

BHARAT FORGE

February 24, 2022

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
Limited**

'Exchange Plaza',
Bandra-Kurla Complex, Bandra (East)
Mumbai- 400 051
Symbol: **BHARATFORG**
Series: **EQ**

Dear Sir,

Sub.: Potential acquisition of JS Auto Cast Foundry India Private Limited, Coimbatore based casting and machining Company through wholly-owned subsidiary of the Company.

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We wish to inform you that the Company has entered into a Share Purchase Agreement (“SPA”) for potential acquisition of 100% shareholding of JS Auto Cast Foundry India Private Limited (“JS Auto”), a Coimbatore based casting and machining Company through its wholly-owned subsidiary - BF Industrial Solutions Limited (“BFISL”). The completion of acquisition shall be subject to fulfilment of conditions precedent and in accordance with the terms agreed upon in the SPA.

The Press Release being issued by the Company in this regard is enclosed.

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD4/2015 dated September 09, 2015, are also enclosed in Annexure A.

Kindly take the same on record.

Thanking you.

Yours faithfully,
For Bharat Forge Limited



Tejaswini Chaudhari
Company Secretary & Compliance Officer



PRESS RELEASE

Bharat Forge enters into Definitive Agreement to acquire JS Autocast, leading supplier of machined critical castings for Industrial applications

Pune, February 24, 2022- Bharat Forge Limited (BSE: 500493, NSE: BHARATFORG, along with its subsidiary, BF Industrial Solutions Limited together referred to as "Bharat Forge") today announced that it has entered into a definitive agreement to acquire JS Autocast Foundry India Private Limited ("JS Auto").

Established in 2004, JS Auto is a leading and a preferred supplier of critical machined Ductile Iron castings for the Wind, Hydraulic, Off-Highway and Automotive applications. Over the past 5 year, the sales of JS Auto has grown at a CAGR of 17.7%. JS Auto registered sale of Rs 259 crores in FY21.

Mr. Amit Kalyani, Deputy Managing Director, Bharat Forge commented “ We are delighted to welcome the JS Auto team to Bharat Forge family and will look to leverage their capabilities, highly talented technical team and strong customer connect to aggressively grow our presence in the industrial casting space.

JS Auto will accelerate our diversification journey and enable in addressing the Decarbonization opportunity. This acquisition along with the previous deal in the open die segment significantly broadens our presence, capabilities and product offerings in the industrial space”.

Bharat Forge will acquire JS Auto for an upfront consideration (based on enterprise valuation adjustments) plus fixed deferred payment at the end of 3rd year. The closing of the transaction is subject to customary closing conditions.

About Bharat Forge

Bharat Forge Limited (BFL), the Pune based Indian multinational, is a technology driven global leader in providing high performance, innovative safety critical components and solutions for several sectors including automotive, power, oil and gas, construction & mining, rail, marine, defense and aerospace. Having

transcontinental presence across 11 manufacturing locations, BFL, with the largest repository of metallurgical knowledge offers full service supply capability to its geographically dispersed marquee customers from concept to product design, engineering, manufacturing, testing and validation.

Media Contact:

Bhakti Sharma- Email: bhakti.Sharma@bharatforge.com | Contact: +91 70309 42840

Arun Thankappan: Email: arun.thakappan@adfactorspr.com | Contact: +91 99308 60706

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Annexure A

Details as required to be disclosed under Regulation 30 read with SEBI Circular dated September 09, 2015

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| a) | Name of the target entity, details in brief such as size, turnover etc. | <p>Name: JS Auto Cast Foundry India Private Limited (“JS Auto”)</p> <p>Address: SF No 165/1 Sembagounden Pudur, Kuppepalayam, Coimbatore, Tamil Nadu 641107.</p> <p>Authorized Capital: Rs. 9,00,00,000 divided into 90,00,000 equity shares of Rs. 10/- each.</p> <p>Issued, Subscribed & Paid-up Capital: Rs. 3,96,83,300 divided into 39,68,330 equity shares of Rs. 10/- each.</p> <p>Turnover for FY 2020-21: Rs. 258.71 crores.</p> |
| b) | 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? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”; | <p>No.</p> <p>The promoter/ promoter group have no interest in JS Auto.</p> |
| c) | Industry to which the entity being acquired belongs; | Castings |
| d) | 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>The acquisition shall enable the Company to expand its product portfolio in the industrial sector, customer base and manufacturing presence in south India.</p> <p>Post completion of the acquisition JS Auto will become a wholly-owned subsidiary of BFISL and a step-down subsidiary of the Company.</p> |



KALYANI



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| e) | Brief details of any governmental or regulatory approvals required for the acquisition; | Currently no government approvals are envisaged. |
| f) | Indicative time period for completion of the acquisition; | 120 days from the execution of the SPA. |
| g) | Nature of consideration - whether cash consideration or share swap and details of the same; | Cash consideration. |
| h) | Cost of acquisition or the price at which the shares are acquired; | Acquisition of stake of JS Auto is being done at mutually agreed enterprise valuation which shall be subject to agreed adjustments on closing. The valuation is not disclosed herein due to reasons of confidentiality. |
| i) | Percentage of shareholding / control acquired and / or number of shares acquired; | 100% |
| j) | 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>JS Auto is an Indian Company incorporated on August 20, 2004.</p> <p>JS Auto, having its fully-integrated manufacturing set-up in south India, is engaged in the business of manufacturing of critical machined ductile iron castings, for end-use in wind energy, hydraulics, off-highway and automotive sector.</p> <p>The turnover of JS Auto for past 3 years is as follows:</p> <ul style="list-style-type: none"> i. For FY 20-21: Rs. 258.71 crores ii. For FY 19-20: Rs. 291.81 crores iii. For FY 18-19: Rs. 250.63 crores |

