

BHARAT FORGE

August 14, 2023

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/Madam,

Subject: Disclosure pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“Listing Regulations”)

With reference to the captioned subject, this is to inform you that, the Company has identified the following continuing events or information as material in terms of the amended provisions of Regulation 30(4) of the Listing Regulations.

The requisite details are enclosed as below:

1. Annexure I - Guarantees given by the Company (Please refer page no. 292 and page no. 293 of the Annual Report for FY 2022-23)
2. Annexure II - Pendency of litigation(s) impacting the Company (Please refer page no. 466 of the Annual Report for FY 2022-23).

Kindly take the same on record.

Thanking you,
Yours faithfully,
For Bharat Forge Limited

Tejaswini Chaudhari
Company Secretary & Compliance Officer
Encl: As above



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Disclosure of information pursuant to Regulation 30 and sub-paras 8 and 11 of Para B of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023

Annexure I

Providing of guarantees or indemnity or becoming a surety by the Company

Name of party for which such guarantees or indemnity or surety was given	Bharat Forge Aluminum USA, Inc.	Bharat Forge America, Inc.	Kalyani Strategic Systems Limited
1. Whether the promoter/ promoter group/ group companies have any interest in this transaction? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	No, the promoter/ promoter group/ group companies do not have any interest in this transaction	No, the promoter/ promoter group/ group companies do not have any interest in this transaction	No, the promoter/ promoter group/ group companies do not have any interest in this transaction
2. Brief details of such guarantee or indemnity or becoming a surety viz. brief details of agreement entered (if any) including significant terms and conditions, including amount of guarantee:	Corporate guarantees given as detailed below to Bharat Forge Aluminum USA: Amount on Cumulative basis - USD 7,09,00,000/- (INR equivalent to 582,74,48,250/- as on March 31, 2023)	Corporate guarantees given as detailed below to Bharat Forge America, Inc.: Amount on Cumulative basis - USD 2,05,00,000/- (INR equivalent to 168,49,46,250/- as on March 31, 2023)	The Company has given Corporate guarantees as detailed below to Kalyani Strategic Systems Limited: INR 50,00,00,000/- issued on 01-03-2021 in favour of Axis Bank valid till expiry of credit facility.



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Email: secretarial@bharatforge.com WEBSITE: www.bharatforge.com

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Name of party for which such guarantees or indemnity or surety was given	Bharat Forge Aluminum USA, Inc.	Bharat Forge America, Inc.	Kalyani Strategic Systems Limited
	<p>i. USD 1,55,00,000/- issued on 28-08-2020 in favour of JP Morgan Bank valid till 27-11-2023;</p> <p>ii. USD 1,57,50,000/- issued on 19-02-2021 in favour of Axis Bank valid till 21-07-2024;</p> <p>iii. USD 1,47,00,000/- issued on 15-12-2021 in favour of Axis Bank valid till 21-07-2024;</p> <p>iv. USD 1,76,00,000/- issued on 23-12-2022 in favour of Citibank valid till 22-12-2023;</p> <p>v. USD 73,50,000/- issued on 15-05-2023 in favour of Axis Bank valid till 21-07-2024;</p>	<p>i. USD 1,50,00,000/- issued on 28-08-2020 in favour of Citibank valid till 27-08-2023;</p> <p>ii. USD 55,00,000/- issued on 12-08-2022 in favour of Citibank valid till 11-08-2023 renewed upto 11-08-2024;</p> <p>Note:</p> <p>a. The conversion rate as on March 31, 2023 has been considered.</p> <p>b. All the above guarantees have been disclosed at page no. 292 of the Annual Report for FY 2022-23. Also refer note 40 on page 293 of the said Annual Report.</p>	<p>Note: The above guarantee has been disclosed at page no. 292 of the Annual Report for FY 2022-23. Also refer note 40 on page 293 of the said Annual Report.</p>



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Name of party for which such guarantees or indemnity or surety was given	Bharat Forge Aluminum USA, Inc.	Bharat Forge America, Inc.	Kalyani Strategic Systems Limited
	<p>Note:</p> <p>a. The conversion rate as on March 31, 2023 has been considered.</p> <p>b. Except for (v) above being a guarantee issued after the balance sheet date, all other guarantees have been disclosed at page no. 292 of the Annual Report for FY 2022-23. Also refer note 40 on page 293 of the said Annual Report.</p>		
3. Impact of such guarantees or indemnity or surety on listed entity.	In case of default in the repayment of loan by Bharat Forge Aluminum USA Inc., the Company shall be liable to indemnify the Bank and make repayment of the outstanding loan.	In case of default in the repayment of loan by Bharat Forge America Inc., the Company shall be liable to indemnify the Bank and make repayment of the outstanding loan.	In case of invocation of bank guarantee given by Kalyani Strategic Systems Limited to customers, government agencies, the Company shall be liable to indemnify the Bank for such amount.



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Annexure II

Pendency of any litigation(s) or dispute(s) or the outcome thereof having an impact on the listed entity

Name of the opposing party	Pune Cantonment Board (“PCB”)	Sh. Tarsem Jain
Brief details of dispute/ litigation	<p>Company has challenged revision of Annual Rateable Value (“ARV”) & property tax bill based on revised ARV for set of Triennial period 2004-05 to 2023-24 (extended till the date) raised by PCB which was contrary to the settlement between the Company and PCB.</p> <p>The decision on Appeal filed before the Pune District Court and Writ Petition filed before Bombay High Court is pending. However, the Company has paid the entire amount demanded under protest. This litigation will not have any adverse financial impact on the Company.</p> <p><i>Please refer note 38(a) of Notes to Accounts read with table provided for (vii)(b) of the Annexure to the Independent Auditor’s Report dated</i></p>	<p>The amount of the claim is arbitral award passed by arbitrator against one of the subsidiaries on May 10, 2019 in the matter of arbitration proceedings concerning the termination of Share purchase agreement dated December 18, 2010 by the subsidiary, directing the subsidiary to pay Rs. 770.00 million to the claimant. In the opinion of the Group and the legal advisor, the said award is biased and perverse. The subsidiary has filed an appeal against the said order in the Delhi High Court.</p> <p>The said arbitral award has been stayed by the Hon’ble High Court of Delhi until the final disposal of Appeal. Please refer note 41(b) on Page no. 466 of the Annual Report for FY 2022-23.</p>



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Name of the opposing party	Pune Cantonment Board (“PCB”)	Sh. Tarsem Jain
	<i>May 5, 2023 and as contained in the Annual Report for FY 2022-23.</i>	
Court/ Tribunal where litigation is filed	Pune District Court (for yearly Appeals)/ Bombay High Court (Writ Petition)	Delhi High Court (Appeal against arbitral award)
Expected financial implications, if any, due to compensation, penalty etc.	Property Tax from 2004-05 till FY 2019-2020 has been paid in full under protest - in event of Company succeeding in appeals - favourable impact to the tune of INR 30.50 crores. Property Tax from FY 2020-21 to 2023-24 – in the event of Company (i) succeeding in appeal - Company would save property tax to the extent of INR 17.83 crores. (ii) not succeeding in appeal - there would be financial impact to the tune of INR 17.83 crores.	INR 77 crores
Quantum of claims, if any	Approximately INR 48.34 crores	INR 77 crores



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