

Date: February 07, 2025

To,  
Department of Corporate Services,  
**BSE Limited**,  
P J Towers, Dalal Street,  
Mumbai- 400 001.  
**BSE: Scrip Code: 531112**

To,  
Listing Department,  
**National Stock Exchange of India Limited**,  
"Exchange Plaza", C-1, Block-G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai- 400 051.  
**NSE Trading Symbol: BALUFORGE**

**Sub: - Earnings Release for the Quarter and Nine Months ended December 31, 2024.**

Dear Sir/Madam,

Please find enclosed herewith the Earnings Release for the Quarter and Nine Months ended December 31, 2024.

Kindly take the same on your record and acknowledge.

Thanking You,  
Yours Truly,

**For Balu Forge Industries Limited**

JASPALSINGH  
PREHLADSINGH  
CHANDOCK

Digitally signed by  
JASPALSINGH  
PREHLADSINGH CHANDOCK  
Date: 2025.02.07 18:25:57  
+05'30'

**Jaspalsingh Chandock**  
**Managing Director**  
**DIN: - 00813218**

Enclosure: A/A



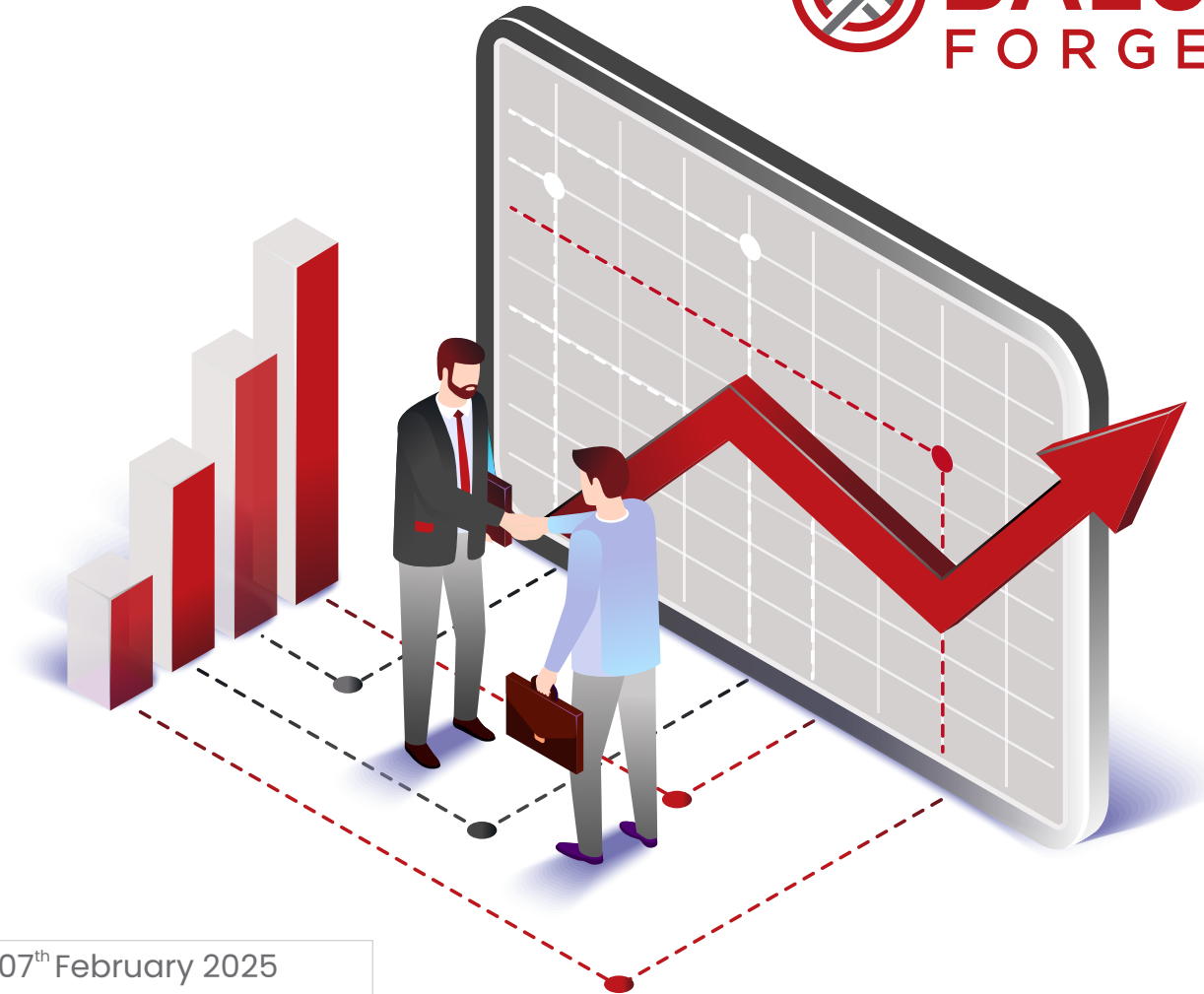
# EARNING RELEASE

## Q3 & 9M FY25

### Navigating This Report

- » About Balu Forge
- » BFIL's Core Strengths & Capabilities
- » Key Financial Highlights (Quarterly & 9M)
- » Consolidated Financial Statements
- » Our Strategic Priorities For Future Growth
- » Management Commentary
- » Disclaimer and Contact details


**Expanding Horizons Getting Future Ready**




07<sup>th</sup> February 2025

**BSE : 531112 | NSE : BALUFORGE**

 BFIL, a company with **35 years** of experience, is renowned for its specialized engineering solutions and precision machined components.

 The company operates three state-of-the-art advanced plants across 8 acres and a greenfield manufacturing campus spread over 46 acres will be commercialized shortly in phases.

 BFIL's diverse product range serves various industries, including automobiles, industrial vehicles, earthmoving machinery, wind energy, aerospace, defence, oil and gas, locomotives and railway applications, marine, agriculture, and more.

 The company boasts a broad export and distribution network covering over **80 Countries** and serving more than **25 OEMs** globally.

 BFIL boasts advanced R&D facility & capability, driven by a dedicated team of professionals.

 BFIL is focused on new product development and the application of advanced alloys and material chemistries in specialized segments.

 The company generates more than **90%** of revenues through exports.

## Facility:

A new state-of-the-art integrated forging and machining campus in Belgaum, Karnataka, spanning 46 acres.

## Machining Capacity:

32,000 TPA for machined components presently. A further expansion of the machining capacity & introduction of new technologies is in process which will significantly enhance both the machining capability & capacity. The company can machine critical high precision components up to 3 meters in length.

## Forging Capacity:

Enhanced by acquiring specialized assets with an additional 72,000 TPA of forging capacity. A further expansion to increase the weight category serviced & to further increase the capacity is in process which will position the company in a very niche league of Forging companies globally. The company can forge components up to 1,000 kgs in weight through the closed die hot forging route. This capability will further be enhanced to increase the weight category of the products produced at the company.

## Advanced Equipment:

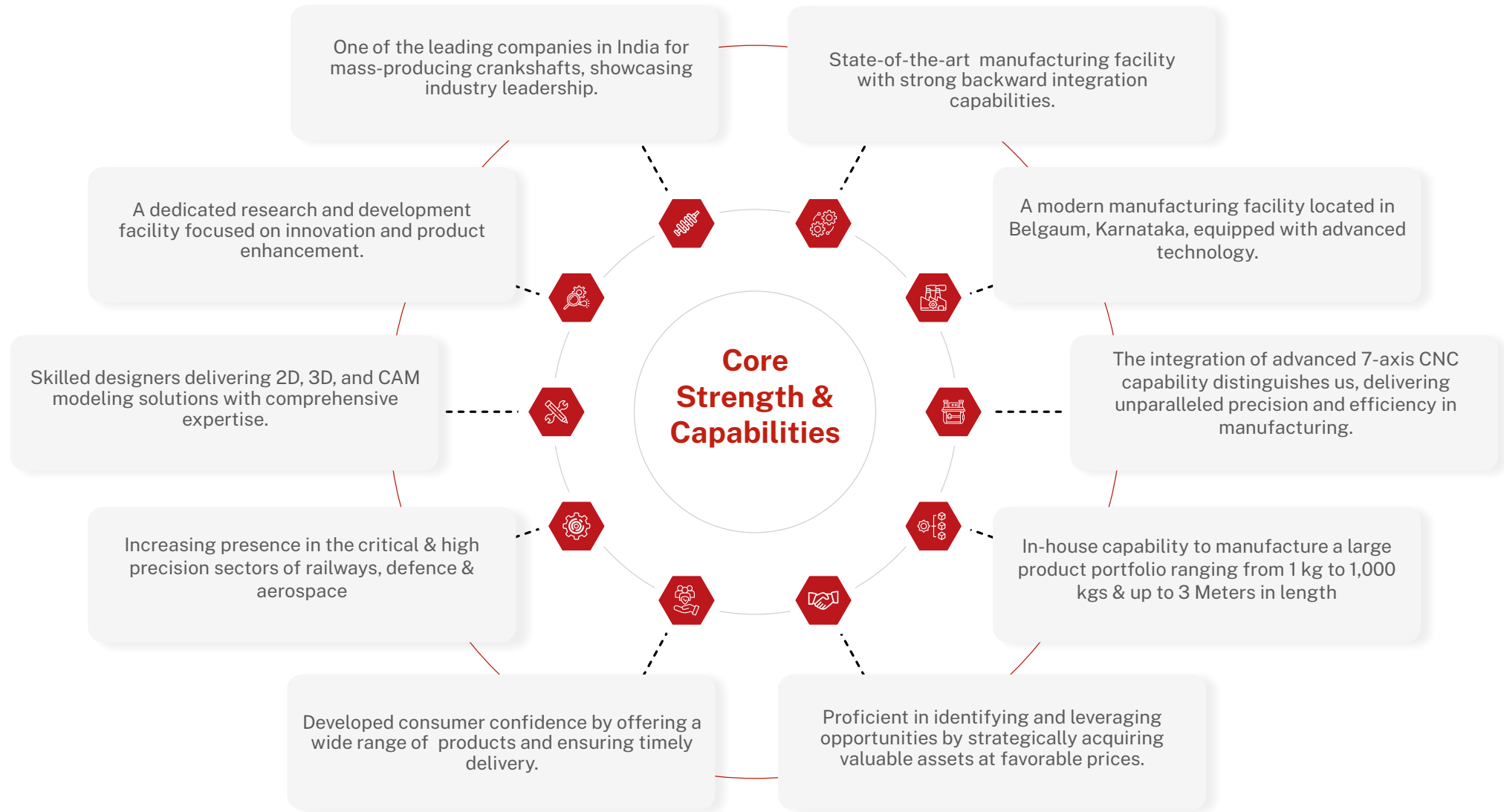
Includes a 16-ton closed-die forging hydraulic hammer line and an 8,000-ton mechanical forging press powered by GERB Anti Vibration System. The introduction of 7 Axis machining capability has added a new dimension to the high precision machining prowess at the company.

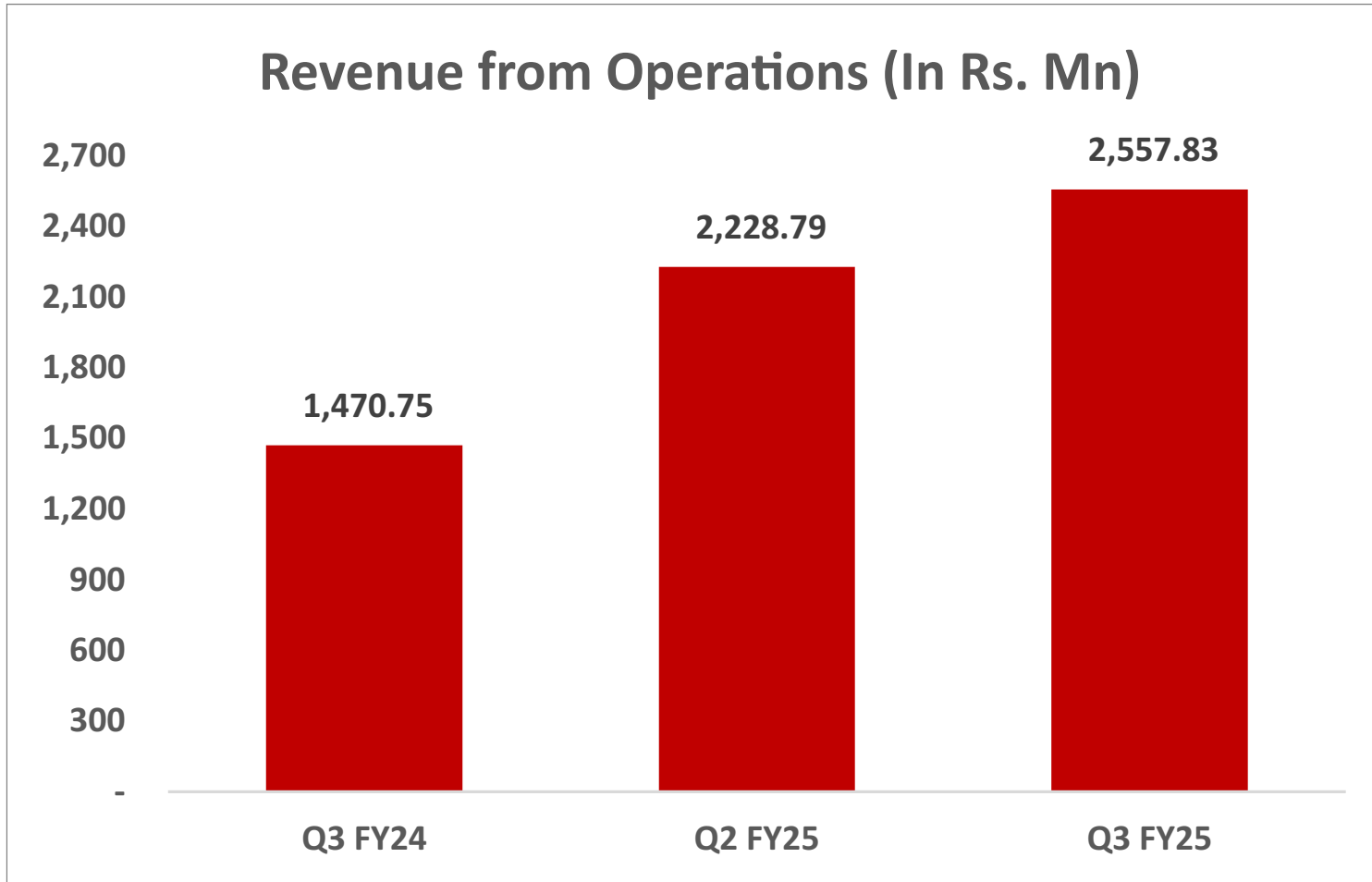
## Automation:

Fully automated upcoming facility featuring advanced technologies like anti vibration systems and robotic handling.

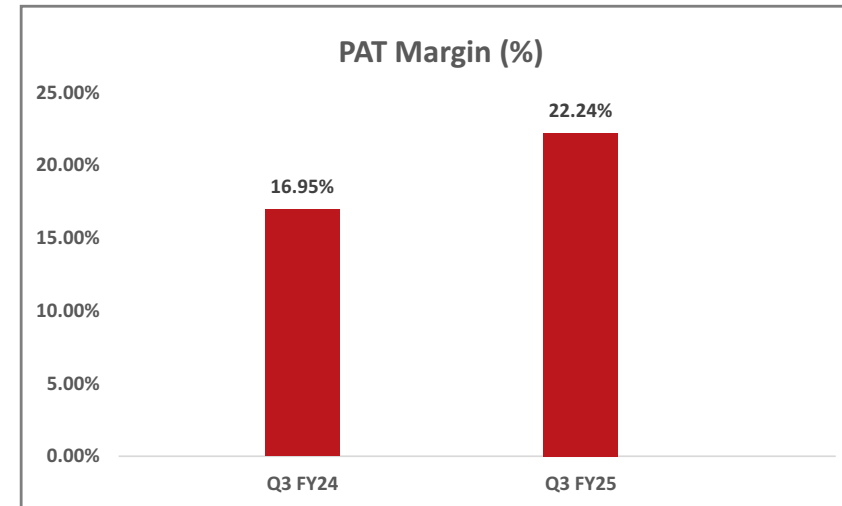
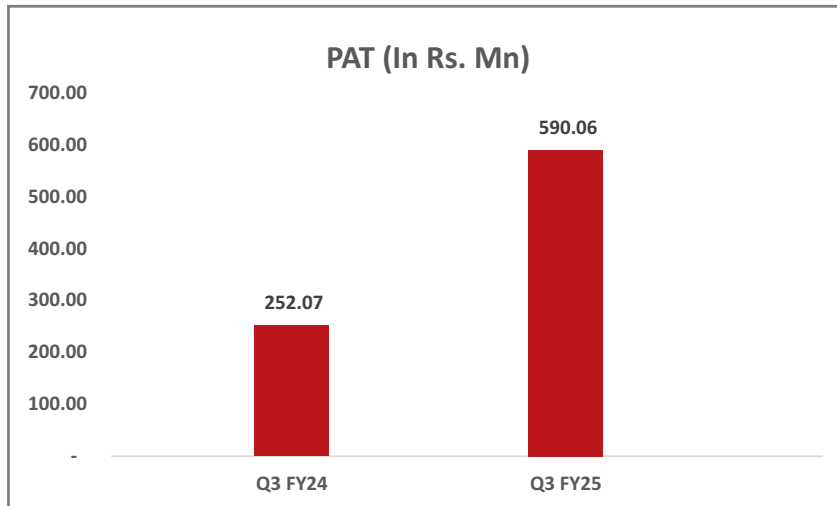
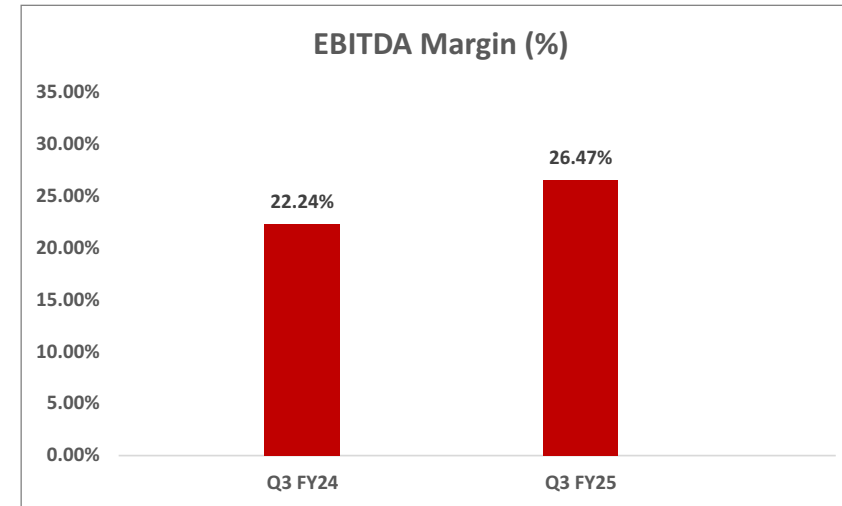
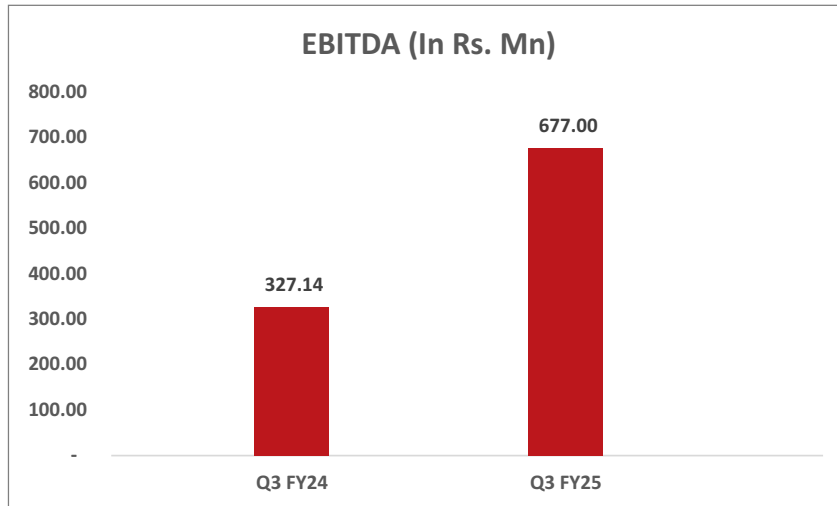
## Industry 4.0 Standards:

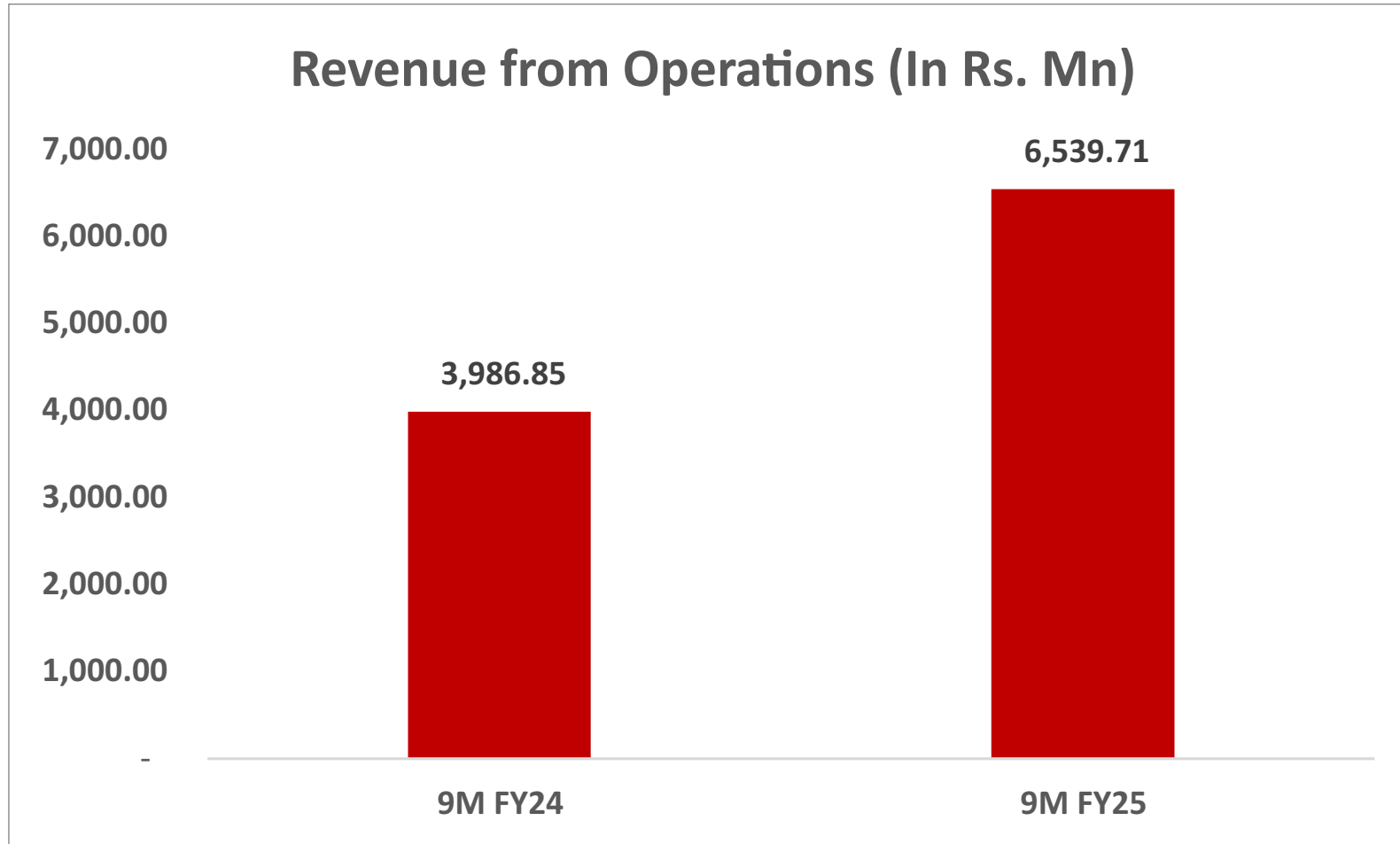
Cutting-edge manufacturing practices for superior efficiency and quality production of 72,000 tons of forged components annually.



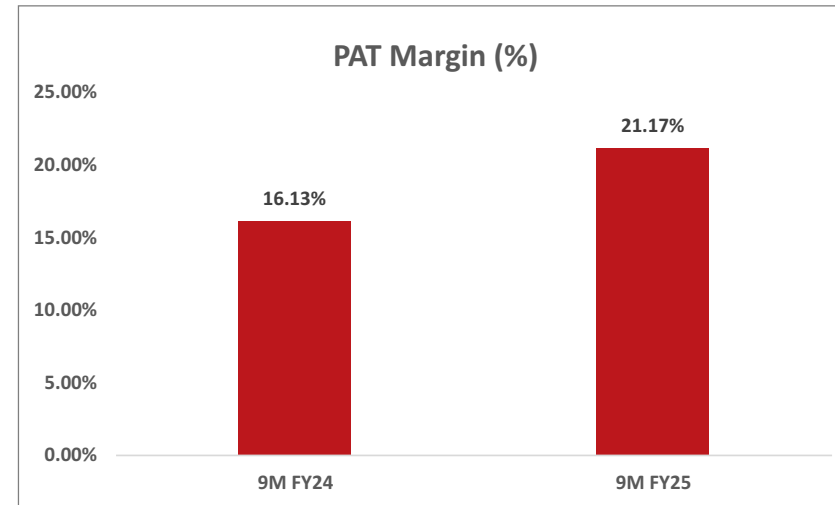
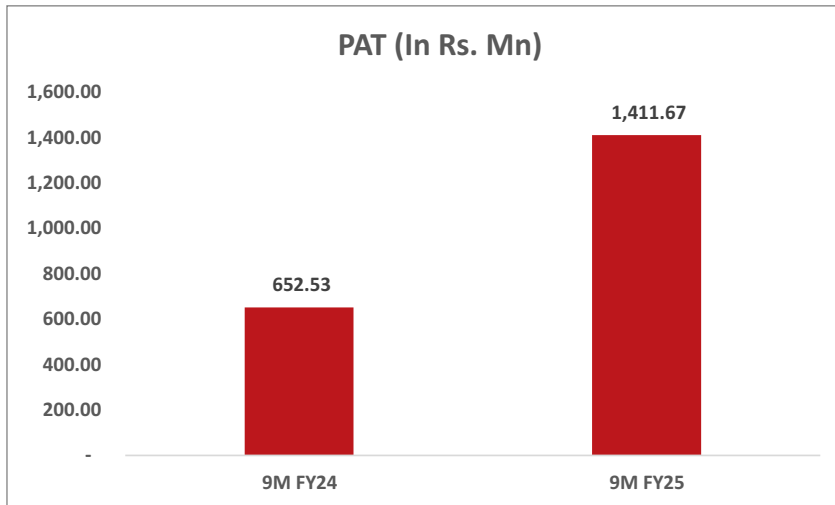
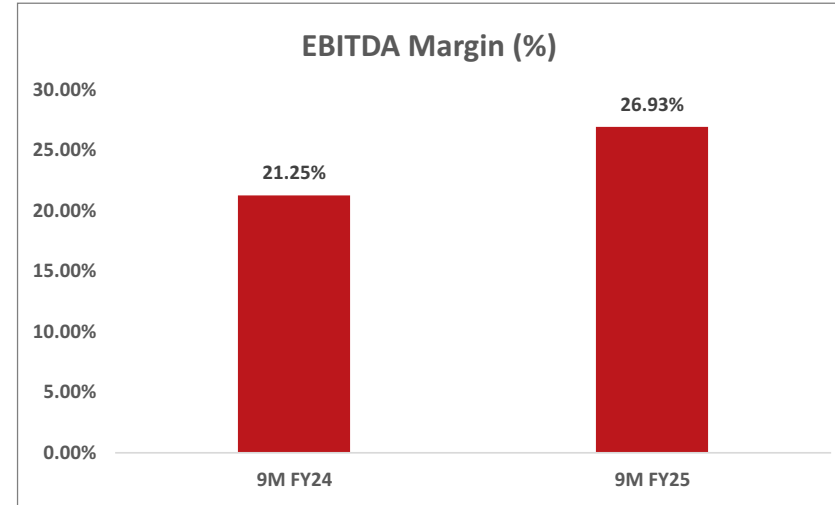
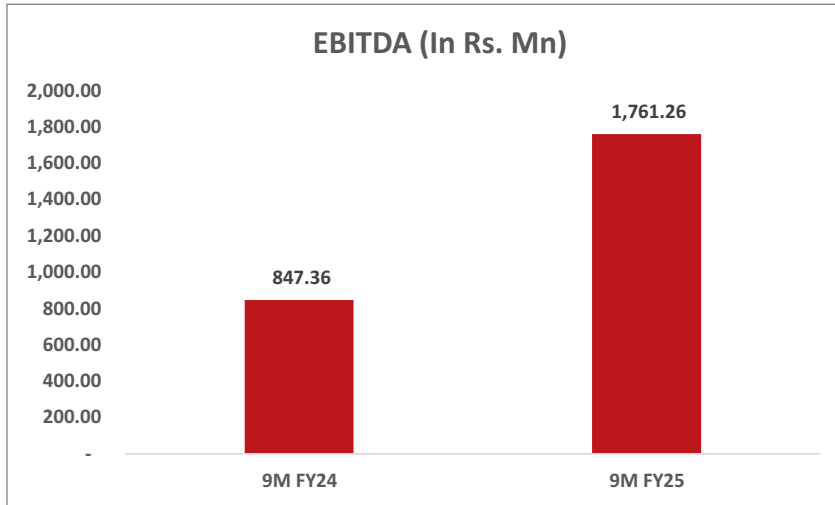


# Quarterly Key Financial Highlights (Consolidated)





# 9MFY25 Key Financial Highlights (Consolidated)








# Consolidated Income Statement



| Particulars (Rs. Mn)                    | Q3 FY25         | Q3 FY24         | YoY%           | Q2 FY25         |
|---|-----------------|-----------------|----------------|-----------------|
| <b>Revenue from Operations</b>          | 2,557.83        | 1,470.75        | <b>73.91%</b>  | 2,228.79        |
| Other Income                            | 95.66           | 16.16           |                | 23.53           |
| <b>Total Income</b>                     | <b>2,653.49</b> | <b>1,486.91</b> |                | <b>2,252.33</b> |
| Total Expenses excl. D&A & Finance Cost | 1,880.83        | 1,143.61        |                | 1,576.58        |
| <b>EBITDA (Excluding Other Income)</b>  | <b>677.00</b>   | <b>327.14</b>   | <b>106.95%</b> | <b>652.22</b>   |
| <b>EBITDA Margin (%)</b>                | <b>26.47%</b>   | <b>22.24%</b>   |                | <b>29.26%</b>   |
| Depreciation & Amortization             | 8.47            | 5.13            |                | 8.31            |
| Finance Cost                            | 22.58           | 38.63           |                | 29.41           |
| <b>PBT before Exceptional Item</b>      | <b>741.62</b>   | <b>299.54</b>   |                | <b>638.03</b>   |
| Exceptional Items                       | -               | -               |                | -               |
| <b>PBT</b>                              | <b>741.62</b>   | <b>299.54</b>   | <b>147.59%</b> | <b>638.03</b>   |
| Tax                                     | 151.56          | 47.47           |                | 158.08          |
| <b>PAT</b>                              | <b>590.06</b>   | <b>252.07</b>   | <b>134.09%</b> | <b>479.95</b>   |
| <b>PAT Margin %</b>                     | <b>22.24%</b>   | <b>16.95%</b>   |                | <b>21.31%</b>   |
| Other comprehensive (profit)/ loss      | 14.29           | 2.14            |                | 1.67            |
| <b>Net PAT</b>                          | <b>604.35</b>   | <b>254.21</b>   | <b>137.74%</b> | <b>481.62</b>   |
| Diluted EPS (In Rs.)                    | 5.19            | 2.57            |                | 4.26            |

|  | 9M FY25         | 9M FY24         | YoY%           |
|--|-----------------|-----------------|----------------|
|  | 6,539.71        | 3,986.85        | <b>64.03%</b>  |
|  | 129.77          | 58.90           |                |
|  | <b>6,669.48</b> | <b>4,045.75</b> |                |
|  | 4,778.45        | 3,139.49        |                |
|  | <b>1,761.26</b> | <b>847.36</b>   | <b>107.85%</b> |
|  | <b>26.93%</b>   | <b>21.25%</b>   |                |
|  | 24.77           | 14.32           |                |
|  | 67.48           | 101.07          |                |
|  | <b>1,798.78</b> | <b>790.88</b>   | <b>127.44%</b> |
|  | -               | -               |                |
|  | <b>1,798.78</b> | <b>790.88</b>   |                |
|  | 387.11          | 138.35          |                |
|  | <b>1,411.67</b> | <b>652.53</b>   | <b>116.34%</b> |
|  | <b>21.17%</b>   | <b>16.13%</b>   |                |
|  | 15.52           | 1.69            |                |
|  | <b>1,427.19</b> | <b>654.22</b>   | <b>118.15%</b> |
|  | 12.62           | 6.61            |                |

# Our Strategic Priorities For Future Growth

| Focus Area   | Key Outline Of The Strategy  | Our Progress Thus Far  |
|--|--|--|
|  <p><b>Capacity Expansion</b></p>     | <p>Enhancement of both the Capacity &amp; Capability in the areas of Heavy Closed Die Forging &amp; High precision critical machined components.</p>           | <p>The Forging Capacity of 72,000 Tons annually is under installation in the new manufacturing campus. The acquisition &amp; installation of the first 7-axis machine has been completed. The company is in the process of further acquisitions to increase the capacity in both the domains of Heavy Forging &amp; High Precision Machining.</p>  |
|  <p><b>Product Expansion</b></p>      | <p>Diversifying our product portfolio with a focus on Aerospace, Railways &amp; Defence related offerings which yields better margins owing to complexity.</p> | <p>The forging capacity is under commercialization &amp; products with varied material chemistries from Aluminum to Titanium is under testing/prototyping with key customers. A large product portfolio from the defence &amp; the railway industry is under prototyping &amp; some have also reached commercialization. The company is in the process of commissioning an SPM production line for critical defence components.</p>  |
|  <p><b>Higher Wallet Share</b></p>    | <p>Aiming to expand market presence in the commercial vehicle (CV), Railways &amp; the Defence sector.</p>   | <p>We have continued to increase the wallet share from existing customers in the CV sector &amp; also addition of new customers across the Commercial Vehicle, Railways &amp; Defence sectors. We are seeing a bigger Europe + 1 impact rather than the common trend of China + 1. We foresee this tailwind to continue in the upcoming quarter &amp; the increasing shift to India as a factory of the world will continue to be a strong enabler of our company's growth.</p>                              |
|  <p><b>Customer Addition</b></p>     | <p>Focused on adding new OEM partnerships annually across the globe &amp; new customers in the sunrise sectors of Railway &amp; Defence.</p>                   | <p>The company is progressing positively in customer addition through ToT and contract manufacturing opportunities, achieving key milestones in the Railway and Defence industries. These developments highlight its growing expertise and potential to secure long-term partnerships in these critical sectors which incrementally will be the major contributors &amp; growth drivers for the company going forward.</p>   |
|  <p><b>Geographic Expansion</b></p> | <p>Expanding our global reach to enter new markets through expansion of the product mix.</p>   | <p>Increased focus on further expanding the global reach of the company. New market opportunities have been explored on the global front especially where the company had historically very low market share. This has been enabled by the global team expansion in key low market share regions &amp; also mainly due to increased product offerings. A clear strategy to derisk from rampant war zones &amp; geo political issues is also in place to safeguard the financial position of the company.</p> |

## Commenting on the performance of Q2FY25, Mr. Trimaan Chandock, Executive Director of BFIL stated:

We are pleased to report strong performance for Q3FY25, with revenue growing **73.91%** to **INR 2,557.83 Mn** in Q3FY25, from INR 1,470.75 Mn in Q3FY24, driven by a robust demand for our specialized engineering products. EBITDA increased by **106.95%** to **INR 677.00 Mn** in Q3FY25 as compared to INR 327.14 Mn, with EBITDA margins expanding by **422 bps** from 22.24% in Q3FY24 to **26.47%** in Q3FY25, supported by operational efficiencies and a focus on high-margin value added niche products.

PAT grew **134.09%** from INR 252.07 Mn in Q3FY24 to **INR 590.06 Mn** in Q3FY25, with PAT margins improved by **528 bps** from 16.95% in Q3FY24 to **22.24%** in Q3FY25. There is an increase in other income this quarter due to forex gains from rupee depreciation, as the company benefits from higher export sales.

For 9M FY25, revenue grew **64.03%** to **INR 6,539.71 Mn**, compared to INR 3,986.85 Mn in 9M FY24. EBITDA increased **107.85%** to **INR 1,761.26 Mn** in 9MFY25 as compared to INR 847.36 Mn in Q3FY24, with EBITDA margins expanding by **568 bps** from 21.25% in 9M FY24 to **26.93%** in 9MFY25. PAT grew by **116.34%** to **INR 1,411.67 Mn** in 9MFY25 as compared to INR 652.53 Mn in 9MFY24, with PAT margins improved by **504 bps** from 16.13% in 9MFY24 to **21.17%** in 9MFY25.

These results highlight our resilient business model and strong market positioning, setting the stage for continued growth. Our success stems from strategies like portfolio expansion, client diversification, and delivering solutions across key sectors. As the Indian forging industry benefits from China+1 and Europe+1, Balu Forge is investing in innovation and partnerships for sustainable growth and global expansion.

In addition to our financial performance, this quarter saw significant advancements in strategic initiatives:

- **Strategic Partnerships for High-Growth Industries**

We have signed a Memorandum of Understanding (MoU) with Swan Energy Limited to create a Special Purpose Vehicle (SPV) focused on serving global industries, including defence, aerospace, railways, and nuclear. This strategic diversification positions us as a prominent player in high-growth, technology-driven sectors.

- **Capacity Expansion with Advanced Technology**

The integration of 7-axis CNC machining technology strengthens Balu Forge's capability to produce intricate, high-precision components. This expansion, financed through internal accruals, is poised to fuel growth in the aerospace, defence and oil & gas sectors.

- **Focus on Critical Components**

Our targeted focus on high-value, critical components such as aerospace components, critical defence and railway components demonstrates a strategic alignment with global market demands.

We are pleased to inform the stakeholders of the company that the green field manufacturing campus commissioning is in full swing & will house a fully automated plant with modern technology, larger integration of Industry 4.0, installation of a solar farm for energy saving, plant commissioning as per the latest ISO standards, Implementation of 5S & TPM practices & Implementation of OSHA standards.

In conclusion, our focus on cost optimization, enhanced production efficiency, and a more agile supply chain has established a robust platform for sustainable growth. Leveraging our advanced engineering capabilities and ongoing innovation, we are strategically positioned to capitalize on emerging market opportunities and generate long-term value. Our steadfast commitment to operational excellence and customer satisfaction reinforces our competitive advantage in the industry.

## Management Guidance:

We continue to maintain the guidance for FY25 as below:

- » Revenue is expected to grow in the range of **55% - 60%** in FY25 over FY24, led by new customer addition in sectors like railway and defence.
- » EBITDA margins are expected to conservatively be in the corridor of **25% - 27%** for FY25 on the back of increasing scale of operations and efficiencies thereon. The same will be at a sustainable level of **30% - 32%** for FY26 after commercialisation of the new plant.

For Further Information on the Company, Please Visit: [www.baluindustries.com](http://www.baluindustries.com)

## Disclaimer:

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties, like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Balu Forge Industries Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

## Contact Details

Tabassum Begum (Company Secretary)

**Balu Forge Industries Limited**

Contact: +91 86550 75578

Email: [compliance@baluindustries.com](mailto:compliance@baluindustries.com)

Krunal Shah / Vinayak Shirodkar

**Captive IR Strategic Advisors Pvt. Ltd.**

Contact: +91 93724 67194

Email: [krunal@cap-ir.com](mailto:krunal@cap-ir.com) / [vinayak@cap-ir.com](mailto:vinayak@cap-ir.com)



TOGETHER WE WILL WIN

