

PRESS RELEASE

Bangalore, 19th February 2015

Kalyani Group Announces JV with Rafael Advanced Defence Systems to develop and manufacture high technology systems for the defence sector

Kalyani Group and Rafael Advanced Defense Systems Ltd. today announced the formation of a Joint Venture Company in India (51:49). The initiative is in line with the 'Make in India' policy of the Government, and will enable the development and production of high end technology systems within the country. This will include a wide range of technologies and systems, like Missile Technology, Remote Weapon Systems and Advanced Armour Solutions.

Speaking on the occasion, **Mr. Baba Kalyani**, Chairman & MD, said, "Kalyani Group has been at the forefront in initialising the 'Make in India' campaign. As part of this campaign we aim to develop and produce high end technology systems and expand the Defence Industry Base in our country. We believe in the vision of 'Make in India' and our proposed Joint Venture with Rafael is a step in this direction."

Brig. Gen (Retd), Itzhak Gat, Chairman, Rafael said, "Rafael has been an active participant in the Indian Defence Market for the past few years. We have always endeavoured to contribute to the modernisation of the Indian Armed Forces. As part of our global strategy, we form alliances to develop military applications based on our proprietary technologies and in Kalyani Group we see a lot of synergy and opportunities for growth in new markets and especially in India which is strategic market for us."

Amit Kalyani, Executive Director, said, "Kalyani group is committed to invest in developing advanced frontier technologies. The partnership with Rafael is our endeavour to develop advanced Missiles and Remote weapon system capabilities within India."

Vice Admiral (Retd), Yadida Yaari, CEO, Rafael said, "We see Kalyani Group as an ideal partner for expanding our business opportunities in India. We have supported and will continue to support the Indian Ministry of Defence in gaining technological superiority to technological excellence. Rafael is well aware of the 'Make in India' policy, and the JV with Kalyani Group is a firm commitment in that direction."

About Kalyani Group

Kalyani Group, the USD \$2.5 billion conglomerate, is an Indian multi-national with high technology, engineering & manufacturing capability across critical sectors such as Engineering Steel, Automotive, Industrial, Renewable Energy, Defence, Urban Infrastructure and Specialty Chemicals. Guided by visionary leadership of Mr. B. N. Kalyani, Group Chairman, with strong emphasis on market leadership through technology and it's over 12,000 strong engineering global workforce, the group today is a market leader in all its respective business segments.

Bharat Forge, the flagship company of the group, is the world's largest forging company with high technology, engineering & manufacturing capability across several critical sectors such as Automotive, Power, Oil & Gas, Rail & Marine, Construction & Mining, Aerospace, etc. with eight manufacturing plants across the globe.

Kalyani Strategic Systems Ltd (KSSL), part of Kalyani Group, is formulated with the aim to take on the emerging challenges in the area of defence. KSSL has emerged from being a traditional supplier of components and subsystems to Indian defence to becoming a complete system and solutions provider, thus enabling a dedicated and focused approach towards realising the aim of becoming a leading defence player in the world.

About Rafael Advanced Defense Systems Ltd.

Rafael Advanced Defense Systems Ltd., designs, develops, manufactures and supplies a wide range of high tech defense systems for air, land, sea and space applications. Rafael was established as part of the Israeli Ministry of Defense more than 66 years ago. Rafael's technology is embedded in almost all Israel Defense Forces (IDF) systems in operation today. The company has a special relationship with the IDF, developing products according to the soldiers' specific requirements in the field. . The company offers its customers a diversified array of innovative solutions at the leading edge of global technology, from underwater systems through naval, ground, and air superiority systems to space systems. Rafael is Israel's second largest defense company, with 2013 sales of 2.047 Billion Dollars, an order backlog of 4.3 Billion Dollars and a net profit of 101 Million Dollars

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