

BHARAT FORGE

September 04, 2021

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.: Intimation of internal restructuring of EV business.

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

This is in continuation of our intimation dated March 16, 2021, with regard to undertaking of Electric Vehicle (EV) business initiatives under Kalyani Powertrain Limited ("KPL"), a wholly-owned subsidiary of the Company.

In this regard, in order to house all the EV investments of the Company under one entity, the 'Investment Committee – Strategic Business' of the Company at its meeting held on September 03, 2021, has approved the following-

- A. Transfer of the Company's stake in Tork Motors Private Limited ("**Tork**") to KPL.
- B. Infusion of an amount not exceeding Rs. 35 crores by the Company in KPL for subsequent investment by KPL in Kalyani Precision Machining, Inc. renamed for the purpose of EV initiatives as Kalyani Mobility, Inc. ("**KMI**"), KPL thereby acquiring control in KMI.

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 as follows:

| SN | Particulars | Details | |
|----|---------------------------------------|---|--------------------------------------|
| | | Transfer of the Company's stake in Tork to KPL | Acquisition of control in KMI by KPL |
| 1. | Details and reasons for restructuring | The Company has decided to consolidate its EV business initiatives under KPL, a wholly-owned subsidiary of the Company, for a better strategic alignment. | |



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|----|--|---|---|
| | | <p>The current stake in Tork was acquired by the Company in three tranches. Tork is in the business of manufacturing of electric vehicles mainly electric two wheelers and/or premium electric motorcycles. The Company has approved the transfer of the Company's stake in Tork to KPL in consideration of subscription of equity shares of the KPL by the Company. Through this transfer of shares, Tork will become an Associate Company of KPL.</p> | <p>The Company has decided to make an investment in KPL for subsequent investment by KPL in Kalyani Mobility, Inc. ("KMI") resulting in transfer of control in KMI from Bharat Forge America Inc. ("BFAI"), wholly-owned subsidiary of the Company to KPL. KMI will work on growing the Company's presence in EV and light weight technologies in US.</p> |
| 2. | Quantitative and/or qualitative effect of restructuring | <p>The Company currently holds 14,208 equity shares of Rs. 10/- each of Tork (48.86%), carrying a book value of Rs. 30.03 crores (Rupees Thirty crores three lakhs only) which shall be transferred to KPL. KPL shall, as a consideration for acquiring the said stake at book value, issue and allot 3,00,30,000 equity shares of face value of Rs. 10/- at par value to the Company.</p> | <p>The Company shall infuse an amount not exceeding Rs. 35 crores by way of subscription to the equity shares of KPL. KPL shall subsequently infuse the said amount in KMI by way of subscription of 475,000 shares, designated as common stock, of KMI.</p> |
| 3. | Details of benefit, if any, to the promoter/promoter group/group companies from such proposed restructuring. | <p>There is no benefit to the promoter/promoter group/group companies from the above proposed restructuring.</p> <p>KPL is a wholly owned subsidiary of the Company.</p> | |



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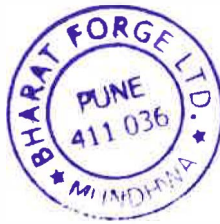
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|----------------------------|--|---|--------------------------|---------------------------|--|
| 4. | Brief details of change in shareholding pattern (if any) of all entities | There is no change in in shareholding pattern of any of the entities involved except the following: | | | |
| | | Shareholding of Tork | | | |
| | | Name of the Company | Pre-restructuring | Post-restructuring | |
| | | BFL | 48.86% | NIL | |
| | | KPL | NIL | 48.86% | |
| | | Shareholding of KMI | | | |
| Name of the Company | Pre-restructuring | Post-restructuring | | | |
| BFAI | 100% | NIL | | | |
| KPL | NIL | 99.99% | | | |

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Bharat Forge Limited




Tejaswini Chaudhari
Company Secretary & Compliance Officer



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