

BHARAT FORGE

Date: August 10, 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/ Madam,

Sub: Disclosure under regulation 30 of SEBI (Listing Obligation & Disclosure Requirements), Regulation, 2015

In furtherance of our letter dated August 10, 2017, the Board of Directors of the Company in its meeting held and concluded today, on August 10, 2017, have accorded their approval for acquisition of balance 40% shares of Analogic Controls India Limited (ACIL). Post this acquisition, ACIL will become wholly-owned subsidiary of the Company.

With reference to the above and in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company makes the following disclosure as prescribed in Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.

Disclosure under regulation 30 of SEBI (Listing Obligation & Disclosure Requirements), Regulation, 2015

1.	Name of the target entity, details in brief such as size, turnover etc.	<p>The Company is the holding company of Analogic Controls India Limited (ACIL). The Company holds 60% of the shareholding in ACIL as on date. Now, the Company proposes to acquire from the ACIL promoters, the balance 40% stake in ACIL.</p> <p>ACIL is engaged in the design and development of reliable onboard/ground systems, safety arming mechanism, launcher relay unit, reliable electronic systems and sub-systems for mission critical applications. ACIL offers products and services for mission critical technologies of national importance in Defence, Aerospace, Communications and Industrial Electronics. It provides end-to-end solutions and extends field services to the end users.</p> <p>During FY 2016-17, the turnover of ACIL was Rs. 73,417,818.</p>
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2.	<p>Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired?</p> <p>If yes, nature of interest and details thereof and whether the same is done at "arms length";</p>	<p>As the Company is the holding company of ACIL, the proposed acquisition is a related party transaction.</p> <p>The promoter/ promoter group/ group companies of the Company do not have any interest in ACIL.</p> <p>As, the current net-worth of ACIL is Rs. (17.88) Crores, the promoters of ACIL holding balance 40% shares are willing to off-load their entire stake to the Company at a token value of Rs.100/-</p>
3.	Industry to which the entity being acquired belongs;	Manufacturing of electronic systems and sub-systems for mission critical applications.
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	The Company believes that ACIL is strategically important from its defence and aerospace business perspective as it has the required resources and technical capability in executing defence /aerospace / electronic component/ sub-systems related projects over a period of time.
5.	Brief details of any governmental or regulatory approvals required for the acquisition;	N.A.
6.	Indicative time period for completion of the acquisition;	End of August, 2017.
7.	Nature of consideration - whether cash consideration or share swap and details of the same;	The consideration for the acquisitions will be in the form of cash.
8.	Cost of acquisition or the price at which the shares are acquired;	As, the current net-worth of ACIL is Rs. (17.88) Crores, the promoters holding balance 40% shares in ACIL are willing to off-load their entire stake to the Company at a token value of Rs.100/-
9.	Percentage of shareholding / control acquired and / or number of shares acquired;	<p>40% of stake in ACIL will be acquired by the Company.</p> <p>Once this transaction is complete, the total shareholding of the Company will increase to 100%.</p>
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	Analogic Controls India Limited (ACIL) is an Indian public limited company incorporated on 12 th July, 1996 with its registered office at Hyderabad. ACIL is engaged in the business of designing, developing and manufacturing of reliable electronic systems and sub-systems for mission critical applications. ACIL offers products and services for mission critical technologies of national importance



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	<p>in Defence, Aerospace, Communications and Industrial Electronics.</p> <p>ACIL is a subsidiary of Bharat Forge Limited (the Company). The Company, the erstwhile promoters of ACIL and ACIL had entered into a Share Subscription Agreement and Shareholders' Agreement on 23rd April, 2013 and 18th June, 2013 respectively, for acquiring 60% stake in ACIL by the Company.</p> <p>The turnover of ACIL for past 3 years is as follows:</p> <table><tr><td>For (FY 16-17):</td><td>Rs. 73,417,818</td></tr><tr><td>For (FY 15-16):</td><td>Rs. 100,534,448</td></tr><tr><td>For (FY 14-15):</td><td>Rs. 33,299,198</td></tr></table>	For (FY 16-17):	Rs. 73,417,818	For (FY 15-16):	Rs. 100,534,448	For (FY 14-15):	Rs. 33,299,198
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Kindly take the same on your record.

Thanking you,

For Bharat Forge Limited,

Tejaswini Chaudhari
Deputy Company Secretary



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