

BHARAT FORGE

December 9, 2015

The General Manager,
Corporate Relationship Dept.,
BSE Ltd.,
Dalal Street, Fort,
Mumbai - 400 001.

(BSE SCRIP CODE – 500493)

FAX: 022-22722037 / 22722039/ 22722041
22722061 / 22723121/ 22723719

The Secretary,
National Stock Exchange of India Ltd.,
'Exchange Plaza', Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Symbol	BHARATFORG
Series	EQ

FAX: 022 – 26598237 / 38

Re: SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 - Presentation made at Analyst meet

Dear Sir,

This is further to our letter dated December 1, 2015, wherein we had given you an advance intimation of upcoming Analyst meet in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Pursuant to above, we wish to inform you that the Company conducted an Analyst meet and the Presentation which was made to them is enclosed herewith for your record.

Kindly take the same on record and acknowledge receipt.

Thanking you,

Yours faithfully,
For Bharat Forge Limited

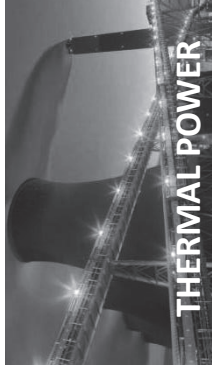
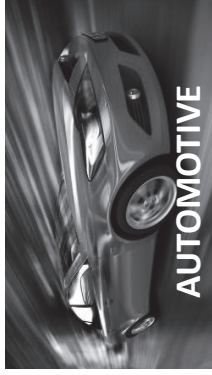
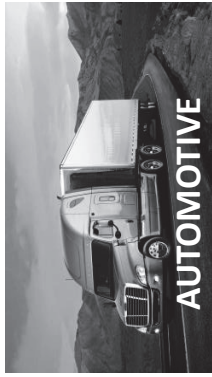


Anand Daga
Vice President (Legal) & Company Secretary

Encl.: As above.



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GROUP COMPANY



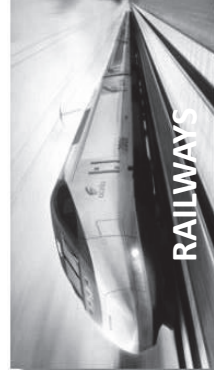
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ANALYST MEET

December 2015 | Bharat Forge Ltd. | Mumbai

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Global Truck Industry Outlook

Heavy Trucks '000

Particulars	2014	2015	2016	2017
NA	290	320	270	245
EU	225	251	264	268
Brazil	93	45	45	50
Major Markets	608	616	579	563
% change		1.3%	(6.0)%	(2.8)%

Trucks > 6T '000

Particulars	2014	2015	2016	2017
NA	502	535	497	484
EU	271	306	322	327
Brazil	127	62	62	68
Major Markets	901	903	881	879
% change		-	(2.4)%	-

Source: DB Report, Dec 2015

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State of Markets

Particulars	INDIA	NORTH AMERICA	EUROPE
Commercial Vehicles			
Passenger Vehicles – High End	-----		
Passenger Vehicles – Mass Market			
Oil & Gas	-----		
Construction			
Mining			
Aerospace	-----		
Power (Renewable & Thermal)		-----	

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Outlook for FY2016

Macro Environment

- Increased volatility and uncertainty over the past 3 months.
- Sharp volume drop in commodity and allied business (O&G, Construction & mining, HHP).
- Temporary increase in inventory of class 8 trucks from 2 months to 3.5 months. Production at OEM's to be adjusted as a consequence of lower demand and high inventory in the distribution channel .

BFL Performance

- Despite above headwinds, **expect to maintain revenues compared to FY15** driven by ramp up of Passenger Vehicle business, market share growth in NA trucks and pick up in Indian business also driven by market share gains.
- Exhibits the benefit of de-risking and the fungibility of assets to divert capacity to sectors/geography where growth is visible.

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Coping with the new environment

Despite uncertainty in some of our business segments, BFL continues to create and implement opportunities for growing business. New products/sectors & customers are being added. We continue to invest in R & D and Talent pool creation

- **Technology development Strategy**
- **New Product development strategy across applications**
 - Passenger Vehicles
 - Commercial Vehicles
 - Industrial sectors
- **Make in India**

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Revenue enhancement strategy

TRUCKS

- Quick response for NPD and execution in serial production
- Increase market share with existing customers– India & Global (known products)
- Broaden product offering.

CARS

- Add new customers in India and Global
- Develop new products.
- Value Addition : Forging → Machining

CONSTRUCT / MINING

- Pursue closely with customers for any immediate opportunity within known basket of parts.

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Revenue enhancement strategy

LOCO

- Complete approvals for engine components with OEM's.
- Other forgings under development
- Trial order for new product/ assembly expected
- Grow export business on existing products. Road-map in place and Actions initiated.
- Targeting components services business. Actions initiated.

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Revenue enhancement strategy

OIL & GAS

- Preparing for the next upturn
- Strong customer alignment being developed.
- Penetrate sub-sea- no current share. Customer activity initiated.
- Identified new areas of business where exotic material is used, will provide good value addition potential.
- Add value to current products by providing more processing activities. Will enhance stickiness quotient and potentially add volume and revenue. First-time ever for an OEM to outsource!

Renewable

- Renewed focus on renewable sector
- Focus on new product development & value added products

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Key Internal Initiatives

- High organizational focus on execution including velocity in responding to opportunities and engagement with customers
- Strengthen CRM across all levels.
- High focus on Short – Medium – Long term revenue enhancements
- High focus on increasing Share of Business with Domestic and Exports customers
- Strong focus on cost compression & rationalization and productivity improvement to mitigate impact of profitability.

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Make In India focus

- Derivative of the “Make In India” initiative is the focus on import substitution.
- BFL has identified 4 sectors (Mining, Power, Railways, Marine & Defense)
- These sectors are today catered to by huge imports of consumables. These are also the sectors where growth is expected to accelerate.
- Created a dedicated cross functional team to identify and address opportunities.
- Focus on delivering differentiated solutions vis-a-vis existing vendors.
- Have made significant progress in the past 6 months to get accredited with the government agencies, develop samples for validation and receive initial orders.

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BFL Defense Opportunity

- BFL has been supplying components and sub systems for the Indian Defense establishments.
- Opportunities BFL is pursuing are as below
 - **Components**
 - **Artillery programs**
 - **DRDO Programs**
 - **Offset programs**
 - **Service business**

ALL CAPEX AND CAPABILITIES IN PLACE TO CAPTURE THE ABOVE GROWTH OPPORTUNITIES

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Update on Strategic Goals - 2018

S. No	Goals	Status
1	Increase Passenger Vehicle revenues from 5% to 15% of sales	Progressing smoothly with ramp of orders received from Export market. Witnessing traction from Domestic markets also.
2	Entry into Aerospace sector	Signed contracts with 4 marquee customers.
3	EBITDA margins	Expect long term margins to remain in the stated range.
4	Net Debt free by 2018	Very low Net Debt/ Equity as of September 2015
5	Improve return ratios	ROCE & RONW in excess of 20%
6	Doubling revenue to Rs 7,000 Crores by FY 2018	Working very hard to achieve the goal.



Disclaimer

This presentation contains certain forward looking statements concerning Bharat Forge's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and the target countries for exports, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions with respect to investments, fiscal deficits, regulations, etc., interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company. No part of this presentation shall be reproduced, copied, forwarded to any third party either in print or in electronic form without prior express consent of the company.

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Thank You

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