Geared for life

BHARAT GEARS LIMITED
Regd. Office & Works :
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P.O. Amar Nagar, Faridabad - 121003 (Haryana) INDIA
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E-mail : info@bglindia.com
Corporate Identity Number : L29130HR1971PLC034365

BGL/SEC/NSE/3/JULY 2019-2020 **BGL/SEC/BSE/2/JULY 2019-2020**

July 03, 2019

The Manager (Listing)
National Stock Exchange of India Ltd
"Exchange Plaza", 5th Floor,
Plot No. C-1, G - Block,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400051

The Manager (Listing)
BSE Limited
1st Floor, New Trading Ring,
Rotunda Building
PJ Towers, Dalal Street
Fort, Mumbai – 400001

SYMBOL: BHARATGEAR **STOCK CODE: 505688**

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, this is to inform you that the Board of Directors of the Company, in its meeting held on July 02, 2019 has deliberated and subject to the approval of the shareholders at the ensuing annual general meeting, approved the acquisition of 1,48,77,038 (One Crore Forty Eight Lakhs Seventy Seven Thousand Thirty Eight) equity shares constituting 100% of the equity paid-up capital of Xlerate Driveline India Limited, a group company of the Company, as per the details mentioned in Annexure "A".

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,
For **BHARAT GEARS LIMITED**

BHARAT GEARS LIMITED ★ FARIDABAD ★

Prashant Khattry
Head (Legal) & Company Secretary

Encl: As above

Annexure "A'

S.No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover	Xlerate Driveline India Limited (XDIL) Paid-Up Equity Share Capital: Rs. 14,87,70,380/- (Rupees Fourteen Crores Eighty Seven Lakhs Seventy Thousand Three Hundred Eighty Only) comprising of 1,48,77,038 (One Crore Forty Eight Lakhs Seventy Seven Thousand Thirty Eight) Equity Shares of Rs. 10/- (Rupees Ten) each. Revenue from Operations for the Financial Year 2018-19: Rs. 4,654.11 Lakhs.
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length"	YES Raunaq EPC International Limited (REIL), the Seller Company and Xlerate Driveline India Limited (XDIL), the Target Company are related parties of the Company. Mr. Surinder Paul Kanwar, Chairman and Managing Director is the Chairman and Managing Director of REIL and a Director on the Board of XDIL. Transaction is being done at the arms' length basis.
3.	Industry to which the entity being acquired belongs	Automotive Components
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity	• The acquisition will be EPS accretive in the consolidated financial statements; • The acquisition will give the Company an established set up for a clutch manufacturing capacity which is adequate for the future projected growth of the Company; • Since the products of both the Companies are complementary in nature,

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		the acquisition would bring cost efficiency in certain areas and provide scope for improvement in operational synergies of auto components business.
5.	Brief details of any governmental or regulatory approvals required for the acquisition	Approval of members for the said acquisition shall be sought in the ensuing Annual General Meeting.
6.	Indicative time period for completion of the acquisition	On or before 31 October, 2019.
7.	Nature of consideration - whether cash consideration or share swap and details of the same	Cash
8.	Cost of acquisition or the price at which the shares are acquired	Rs. 9,42,00,000/- (Rupees Nine Crores Forty Two Lakhs Only) i.e. Rs. 6.33 per Equity Share
9.	Percentage of shareholding/control acquired and/ or number of shares acquired	100%
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	Xlerate Driveline India Limited, incorporated on 25 October, 1995 under the Companies Act, 1956 is into business of manufacturing and trading of Automotive clutches and has an established presence in the OEMs/OES of the clutch business in India and Abroad. Revenue from Operations for the Financial Year 2018-19: Rs. 4,654.11 Lakhs. Revenue from Operations for the Financial Year 2017-18: Rs. 3,324.88 Lakhs. Revenue from Operations for the Financial Year 2016-17: Rs. 2,663.51 Lakhs.

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