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Bharat Forge acquires German aluminium forgings maker

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ONCE bitten, twice hungry. Bharat Forge (BFL), the flagship of the over \$1bn Kalyani group, has acquired yet another German company. This time it's an aluminium forged components manufacturer, CDP Aluminiumtechnik (CDP AT) for €6.3m euros, in an all-cash deal.

CDP AT is a part of Carl Dan Peddinghaus (now CDP Bharat Forge) which BFL had acquired in November '03.

"The aluminium forgings component market is a fast growing, high value one. It is a growing area of business which

we wanted to get into," Amit Kalyani, vice president, BFL, told ET.

In a statement, BN Kalyani, CMD, BFL, said: "The CDP AT acquisition is an important part of Bharat Forge's long term business strategy. The acquisition marks the entry of the company into the aluminium auto component business. It will significantly strengthen the company's position in the global passenger car and chassis component business. CDP AT will enhance Bharat Forge's product range and technical capabilities in both steel and aluminium."

The 6.30m euro deal has been funded by equity of 3.8m

euro and non-recourse debt (bank loans) of 2.5m euro. Of the equity component, 2m euro will be paid by BFL in a phased manner over six months, the remaining 1.8m euro to be contributed from the internal cash accruals of CDP Bharat Forge and CDP AT. A Special Purpose Vehicle, BF Holdings, was created for the purpose.

CDP AT was established in 1997 at Brand Erbisdorf near Dresden. It had an annual turnover of 35m euro (about Rs 200 crore) and 130 employees. CDP AT has developed and patented its technology of aluminium forgings in Germany and its customers include BMA, Audi, Volkswagen and Ford.

Sundaram buys component co

CHENNAI: Auto component major Sundaram Fasteners (SFL) has bought unlisted two-wheeler component maker, Upasana Engineering. Sundaram Fasteners made the acquisition through Aplomb Investments, a wholly-owned subsidiary of Sundaram Fasteners Investment (SFIL). SFIL is a wholly-owned subsidiary of SFL. Aplomb Investments bought 50.13% stake in Upasana Engineering on December 9.