

BHARAT FORGE

Date: July 6, 2017

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 Sir,

Sub: Press Release

Re: Kalyani Group and Israel Aerospace Industries (IAI) expands JV to build new Maintenance Centre in India for Selected Advanced Air Defense Systems

With reference to our release dated February 15, 2017, concerning the Memorandum of Understanding (MOU) for manufacture of Specific Air Defense Systems, we wish to inform you that Kalyani Strategic Systems Limited, a subsidiary of Bharat Forge Limited and Israel Aerospace Industries Limited have now signed a new MOU addressed to expand the Joint Venture that the companies are establishing. The new MOU covers the establishment of a maintenance center in India for Selected Advanced Air Defense Systems.

A press release in this regard is enclosed.

Request you to take the same on record.

Thanking you,

Yours faithfully,
For Bharat Forge Limited


Tejaswini Chaudhari
Dy. Company Secretary



Enclosures: Press Release



KALYANI
GROUP COMPANY

6th July 2017

**Israel Aerospace Industries (IAI) expands JV with Kalyani Group:
will Build New Maintenance Center in India for Selected Advanced
Air Defense Systems**



As part of Hon'ble Prime Minister of India - Shri Narendra Modi's visit in Israel this week, executives from Israel Aerospace Industries (IAI) and Kalyani Strategic Systems Ltd. (KSSL), subsidiary of Bharat Forge Limited, signed a Memorandum of Understanding (MOU) addressed to expand the Joint Venture that the companies are establishing.

The new MOU covers the establishment of a maintenance center for selected advanced air defence systems in Hyderabad in the state of Telengana in India. The two companies have also agreed on expanding their joint operations for development, manufacturing and marketing of precise ammunition systems. In February 2017, IAI has inked an MOU with Kalyani Strategic Systems Ltd. (KSSL) on establishing a joint venture that will develop, build, market and manufacture selected Air Defence Systems and light weight special purpose munitions, in accordance with the Indian Government's 'Make in India' policy.



KALYANI

Baba Kalyani, Chairman and MD, Bharat Forge Limited said: "In line with our Prime Minister's idea of forging a technology-based partnership with Israel, this joint venture with IAI furthers the idea of Indian government's 'Make in India' initiative and will provide world class solutions including life-cycle support to Indian defence. I also consider that it augments the group's efforts in developing and manufacturing state-of-the-art indigenous systems in niche technology areas of defence sector in India."

Joseph Weiss, IAI's President and CEO said: "India has been IAI's partner for many years as well as a key market for us. The Indian government's 'Make in India' initiative requires of international companies to rethink their operations in India. The changes in India have not gone unnoticed by IAI: we have been revamping all of our operations in India and believed that together with our partners in Kalyani Group we will preserve our position in India for both countries continued growth."

Boaz Levi, Executive Vice President and General Manager of Systems, Missiles & Space Group said: "The MOU entered today is a strategic agreement for us. Combining the development capabilities and the vast knowhow accumulated in IAI in air defence and missiles with Kalyani's advanced production and excellent technological capabilities would help us offer the most advanced systems to India's defence forces. The establishment of a local maintenance center will offer the best technical and operational support to our customers in India while implementing the 'Make in India' initiative. We look forward to investing more in air defence and missiles with Kalyani Group, our partner in India."

Rajinder Singh Bhatia, President and CEO - Defence, Bharat Forge Limited said: "The joint venture company will combine IAI's knowledge and experience as a developer of high-technology selected missile systems, with the engineering excellence and manufacturing capabilities of the Kalyani Group."