

BHARAT FORGE

Date: November 18, 2016

To,
The General Manager,
BSE Limited,
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**

Dear Sir/ Madam,

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

In terms of the powers delegated by the Board of Directors of the Company in its meeting held on November 8, 2016, members of Finance & Risk Management Committee of the Company in its meeting held and concluded today, have accorded their approval for acquisition of Walker Forge Tennessee LLC, USA along with PMT Holding Inc., USA through its wholly owned subsidiary Bharat Forge America Inc., USA for a total consideration of USD 14 Million. This acquisition shall consummate on completion of certain conditions precedent as set forth in the Equity Purchase Agreement.

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.	Bharat Forge Limited through its wholly owned subsidiary Bharat Forge America Inc., USA proposes to acquire directly and indirectly entire stake in Walker Forge Tennessee LLC, USA and PMT Holding Inc., USA.
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		<p>Walker Forge Tennessee LLC is an industry leading supplier of complex, steel and high-alloy steel engine & chassis components to a diverse group of customers across automotive & Industrial sectors.</p> <p>During FY 2015 turnover of Walker Forge Tennessee LLC was US\$ 38 million.</p> <p>PMT Holding Inc. owns 18% shares of Walker Forge Tennessee and does not have any operating activities.</p>
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>The proposed acquisition is not a related party transaction.</p> <p>The promoter/ promoter group/ group companies do not have any interest in the entities being acquired.</p>
3.	Industry to which the entity being acquired belongs;	Manufacturing of components for automotive and industrial sector.
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);	<p>This proposed acquisition is focused on increasing the Company's product offering in the North American passenger car market, commercial vehicle market and other industrial sectors.</p> <p>This acquisition will also enable the Company to expand its presence in the North American market.</p>
5.	Brief details of any governmental or regulatory approvals required for the acquisition;	Approval from Reserve Bank of India is required to consummate this transaction.
6.	Indicative time period for completion of the acquisition;	Subject to completion of the conditions precedent and obtaining regulatory approvals, the transaction is expected to consummate by 31 December, 2016.
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.



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8.	Cost of acquisition or the price at which the shares are acquired;	The cost of acquisition is US\$ 14 million which will be funded by the Company through internal accruals & debt.
9.	Percentage of shareholding / control acquired and / or number of shares acquired;	<p>82 % of stake in Walker Forge Tennessee LLC and 100% of stake in PMT Holding Inc.(which holds 18% stake in Walker Forge Tennessee) will be acquired by Bharat Forge Limited through its wholly owned American subsidiary Bharat Forge America Inc., USA.</p> <p>Through this transaction, Bharat Forge Limited through its American subsidiary; Bharat Forge America Inc. will have a control over 100% of stake in Walker Forge Tennessee LLC.</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);	<p>Walker Forge Tennessee, LLC is an industry leading supplier of complex, steel and high-alloy steel engine & chassis components to a diverse group of customers across automotive & Industrial sectors and was incorporated in the year 1997.</p> <p>Walker Forge Tennessee LLC has presence in North America.</p> <p>The turnover of Walker Forge Tennessee, LLC for the past three years is FY 2015 US\$ 38 million, FY 2014 US\$ 35 million, FY 2013 US\$ 32 million</p> <p>PMT Holding Inc. does not have any operating activities except holding 18% stake of Walker Forge Tennessee.</p>

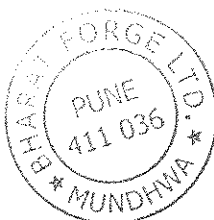
Kindly take the same on your record.

Thanking you,

For Bharat Forge Limited,



Tejaswini Chaudhari
Deputy Company Secretary



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