
	d) Employee Cost	3,468	2,677	14,357	13,916	52,385	70,916
	e) Depreciation	4,428	3,092	16,444	14,944	24,512	25,173
	f) Manufacturing Expenses	10,418	4,513	31,606	33,770	59,029	77,235
	g) Others	3,690	2,641	13,736	15,516	24,230	32,908
	Total expenditure	46,606	27,971	158,385	176,194	323,423	446,910
3	Profit from Operations before other Income, Interest and Exceptional Item	9,631	1,291	27,255	29,665	9,337	30,598
4	Other Income	1,204	1,413	3,234	4,767	5,112	6,747
5	Profit from Operations before Interest and Exceptional Item	10,835	2,704	30,489	34,432	14,449	37,345
6	Interest	2,611	2,948	10,277	10,037	13,030	12,914
7	Profit after interest but before Exceptional Items	8,224	(244)	20,212	24,395	1,419	24,431
8	Exceptional items						
	- Exchange rate difference- gain (loss)	(65)	9,878	(2,141)	(8,628)	(452)	(10,373)
	- Net restructuring & Redundancy cost and Customer claim	-	-	-	-	(7,421)	(2,989)
9	Profit / (Loss) from ordinary activities before Tax	8,159	9,634	18,071	15,767	(6,454)	11,069
10	Tax Expenses	2,033	3,521	5,367	5,438	1,190	6,958
11	Net Profit from ordinary activities after Tax	6,126	6,113	12,704	10,329	(7,644)	4,111
12	Extraordinary item (net of tax expenses)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period / year	6,126	6,113	12,704	10,329	(7,644)	4,111
14	Share of Profit in Associate Companies	-	-	-	-	(16)	(46)
15	Less: Minority Interest	-	-	-	-	(1,318)	(1,761)
16	Income attributable to the consolidated group	-	-	-	-	(6,342)	5,826
17	Paid-up Equity Share Capital (Face Value Rs. 2/-)	4,454	4,454	4,454	4,454	4,454	4,454
18	Paid-up Debt Capital of the Company *			60,000	25,000	-	-
19	Reserves excluding revaluation reserves as per balance sheet of previous accounting year			148,267	146,582	141,845	162,477
20	Debenture Redemption Reserve			2,323	261	-	-
21	a) Basic Earning per share of Rs.2/- before and after extraordinary items	2.76	2.63	5.71	4.51	(3.07)	2.62
	b) Diluted Earning per share of Rs.2/- before and after extraordinary items	2.76	2.63	5.71	4.51	(3.07)	2.62
22	Debt Equity Ratio **	-	-	0.74	0.95	0.97	1.04
23	Debt Service Coverage Ratio ***			2.09	1.46	1.02	1.46
24	Interest Service Coverage Ratio ****	-	-	4.36	4.06	2.38	3.80
25	Total Public Shareholding						
	- No of Shares	124,740,901	124,734,166	124,740,901	124,734,166	-	-
	- Percentage of shareholding	56.03%	56.03%	56.03%	56.03%	-	-
26	Promoters and promoter group Shareholding						
	a) Pledged / Encumbered						
	- No of Shares	0.00	0.00	0.00	0.00	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00	0.00	0.00	0.00	-	-
	- Percentage of shares (as a % of the total share capital of the company)	0.00	0.00	0.00	0.00	-	-
	b) Non-encumbered						
	- No of shares	97,902,170	97,908,905	97,902,170	97,908,905	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	-	-
	- Percentage of shares (as a % of the total share capital of the company)	43.97%	43.97%	43.97%	43.97%	-	-



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BHARAT FORGE

**AUDITED FINANCIAL RESULTS FOR THE YEAR
ENDED 31 ST MARCH, 2010**

- 1 The above results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on May 22, 2010.
- 2 Directors recommend a Dividend of Rs. 1/- Per Equity share (50%), subject to approval of shareholders.
- 3 Company had issued 0.5% Foreign Currency Convertible Bonds (FCCB) due 2010 in two Tranches (Tranche 1 & 2) aggregating USD 600 lacs each, convertible at an initial price of Rs.336.11 and Rs. 384.12 per share of Rs.2/- each, respectively. Company has redeemed the outstanding bonds along with the premium on April 20,2010. Company also had issued Zero Coupon Foreign Currency Convertible Bonds (FCCB) in two tranches (Viz. Tranche A and Tranche B) amounting to USD 400 lacs and USD 399 Lacs due 2012 and 2013 respectively optionally convertible at an initial price of Rs.604.03 and Rs.690.32 per share of Rs.2/- each respectively. Since the Fair value (i.e. preceding 6 months average of market price) of the Company's Equity shares is less than the Floor price in respect of outstanding Tranches (A & B) Bonds , the option embedded in the said Bonds to subscribe to Equity shares is, at present, antilutitive.
- 4 The Accounting Standard (AS-11) "The effects of changes in Foreign Exchange Rates" prescribed by Companies (Accounting Standards) Amendment Rules, 2006 was amended on 31st March 2009, by the Ministry of Corporate Affairs. The said amendment offered an option to Companies to recognise Foreign Exchange Gains and Losses arising on translation of all long term monetary assets and liabilities (LTMAL) acquired upto 31st March 2009 retrospectively from accounting periods commencing after 7th December 2006 (i.e. 1st April 2007 for the Company) upto 31st March 2011 as capital cost of acquisition of assets where they relate to acquisition of assets or to a translation reserve in other cases to be amortised over the balance term of the LTMAL but not later than 31st March,2011.

The Company had exercised this option in the previous year and accordingly a gain of Rs.567 lacs for the quarter and Rs.754 Lacs for year to date respectively has been amortised in the above results which together with the gains and losses on short term monetary items and foreign exchange derivative instruments amounting to Rs.632 lacs for the quarter and Rs.2,895 lacs for the year has been reflected as "Exceptional item". The Balance in the translation reserve aggregating Rs.123 lacs as at 31st March 2010 will be amortised appropriately over the remaining 4 quarters, subject to adjustments for further fluctuations. Exchange gain of Rs.2,246 lacs for the quarter and of Rs.10,213 lacs for year on translation of foreign currency liabilities relating to Fixed Assets has been adjusted to the cost of Assets. Hence the amount relating to the corresponding periods are not comparable.
- 5 In order to recognise the impact of fluctuation in foreign currency rates arising out of instruments acquired to hedge highly probable forecast transaction, in appropriate accounting periods, the company applies the principles of recognition set out in the Accounting Standard 30- Financial Instruments - Recognition and Measurement (AS-30) as suggested by the Institute of Chartered Accountants of India. Accordingly, the unrealised gain/ (loss) (net) consequent to foreign currency fluctuations, in respect of effective hedging instruments , represented by simple forward covers, to hedge future exports , are carried as a Hedging Reserve, and ultimately set off in the profit and loss account when the underlying transaction arises.
The amount outstanding in the Hedge Reserve at the close of the year is Rs.1,715 lacs.
- 6 During the quarter, no investor complaint was received . There were no investor complaints pending for redressal as at the commencement and end of the quarter.
- 7 Since the close of the year, Company issued and allotted 100,00,000 equity shares of face value of Rs.2/- each at a price of Rs.272/- per equity share aggregating to Rs.27,200 lacs on 28th April,2010. Simultaneous with the issue of 1 760, (10.75%) Non convertible Debentures (NCD) of a face value of Rs.1,000,000 at par, together with 65,00,000 Warrants at a issue price of Rs.2/- each with an option to the holder to subscribe to one equity share of Rs.2/- each at a conversion price of Rs.272/- (Premium of Rs.270/-) each within a period of three years form April 29,2010, subject to adjustment specified in the placement dcoument dated April 26,2010.
The above securities were subscribed and allotted to Qualified Institutional buyers on 28th April,2010.
- 8 Previous year/ period's figures are regrouped wherever necessary.
- 9 The consolidated financial statements include results of all the subsidiaries of Bharat Forge Limited and their Subsidiaries. The names, country of incorporation or residence, proportion of ownership interest and reporting dates are as under:

Name of the company	Country of Incorporation	Parent's ultimate holding as on 31st March 2010	Financial year ends on
A Subsidiaries :			
CDP Bharat Forge GmbH :- and its wholly owned subsidiary	Germany	100%	12/31/2009
i. Bharat Forge Daun GmbH	Germany	100% @	12/31/2009
ii. BF New Technologies GmbH	Germany	100% @	12/31/2009
iii. Bharat Forge Holding GmbH and its wholly owned subsidiary BF Aluminiumtechnik GmbH & Co KG :- and its wholly owned subsidiary - BF Aluminiumtechnik Verwaltungs GmbH	Germany	100% @	12/31/2009
iv. Bharat Forge Beteiligungs GmbH :- and its wholly owned subsidiary i. Bharat Forge Kilsta A.B. Sweden and its wholly owned subsidiary - Bharat Forge Scottish Stampings Ltd.	Germany	100% @	12/31/2009
ii. Bharat Forge Hong Kong Ltd. and its Joint Venture subsidiary - FAW Bharat Forge (Chnagchun) Co. Ltd.	Sweden Hong Kong	100% @ 100% @	12/31/2009 12/31/2009
Bharat Forge America Inc.	China	52% @	12/31/2009
Joint Venture Subsidiaries : - BF NTPC Energy Systems Ltd.	U.S.A.	100%	12/31/2009
	India	51%	3/31/2010
B Associate : Tecnica UK Limited (shares held through subsidiary) @ held through subsidiaries.	UK	30% @	12/31/2009

C The Consolidated Results for the year ended 31st March,2010 does not include results of Alstom Bharat Forge Power Ltd., a Joint Venture, and Kalyani Alstom Power Ltd. a subsidiary as the first financial year of these companies is for a period of 15 months ending 31st March,2011.

* Paid up Debt Capital represents Non-Convertible Debentures

** Debt to Equity : Net Debt/ Net Worth

(Net Debt : Secured Loan + Unsecured Loan - Cash & Bank - Current Investments)

(Net Worth : Equity Share Capital + Reserves & Surplus - Miscellaneous Expenditure to the extent not written off or adjusted - Foreign Currency Translation Reserve)

*** Debt Service Coverage Ratio : EBDIT / (Finance Charges + Principal Repayment during the year)

(EBDIT : Profit before Taxes + Finance Charges + Depreciation)

**** Interest Service Coverage Ratio : EBDIT / Finance Charges)

For Bharat Forge Limited

Mumbai
Dated : May 22, 2010

(B. N. KALYANI)
CHAIRMAN & MANAGING DIRECTOR

BHARAT FORGE LIMITED
 Regd. Office : Mundhwa, Pune 411 036
CONSOLIDATED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
FOR THE YEAR ENDED 31ST MARCH 2010

Rs. in Lacs

Sr. No.	Particulars	31st March 2010 Audited	31st March 2009 Audited
1	Segment Revenue		
a	Forgings	332,179	476,865
b	Gen.Engg.,Trading etc.	1,148	1,168
	Total	333,327	478,033
	Less: Inter Segment Revenue	610	568
	Net Sales/Income from Operations	332,717	477,465
2	Segment Results Profit/(Loss) (before tax and interest from each segment)		
a	Forgings	30,203	55,970
b	Gen.Engg.,Trading etc.	263	254
	Total	30,466	56,224
	Less:		
1	Interest	13,030	12,914
2	Other un-allocable expenditure net of un-allocable income	16,017	18,879
	Profit before Tax & Exceptional item	1,419	24,431
	Exceptional items		
	-Exchange Gain / (Loss)	(452)	(10,373)
	- Net Restructuring & Redundancy cost and Customer claim	(7,421)	(2,989)
	Profit before Tax	(6,454)	11,069
3	Capital Employed (Segment Assets - Segment Liabilities)		
a	Forgings	273,323	337,686
b	Gen.Engg.,Trading etc.	3,228	1,841
c	Unallocable Assets less Liabilities :		
	-Unutilised Fund raised temporarily deployed	80,178	33,833
	-others	32,378	38,040
		389,107	411,400
4	Secondary information in respect of Geographical segment on the basis of location of customers		
a	Within India	114,551	105,614
b	Outside India	218,209	371,894

The Company has identified its business segments as its primary reporting format which comprises of Forgings and General Engineering. The main segment is Forgings. All products made by the Company essentially emanate from forgings and therefore it is reported as an independent business segment. General Engineering is a fabrication unit which constitute a miniscule portion of the Company's activities.

Above consolidated results for the year includes the result of subsidiary companies viz CDP Bharat Forge GmbH, Bharat Forge America Inc.,U.S.A. and , BF NTPC Energy Systems Ltd.

For BHARAT FORGE LIMITED

Mumbai
 Dated : May 22,2010

(B. N. KALYANI)
 CHAIRMAN & MANAGING DIRECTOR

BHARAT FORGE



Information in addition to Listing requirements:

Key unaudited combined financial parameters for Bharat Forge Limited and its wholly owned global subsidiaries (other than China operations) for the quarter ended 31st March 2010 are as follows:

(Rs. Lacs)

Particulars	Quarter ended	
	31.03.2010	31.03.2009
Total Income	92,389	62,733
Profit before Interest, Depreciation & Tax	16,146	3,351
Profit before tax & exceptional items	7,322	(5,466)
Exchange Gain	358	10,095
Profit after tax	5,601	2,033

1. The above does not include financial information of FAW Bharat Forge (Changchun) Company Limited - Company's Joint Venture in China.
2. The above additional information was noted by the Board of Directors of the Company at its meeting held on May 22, 2010.