



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 :

Particulars	30th September, 2016	30th June, 2016	30th September, 2015	30th September, 2016	30th September, 2015
Profit before tax, before exchange gain / (loss), and exceptional items	192.11	188.54	269.79	380.65	573.06

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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.

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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

Place : Pune

Dated : November 08, 2016

(B. N.KALYANI)

CHAIRMAN AND MANAGING DIRECTOR

DIN:00089380

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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.

For Bharat Forge Limited

Place : Pune

Dated : November 8, 2016

(B. N. KALYANI)

CHAIRMAN & MANAGING DIRECTOR

DIN:00089380

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