

BHARAT FORGE

Date: November 8, 2016

To,

The General Manager,
Corporate Relationship Department,
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
Mumbai - 400 001.
Ref: **BSE SCRIP CODE – 500493**

The Secretary,
National Stock Exchange of India Ltd.,
'Exchange Plaza',
Bandra Kurla Complex, Bandra (East)
Mumbai- 400 051
Symbol: **BHARATFORG**
Series: **EQ**

Ref: Meeting of Board of Directors of Bharat Forge Limited held on November 8, 2016.

Subject: Standalone Unaudited Financial Results for the quarter & half year ended on September 30, 2016.

Dear Sir/ Madam,

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Standalone Unaudited Financial Results for the quarter & half year ended on September 30, 2016 along with Limited Review Report by the Statutory Auditors.

We request you to take the same on record.

Thanking you,

Yours faithfully,
For Bharat Forge Limited,


Tejaswini Chaudhari
Dy. Company Secretary

Enclosures: As above



KALYANI
GROUP COMPANY



BHARAT FORGE LIMITED

CIN:L25209PN1961PLC012046

Regd. Office : Mundhwa, Pune Cantonment, Pune 411 036.

Ph. No. : 91-20-6704 2777 / 2476, Fax No. : 91-20-2682 2163

Email : secretarial@bharatforge.com, Website : www.bharatforge.com

BHARAT FORGE

**STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND
HALF YEAR ENDED 30TH SEPTEMBER, 2016**

(₹ in Crores)

Sr. No.	Particulars	Quarter ended			Half year ended	
		30th September, 2016 (Unaudited)	30th June, 2016 (Unaudited)	30th September, 2015 (Refer note 5)	30th September, 2016 (Unaudited)	30th September, 2015 (Refer note 5)
1	a) Gross sales and income from operations					
	- Within India	465.78	533.52	497.99	999.30	979.56
	- Outside India	451.52	407.85	648.01	859.37	1,327.54
	Total gross sales	917.30	941.37	1,146.00	1,858.67	2,307.10
	b) Other operating income	18.61	15.66	24.97	34.27	49.93
	Total income from operations	935.91	957.03	1,170.97	1,892.94	2,357.03
2	Expenses					
	a) Cost of materials consumed	317.15	325.82	404.57	642.97	816.87
	b) Changes in inventories of finished goods, work-in-progress and dies	(10.33)	(15.05)	0.40	(25.38)	(23.59)
	c) Employee benefits expense	90.42	91.58	93.20	182.00	186.78
	d) Depreciation and amortisation expense	72.61	73.96	71.38	146.57	146.23
	e) Manufacturing expenses	152.52	156.48	181.22	309.00	359.63
	f) Excise duty on sale of goods	45.02	52.61	47.09	97.63	94.32
	g) Other expenses	93.46	101.18	124.05	194.64	246.00
	Total expenses	760.85	786.58	921.91	1,547.43	1,826.24
3	Profit from operations before other income, finance costs and exceptional items (1-2)	175.06	170.45	249.06	345.51	530.79
4	Other income	30.91	25.64	28.17	56.55	58.08
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	205.97	196.09	277.23	402.06	588.87
6	Finance costs	18.94	17.02	22.23	35.96	43.52
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	187.03	179.07	255.00	366.10	545.35
8	Exceptional items	-	-	-	-	-
9	Profit from ordinary activities before tax (7+8)	187.03	179.07	255.00	366.10	545.35
10	Tax expense	60.14	57.01	82.73	117.15	177.11
11	Net profit for the period after tax (9-10)	126.89	122.06	172.27	248.95	368.24
12	Other comprehensive income (net of tax)	52.38	(28.84)	(106.59)	23.54	(223.16)
13	Total comprehensive income (11+12)	179.27	93.22	65.68	272.49	145.08
14	Paid-up equity share capital (Face Value ₹ 2/- each)	46.57	46.57	46.57	46.57	46.57
15	Paid-up Debt capital of the Company *				83.35	219.48
16	Debenture redemption reserve				62.50	106.50
17	a) Basic earnings per share of ₹ 2/- each (not annualised for the quarters) (₹)	5.45	5.24	7.40	10.69	15.82
	b) Diluted earnings per share of ₹ 2/- each (not annualised for the quarters) (₹)	5.45	5.24	7.40	10.69	15.82
18	Debt equity ratio **				0.30	0.22
19	Debt service coverage ratio ***				4.13	6.99
20	Interest service coverage ratio ****				15.26	16.89

Additional Information :

Profit before tax, before exchange gain / (loss), and exceptional items	192.11	188.54	269.79	380.65	573.06
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**STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND
HALF YEAR ENDED 30TH SEPTEMBER, 2016.**

NOTES TO FINANCIAL RESULTS :

1 Standalone balance sheet

(₹ In Crores)

Particulars		As at half year ended on 30th September, 2016 (Unaudited)
A ASSETS		
1 Non-current assets		
(a) Property, plant and equipment		2,163.26
(b) Capital work-in-progress		571.36
(c) Investment property		0.29
(d) Other intangible assets		3.73
(e) Investment in subsidiaries, associates and joint ventures		655.23
(f) Financial assets		
Investments		80.32
Trade receivables		1.15
Loans		27.57
Other non-current financial assets		10.84
(g) Income tax assets (net)		26.15
(h) Other non-current assets		180.00
Sub total - Non-current assets		3,719.90
2 Current assets		
(a) Inventories		409.77
(b) Financial assets		
Investments		1,087.75
Trade receivables		1,204.28
Derivative instruments		224.92
Cash and cash equivalents		256.82
Other bank balances		121.00
Loans		30.50
Other current financial assets		88.89
(c) Other current assets		316.61
Sub total - Current assets		3,740.54
TOTAL - ASSETS		7,460.44
B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital		46.57
(b) Other equity		
Retained earnings		2,634.03
Other reserves		1,180.10
Sub total - Equity		3,860.70
2 Liabilities		
Non-current liabilities		
(a) Financial liabilities		
Borrowings		1,325.29
Other non-current financial liabilities		1.51
(b) Provisions		28.11
(c) Deferred tax liabilities (net)		270.60
(d) Other non-current financial liabilities		43.58
Sub total - Non-current liabilities		1,669.09
Current liabilities		
(a) Financial liabilities		
Borrowings		780.68
Trade payables		456.94
Other current financial liabilities		575.34
(b) Other current liabilities		71.82
(c) Provisions		23.30
(d) Current tax liabilities (net)		22.57
Sub total - Current liabilities		1,930.65
TOTAL- EQUITY AND LIABILITIES		7,460.44



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**STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND
HALF YEAR ENDED 30TH SEPTEMBER, 2016**

NOTES TO FINANCIAL RESULTS (CONTD.):

- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on November 8, 2016. The Statutory Auditors of the Company have carried out a "Limited Review" of the results for the quarter and half year ended September 30, 2016.
- 3 **First time adoption of Ind AS :** The Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2016 and accordingly, the transition was carried out, from the Accounting Principles generally accepted in India as specified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 (previous GAAP), in accordance with Ind AS-101 "First time adoption of Indian Accounting Standards". Accordingly, the impact on transition has been recorded in opening reserves as at April 1, 2015 and the periods presented have been restated.

Reconciliation of net profit after tax for the corresponding quarter ended 30th September, 2015 between previous GAAP and Ind AS is as under :

		(₹ in Crores)	
	Particulars	Notes	Quarter ended 30th September, 2015
A)	Net profit for the period after tax as per previous GAAP		175.06
B)	Effects of transition to Ind-AS on statement of profit and loss :		
	i) Impact of measuring investments at fair value through profit or loss (FVTPL)	(a)	(0.33)
	ii) Reclassification of actuarial gains / (losses), arising in respect of defined benefit plans		(1.14)
	iii) Depreciation on machinery spares and dies reclassified to property, plant and equipment		(6.07)
	iv) Adjustment to consumption due to reclassification of machinery spares and dies to property, plant and equipment		3.22
	v) Others		(0.06)
	vi) Tax adjustments		1.59
C)	Net profit for the period after tax as per Ind AS		172.27
D)	Other comprehensive income (net of tax)	(b), (c)	(106.59)
E)	Total comprehensive income		65.68

Notes :

- (a) Under previous GAAP, current investments were stated at lower of cost and fair value. Under Ind AS these financial assets have been classified as FVTPL on the date of transition and fair value changes after the date of transition have been recognised in the statement of profit and Loss.
- (b) Under previous GAAP, non-current investments were stated at cost. Where applicable, provision was made to recognise the decline, other than temporary, in valuation of such investments. Under Ind AS, financial assets in equity instruments which are not held for trading have been classified as "Fair Value through Other Comprehensive Income (FVTOCI)".
- (c) Other comprehensive income includes net movement of cash flow hedge, remeasurement of defined benefit plans and certain other adjustments.
- 4 The format for un-audited quarterly results as prescribed in SEBI's Circulars CIR/IMD/DF1/9/2015 dated November 27, 2015 and CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular CIR/CFD/FAC/62/2016 dated July 5, 2016; Ind AS and schedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.

[Signature]



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**STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND
HALF YEAR ENDED 30TH SEPTEMBER, 2016**

NOTES TO FINANCIAL RESULTS (CONTD.):

- 5 The Ind AS financial results and financial information for the quarter and half year ended September 30, 2015 have been compiled by the management after making necessary adjustments to give a true and fair view of the results. This information has not been subject to any limited review or audit.
- 6 There is a possibility that these quarterly and half yearly financial results may require adjustment before constituting the final Ind AS financial statement as at and for the year ending March 31, 2017 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA / appropriate authority or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS as permitted under Ind AS-101.
- 7 The Company is of the view that it manufactures "Forging components" which is a single business segment in accordance with Ind AS-108 "Operating Segment" notified pursuant to Companies (Accounting Standards) Rule, 2015.
- 8 The Company has opted to publish only standalone unaudited financial results. The Company would be consolidating and presenting its Consolidated Financial Statements as at and for the year ending March 31, 2017.
- 9 The Board of Directors of the Company has approved divestment of Company's entire share of investment in ALSTOM Bharat Forge Power Private Limited (ABFPPL) for a consideration of U.S. \$ 35 million (approx. Rs. 233 crore), the investment value is Rs.173 crore. This transaction is subject to regulatory and other approvals. Accordingly, the investment has been continued to be classified as non-current investment till the completion of the condition precedent to the transaction.

* Paid-up Debt Capital represents Non-Convertible Debentures

** Debt Equity Ratio : Net Debt / Net Worth

(Net Debt : Secured Loan + Unsecured Loan - Cash and bank balances - Current Investments)

(Net Worth : Equity Share Capital + Other Equity - Foreign Currency Monetary Items Translation Difference
Account [FCMITDA] - Other Comprehensive Income)

*** Debt Service Coverage Ratio : EBDIT / (Finance Costs + Principal Repayment during the period/half year)
(EBDIT : Profit before Taxes + Finance Costs + Depreciation)

**** Interest Service Coverage Ratio : EBDIT / Finance Costs

For BHARAT FORGE LIMITED

(B. N.KALYANI)

CHAIRMAN AND MANAGING DIRECTOR
DIN:00089380

Place : Pune

Dated : November 08, 2016

Certified to be True Copy
For Bharat Forge Ltd.

Tejaswini Chaudhari
Deputy Company Secretary

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DISCLOSURE IN RESPECT OF OUTSTANDING NON CONVERTIBLE DEBENTURES (NCDs) AS ON 30TH SEPTEMBER, 2016

Particulars	10.75% Redeemable Secured NCDs of Rs. 176 Cr (#)	11.95% Redeemable Secured NCDs of Rs. 250 Cr
Previous due date for payment of interest for NCDs Paid on	April 28,2016 April 28,2016	July 05,2016 July 05,2016
Previous due date for repayment of principal of NCDs Paid on	April 28,2016 April 28,2016	January 05,2016 January 05,2016
Next due date for payment of interest for NCDs (*) Amount of Interest (Rs. Cr)	N.A. N.A.	October 05,2016 2.51
Next due date for repayment of principal of NCDs Redemption Amount (Rs. Cr)	N.A. N.A.	January 05,2017 83.35

(#) Fully redeemed on April 28, 2016.

(*) Paid on due date.

With reference to above mentioned NCDs other information on standalone financials is as follows:

Credit Rating	AA+ by ICRA
Asset Cover Ratio	34.07
Net Worth (Rs. Cr.)	3,860.70

The Company does not have any redeemable preference shares.

**Certified to be True Copy
For Bharat Forge Ltd.**

Tejaswini Chaudhari
**Tejaswini Chaudhari
Deputy Company Secretary**

Place : Pune
Dated : November 8, 2016

For Bharat Forge Limited

B. N. Kalyani
**(B. N. KALYANI)
CHAIRMAN & MANAGING DIRECTOR
DIN:00089380**

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Limited Review Report**Review Report to
The Board of Directors
Bharat Forge Limited**

We have reviewed the accompanying statement of unaudited financial results of Bharat Forge Limited ('the Company') for the quarter ended September 30, 2016 and year to date from April 1, 2016 to September 30, 2016 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.


We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

We have not audited or reviewed the accompanying financial results for the three months ended September 30, 2015 and the year to date period ended September 30, 2015, which have been presented solely based on the information compiled by Management.

For S R B C & CO LLP**ICAI Firm registration number: 324982E/E300003**

Chartered Accountants


per Arvind Sethi
Partner

Membership No.: 89802



Pune

November 8, 2016