

Bharat Forge now snaps up Swedish firm

OUR CORPORATE BUREAU
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After buying out three global companies in less than 21 months, Bharat Forge, the world's second largest forging company, has struck another deal. The company on Wednesday announced it had acquired Imatra Kilsta AB, Sweden, along with its wholly owned subsidiary Scottish Stampings, for an undisclosed amount.

According to industry sources, Bharat Forge has paid €47 million (around Rs 250 crore) for the acquisition. But company sources refused to confirm the figure, citing confidentiality agreements.

The flagship of the \$1.25-billion Kalyani group has bought Imatra Kilsta through a special purpose vehicle. The Imatra Forging group is the largest manufacturer of front axle beams and the second largest crankshafts producer in Europe, having manufacturing facilities at Karlskoga, Sweden and Ayr, Scotland. Imatra Kilsta AB-Scottish Stampings has a forging capacity of 100,000 tonnes per annum.

With nearly 600 employees, it had an annual turnover of over 1 billion Swedish Kroners (about \$132 million) in 2004. It is a major supplier to leading passenger car and commercial vehicle manufacturers Volvo,

Scania, SAAB, DAF, Perkins, MAN and Iveco.

In June, the Kalyani group had bought Michigan-based Federal Forgings for nearly Rs 40 crore. The company acquired a German aluminium forgings maker in December, 2004.



BN KALYANI
chairman and MD
Bharat Forge

"The acquisition completes our global dual shore capability"

BN Kalyani, chairman and managing director, BFL, said, "The acquisition completes our global dual shore capability. We can now produce all of our core products — crankshafts, beams, knuckles and pistons at minimum two locations worldwide and provide design and engineering, and technology front-end support, to customers for these products. This has been our core strategy to enhance our competitive advantage by providing a complete service and better value to our global customers and improve our share of business with them."

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