

BHARAT FORGE LIMITED

**Consolidated Revenue jumps 45% to reach Rs. 649 Crores,
Consolidated Net Profit improves 60% to reach Rs. 63 Crore**

Key Highlights:

Consolidated revenue & net profit reaches Rs. 649 crore & Rs. 63 crore respectively.

Bharat Forge acquired assets of Federal Forge Inc. USA (through wholly owned subsidiary Bharat Forge America Inc), its third global acquisition after CDP Bharat Forge & Bharat Forge Aluminumtechnik.

The acquisition substantially enhances the penetration in the US passenger car & Light Truck market & further strengthens the Dual Shore Supply capability.

Pune, 27 July, 2005: Bharat Forge, the leading global supplier of forged & machined auto components, has announced a quantum growth in its consolidated performance. The company achieved consolidated revenue of Rs. 649 crores (US \$ 149 Million) & Profit After Tax of Rs. 63 crores (US\$ 14.5 Million) for the First quarter of the year 2005-06. This marks an increase of 45% & 60 % respectively over the consolidated performance achieved in Q1 last year. This is a reflection of the strong operational performance of BFL's global operations.

Of the total revenue of Rs. 649 crores, Rs. 429 crores (US \$ 99 Million) was generated from sales to customers outside India. Thus, the share of global revenues in the company's total revenues now stands at 66%. This was made possible by improvement in operations of its global subsidiaries & rapid ramp-up of exports from India. This proportion is set to improve further with acquisition of assets of Federal Forge Inc (through its wholly owned subsidiary Bharat Forge America Inc) and sustained enhancement in export revenue out of Indian operations.

Bharat Forge, on a stand-alone basis clocked a growth of 44% both in Revenue and profitability which now stands at Rs. 375 crores and Rs. 49 crores respectively as against Rs. 261 crores and Rs. 34 crores in the corresponding quarter previous year. Export revenue demonstrated an even impressive 62% growth to reach Rs. 154 crores (US \$ 35 Million).

Commenting on the result Mr. B N Kalyani, Chairman & Managing Director said: "The consolidated results of the first quarter are a result of our global strategy being very well received and supported by our customers in the form of increased demand flow from global customers.

Mr. B N Kalyani further added: “The acquisition of the assets of Federal Forge Inc. USA is a significant step in this direction & and I believe that the pace of these strategic initiatives is set to accelerate in line with the capacities coming on-stream and sustained migration from being a component supplier to a development partner with the global OEM and Tier I customers with manufacturing footprint in India, Europe & USA.”

The following are the highlights of the company’s consolidated and stand-alone performance for the quarter ended June 30, 2005.

(Rs Crore)

Particulars	Quarter Ended 30/06/05 (Consolidated)	Quarter I Ended 30/06/04 (Consolidated)	% change	Quarter Ended 30/06/05 (Standalone)	Quarter I Ended 30/06/04 (Standalone)	% Change	Year Ended 31/03/05 Consolidated
Total Revenue	649.47	446.77	45.37	374.68	260.95	43.58	2001.38
Domestic (net of excise)	220.52	165.51	33.24	220.52	165.51	33.24	716.60
Revenue outside India	428.95	281.26	52.51	154.16	95.44	61.53	1284.78
Operating Profit [PBDIT]	135.00	92.37	46.15	99.69	73.20	36.19	431.94
PBT	95.79	62.71	52.75	73.59	53.01	38.82	313.01
PAT	63.13	39.36	60.39	48.91	34.00	43.85	201.08

For further information contact:

Sarita Iyer

Corporate Communications

Bharat Forge Limited

Tel: 91 20 2670 2638/ 26824666 (D)

Fax: 99 20 2682 2598

Mail : siyer@bharatforge.com