

BHARAT FORGE

November 2, 2018

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**

Sub: Outcome of Board Meeting

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

Dear Sir/Madam,

This is to inform you that the Board of Directors of the Company in its Meeting held on Friday, November 2, 2018 have discussed and approved the following:

1. The Unaudited Standalone Financial Results for the quarter and half-yearly ended on September 30, 2018 along with Limited Review Report of the Statutory Auditors of the Company.

A copy of the same is enclosed herewith.

2. Declared an Interim Dividend at the rate of 125% (Rs. 2.50/- per share) on 46,55,88,632 fully paid equity shares of Rs. 2/- each.

The Record Date for determining entitlement to receive an Interim Dividend is Friday, November 16, 2018.

The dividend as stated above shall be paid on or before November 30, 2018.

3. Changed the designation of Ms. Tejaswini Chaudhari from Deputy Company Secretary to Company Secretary of the Company.

The Board Meeting commenced at 11.45 a.m./ p.m. and concluded at 1.00 a.m./p.m.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

For Bharat Forge Limited,



Tejaswini Chaudhari

Company Secretary & Compliance Officer

Encl.: As above



KALYANI
GROUP COMPANY



BHARAT FORGE LIMITED
Regd. Office : Mundhwa, Pune Cantonment, Pune 411 036,
Maharashtra, India.

BHARAT FORGE

CIN:L25209PN1961PLC012046

Ph. No. : 91-20-6704 2777 / 2476, Fax No. : 91-20-2682 2163

Email : secretarial@bharatforge.com; Website : www.bharatforge.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018

(₹ in Million)

| Sr. No. | Particulars | Quarter ended | | | Half Year ended | | Year ended |
|---------------------------------|---|-----------------------------------|------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------|
| | | September 30, 2018 (Unaudited) | June 30, 2018 (Unaudited) | September 30, 2017 (Unaudited) | September 30, 2018 (Unaudited) | September 30, 2017 (Unaudited) | March 31, 2018 (Audited) |
| 1 | Income | | | | | | |
| | a) Revenue from operations (See note 3 & 4) | 16,792.10 | 14,796.57 | 12,580.12 | 31,588.67 | 25,157.86 | 53,729.44 |
| | b) Other income | 337.99 | 342.55 | 366.18 | 680.54 | 625.45 | 1,186.93 |
| | Total income | 17,130.09 | 15,139.12 | 12,946.30 | 32,269.21 | 25,783.31 | 54,916.37 |
| 2 | Expenses | | | | | | |
| | a) Cost of raw materials and components consumed | 6,628.56 | 5,570.15 | 4,507.23 | 12,198.71 | 8,632.45 | 19,151.77 |
| | b) Changes in inventories of finished goods, work-in-progress, dies and scrap | (67.37) | (224.04) | (98.28) | (291.41) | (15.68) | (281.63) |
| | c) Excise duty on sale of goods (See note 3) | - | - | - | - | 569.80 | 569.80 |
| | d) Employee benefits expense | 1,219.17 | 1,228.68 | 1,070.43 | 2,447.85 | 2,134.67 | 4,359.00 |
| | e) Depreciation and amortisation expense | 914.35 | 823.89 | 781.14 | 1,738.24 | 1,555.13 | 3,067.49 |
| | f) Finance costs | 320.81 | 252.89 | 216.74 | 573.70 | 402.12 | 848.38 |
| | g) Other expenses (See note 8) | 4,667.91 | 3,935.76 | 3,406.32 | 8,603.67 | 6,809.10 | 14,562.81 |
| | Total expenses (a to g) | 13,683.43 | 11,587.33 | 9,883.58 | 25,270.76 | 20,087.59 | 42,277.62 |
| 3 | Profit before exceptional items and tax (1-2) | 3,446.66 | 3,551.79 | 3,062.72 | 6,998.45 | 5,695.72 | 12,638.75 |
| 4 | Exceptional items - (Loss) | - | - | - | - | - | (1,332.05) |
| 5 | Profit before tax (3+4) | 3,446.66 | 3,551.79 | 3,062.72 | 6,998.45 | 5,695.72 | 11,306.70 |
| 6 | Tax expense | | | | | | |
| | a) Current tax | 1,175.78 | 1,231.61 | 1,027.78 | 2,407.39 | 1,885.85 | 4,161.42 |
| | b) Deferred tax | (4.01) | (24.38) | (2.31) | (28.39) | 21.87 | 72.33 |
| | Total Tax expense | 1,171.77 | 1,207.23 | 1,025.47 | 2,379.00 | 1,907.72 | 4,233.75 |
| 7 | Profit for the period/year (5-6) | 2,274.89 | 2,344.56 | 2,037.25 | 4,619.45 | 3,788.00 | 7,072.95 |
| 8 | Other comprehensive income | | | | | | |
| | a) Items that will be reclassified to profit and loss | (2,372.19) | (1,961.27) | (752.03) | (4,333.46) | (1,153.22) | (1,510.59) |
| | - Tax effect | 836.26 | 660.69 | 265.29 | 1,496.95 | 429.90 | 580.08 |
| | b) Items that will not be reclassified to profit and loss | (85.42) | 47.77 | 39.87 | (37.65) | 25.61 | 222.18 |
| | - Tax effect | (0.90) | (4.32) | 1.70 | (5.22) | 5.16 | (19.47) |
| | Other comprehensive income (Net of tax) | (1,622.25) | (1,257.13) | (445.17) | (2,879.38) | (692.55) | (727.80) |
| 9 | Total comprehensive income (7+8) | 652.64 | 1,087.43 | 1,592.08 | 1,740.07 | 3,095.45 | 6,345.15 |
| 10 | Earnings per share of ₹ 2/- each (See note 5) | | | | | | |
| | Basic (in ₹) (not annualised) | 4.88 | 5.04 | 4.37 | 9.92 | 8.13 | 15.19 |
| | Diluted (in ₹) (not annualised) | 4.88 | 5.04 | 4.37 | 9.92 | 8.13 | 15.19 |
| 11 | Equity share capital (Face Value ₹ 2/- each) | 931.27 | 931.27 | 465.68 | 931.27 | 465.68 | 931.27 |
| 12 | Other equity | | | | | | 45,211.53 |
| Additional Information : | | | | | | | |
| | Profit before tax and before other income, depreciation and amortisation expense, finance costs, exchange gain/(loss) included in other expenses (see note 8) and exceptional items | 4,753.34 | 4,288.35 | 3,814.92 | 9,041.69 | 7,271.93 | 15,762.42 |
| | Profit before tax, before exchange gain/(loss) included in other expenses (see note 8) and exceptional items | 3,856.17 | 3,554.12 | 3,183.22 | 7,410.29 | 5,940.13 | 13,033.48 |

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 Maharashtra, India.
 CIN : L25209PN1961PLC012046

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**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND
 HALF YEAR ENDED SEPTEMBER 30, 2018**

NOTES TO FINANCIAL RESULTS :

1 Standalone balance sheet

| | | (₹ in Million) | |
|-------------|--|--|--------------------------------------|
| Particulars | | As at September 30, 2018 (Unaudited) | As at March 31, 2018 (Audited) |
| A | ASSETS | | |
| 1 | Non-current assets | | |
| | (a) Property, plant and equipment | 25,730.94 | 25,146.07 |
| | (b) Capital work-in-progress | 4,177.75 | 3,024.01 |
| | (c) Investment property | 2.89 | 2.89 |
| | (d) Intangible assets | 234.36 | 130.14 |
| | (e) Investment in subsidiaries, associates and joint ventures | 7,017.24 | 5,761.91 |
| | (f) Financial assets | | |
| | Investments | 9,129.13 | 11,003.29 |
| | Loans | 224.29 | 209.63 |
| | Trade receivables | - | 233.77 |
| | Derivative instruments | 1.00 | 476.63 |
| | Other non-current financial assets | 1,342.85 | 1,132.24 |
| | (g) Income tax assets (net) | 57.23 | 77.83 |
| | (h) Other non-current assets | 3,179.00 | 1,946.40 |
| | Sub total - Non-current assets | 51,096.68 | 49,144.81 |
| 2 | Current assets | | |
| | (a) Inventories | 6,544.92 | 5,380.54 |
| | (b) Financial assets | | |
| | Investments | 4,158.57 | 3,839.98 |
| | Loans | 24.28 | 27.98 |
| | Trade receivables | 22,508.86 | 17,908.03 |
| | Derivative instruments | 90.55 | 1,245.80 |
| | Cash and cash equivalents | 1,581.71 | 1,341.84 |
| | Other bank balances | 1,416.86 | 535.04 |
| | Other current financial assets | 1,402.03 | 1,408.99 |
| | (c) Other current assets | 3,048.00 | 2,826.50 |
| | Sub total - Current assets | 40,775.78 | 34,514.70 |
| | TOTAL - ASSETS | 91,872.46 | 83,659.51 |
| B | EQUITY AND LIABILITIES | | |
| 1 | Equity | | |
| | (a) Equity share capital | 931.27 | 931.27 |
| | (b) Other equity | 45,548.37 | 45,211.53 |
| | Total - Equity | 46,479.64 | 46,142.80 |
| 2 | Liabilities | | |
| | Non-current liabilities | | |
| | (a) Financial liabilities | | |
| | Borrowings | 13,360.99 | 9,098.02 |
| | Derivative instruments | 1,915.04 | 151.68 |
| | Other non-current financial liabilities | 1.59 | 1.98 |
| | (b) Provisions | 157.16 | 194.59 |
| | (c) Deferred tax liabilities (net) | 1,024.52 | 2,544.64 |
| | Sub total - Non-current liabilities | 16,459.30 | 11,990.91 |
| | Current liabilities | | |
| | (a) Financial liabilities | | |
| | Borrowings | 14,226.98 | 11,665.98 |
| | Trade payables | | |
| | - Total outstanding dues of micro enterprises and small enterprises | 64.05 | 44.92 |
| | - Total outstanding dues of creditors other than micro enterprises and small enterprises | 8,208.93 | 6,843.74 |
| | Derivative instruments | 627.52 | - |
| | Other current financial liabilities | 3,917.01 | 4,967.76 |
| | (b) Provisions | 434.48 | 578.09 |
| | (c) Other current liabilities | 1,008.21 | 1,119.12 |
| | (d) Current tax liabilities (net) | 446.34 | 306.19 |
| | Sub total - Current liabilities | 28,933.52 | 25,525.80 |
| | Total - liabilities | 45,392.82 | 37,516.71 |
| | TOTAL- EQUITY AND LIABILITIES | 91,872.46 | 83,659.51 |

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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018

NOTES TO FINANCIAL RESULTS :

- 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 2, 2018. The Statutory Auditors of the Company have carried out a "Limited Review" of the results for the quarter and half year ended September 30, 2018.
- 3 Post the applicability of GST with effect from July 1, 2017, "Revenue from operations" is required to be disclosed net of GST. Thus the "Revenue from operations" for the half year ended September 30, 2018 is not comparable with the "Revenue from operations" of previous period presented in the results.
- 4 Ind AS 115, "Revenue from Contracts with Customers", became applicable with effect from April 1, 2018. With the adoption of Ind AS 115, no significant adjustments were required to be made to the retained earnings as at April 1, 2018. Also, application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue for the quarter and half year ended September 30, 2018.
- 5 On October 3, 2017 the Company had issued bonus shares, in the proportion of 1:1 i.e. 1 (one) bonus equity share of ₹ 2/- each for every 1 (one) fully paid-up equity share. Accordingly the Company had allotted 232,794,316 Equity shares of ₹ 2/- each fully paid-up, to the shareholders of the Company as at the record date fixed for the purpose.

Consequently, earnings per share for the quarter and half year ended September 30, 2017 have been restated to make it comparable with other periods.

- 6 The Company 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, as amended.
- 7 The Company has opted to publish only unaudited standalone financial results. The Company would be consolidating and presenting its Consolidated Financial Statements as at and for the year ending March 31, 2019.
- 8 Other expenses includes impact of exchange fluctuations on foreign currency transactions including revaluation of foreign currency assets and liabilities.

| Particulars | Quarter ended | | | Half year ended | | (₹ in Million) Year ended |
|----------------------|-----------------------|------------------|-----------------------|-----------------------|-----------------------|------------------------------|
| | September 30, 2018 | June 30, 2018 | September 30, 2017 | September 30, 2018 | September 30, 2017 | March 31, 2018 |
| Exchange gain/(loss) | (409.51) | (2.33) | (120.50) | (411.84) | (244.41) | (394.73) |

- 9 The Board of Directors, at its meeting held on November 2, 2018 has declared an interim dividend of ₹ 2.50 per equity share of ₹ 2/- each (125%).

For BHARAT FORGE LIMITED

(B. N. KALYANI)

CHAIRMAN AND MANAGING DIRECTOR
DIN:00089380

Place : Pune

Dated : November 2, 2018

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Limited Review Report – Ind AS Standalone Financial Results

**Review Report to
The Board of Directors
Bharat Forge Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of Bharat Forge Limited (the 'Company') for the quarter ended September 30, 2018 and year to date from April 1, 2018 to September 30, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003


per Pradev Lal Khandelwal
Partner
Membership number: 501160

Place: Pune
Date: November 2, 2018

