

Date: November 14, 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 Half Year ended September 30, 2025**

Dear Sir/Madam,

Please find enclosed herewith the Earnings Release for the Quarter and half year ended September 30, 2025.

Kindly take the same on your record and acknowledge.

Thanking You,  
Yours Truly,

**For Balu Forge Industries Limited**

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

Enclosure: As above



# Earnings Presentation

Q2 and H1 FY26 | November 2025



# Introduction to Balu Forge



## Leading with Precision Machining and Engineering



### Machining & Assembly *Kakti, Belgaum*

22,000+ MTPA

### Machining & Assembly *Hattargi, Hukkeri*

58,000+ MTPA

7+ Acres  
Established  
Manufacturing Facilities

35+ Years  
of extensive  
industry experience

46+ Acres  
New Advanced  
Manufacturing Facilities

Outsourcing strategy to be gradually replaced by in-house forging capabilities. Increasing to 1,50,000 MTPA

**Forging**  
*Hattargi, Hukkeri*  
100,000+ MTPA

Forging infrastructure:  
25T, 16T and 10T  
Hydraulic Hammers Line  
8,000T Mechanical Press Line  
1,000T Hydraulic Press Line

## Core Product Portfolio



Crankshaft



Railway Wheels



Empty Shells



Brake Components



Turbine Blades



Hydraulic Motors



Lifting Hooks



Under Carriage Components

## Key Financial Metrics

**Rs. 9,236 Mn**  
FY25 Revenue

**Rs. 2,478 Mn**  
FY25 EBIT

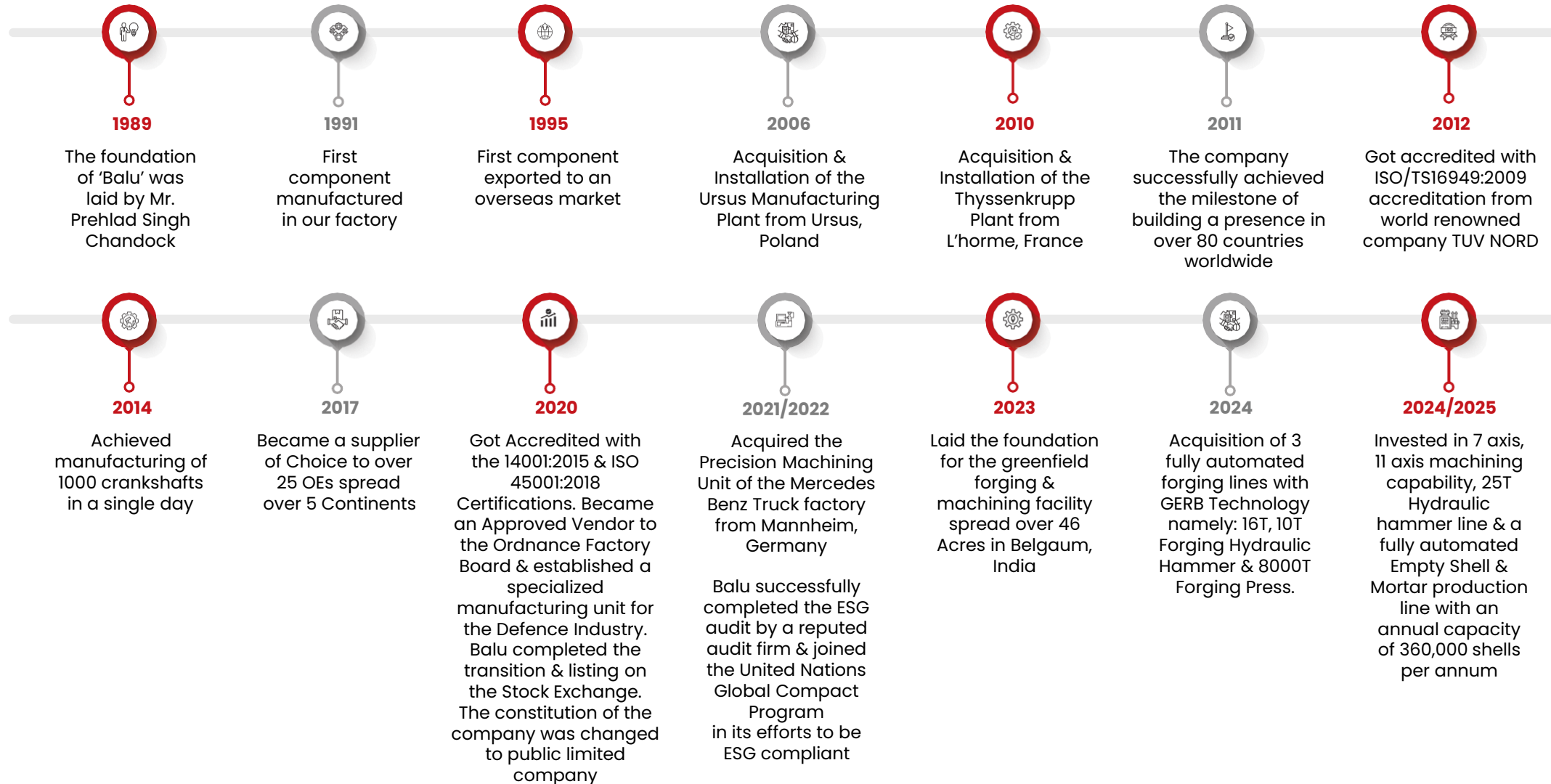
**26.8 %**  
FY25 EBIT Margin

**(0.06)x**  
FY25 Net Debt / Equity

**25.4%**  
FY25 ROCE

**30.1%**  
FY25 ROE

## Successful Track Record of Acquiring and Integrating High End Forging & Machining Equipment



1.

## Precision Engineered Product Portfolio for Global OEMs

- Manufactures precision machined and forged components
- Serves diverse end-markets including automotive, industrial machinery, power generation, defence, and railways
- Supplies precision-engineered components to 25 global OEMs across 80 countries

2.

## Acquired Integrated Manufacturing Platform

- Operates four facilities across India and the UAE with integrated forging, heat-treatment, and machining lines
- 16-ton hydraulic and 8,000-ton mechanical presses, CNC machines, and robotic systems for high precision production
- Acquired facilities from Mercedes-Benz Truck AG (Germany), Thyssenkrupp AG (France), and Ursus SA (Poland)

3.

## Facility at Hattargi Provides Platform for Future Growth

- Developing a 46-acre facility with machining capacity of 58,000+ MTPA and a captive forging capacity of 1,50,000 MTPA
- Advanced automation, digital systems, and a scalable platform for complex components strengthen export capability
- This facility will raise total Machining Capacity to over 80,000 MTPA and Forging Capacity to 1,50,000 MTPA

4.

## Expanding in High-Value Engineering Sectors

- Expanding into defence, aerospace, railways, energy, and industrial equipment with complex precision components
- Forging and machining line for Empty Shell production with a capacity of 360,000 shells p.a. being commercialized
- Secured approvals for 180+ products across these segments, strengthening customer relationship and qualification base

5.

## Ongoing Investment in Technology and R&D

- Equipped with 7-axis and 11-axis machining systems and a 25-ton hydraulic hammer for high-precision forgings
- A Dedicated R&D team of 75 people and design centre focused on new product development and process optimisation
- Industry 4.0-enabled automation enhances productivity, accuracy, and traceability across operations

6.

## High Margin Growth with Well Capitalised Balance Sheet (FY25)

- FY25 Revenue from Operations of Rs. 9,236 Mn with EBITDA margin of 27.2% and PAT margin of 21.7%
- ROCE of 30.1% and ROE of 25.4%; Net Cash of Rs 603 Mn provides flexibility to continue the acquisition strategy
- Cash flow from operations of Rs. 1,482 Mn, with CFO to EBITDA conversion of 59%.



**Mr. Jaspal Singh Chandock**

Chairman & Managing Director

**Rs. 5,327 Mn**

H1 FY26 Revenue (33.8% YoY)

**Rs. 1,551 Mn**

H1 FY26 EBITDA (29.1% Margin)

**Rs. 404 Mn**

H1 FY26 Cash Flow from Operations

**0.02x**

H1 FY26 Net Debt / Equity

Revenue from Operations in Q2 FY26 was Rs 2,995 million, an increase of 34.4% year-on-year. EBITDA for the quarter was Rs 828 million, with an EBITDA margin of 27.6%, while PAT was Rs 650 million, reflecting a margin of 21.5%. For H1 FY26, Revenue from Operations was Rs 5,327 million, up 33.8% over H1 FY25, with EBITDA of Rs 1,551 million and PAT of Rs 1,261 million. This performance reflects steady execution and the continued strengthening of Balu Forge's integrated manufacturing platform.

The greenfield facility at Hattargi, Karnataka, is advancing as planned and remains central to our ongoing expansion. The plant integrates captive forging and precision machining under one setup, improving efficiency and output. Commissioning of the 25-ton closed-die forging hammer, 8,000-ton mechanical press, and automated machining lines is progressing on schedule. When fully operational, total forging and machining capacities will increase to 150,000 tons and 80,000 tons per year, respectively.

The defence division remains a key focus. The dedicated forging and machining line for Empty Shell production, with a capacity of 360,000 shells per year is in the commercialization phase. The company has vendor approvals from leading Indian defence players and continues to add new products across artillery, armoured vehicle and engine components, strengthening its role in India's defence manufacturing ecosystem.

We continue to focus on disciplined execution and capacity readiness as we scale operations across forging and machining. The Hattargi facility will strengthen our fully integrated manufacturing base and improve our ability to serve complex, high-value applications. With defence production entering the commercialization stage and capacity expansion on track, Balu Forge is positioned to drive the next phase of growth through scale, technology, and customer diversification.



# Strategically Located Manufacturing Facilities

## Karnataka, India - 3 Units, 53 Acres



7 Axis Machining



11 Axis Machining



Junker Grinding M/C

**Unit 1**  
**5 Acres**

**Unit 2**  
**2 Acres**

### **Belgaum**

Machining : 22,000 MTPA

**Unit 4**  
**1 Acre**

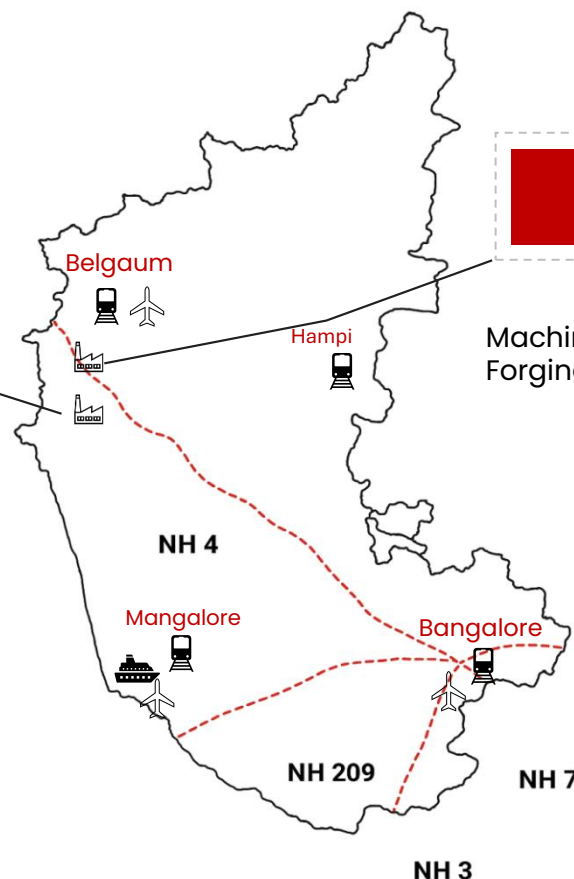
### **Ras Al Khaimah, UAE**

15,000 Units PA  
Powertrain  
Sub Assemblies

**Unit 3**  
**46 Acres**

### **Hattargi**

Machining : 58,000 MTPA  
Forging: 100,000+ MTPA



Manufacturing Facilities



Port



Airport



Railway Station

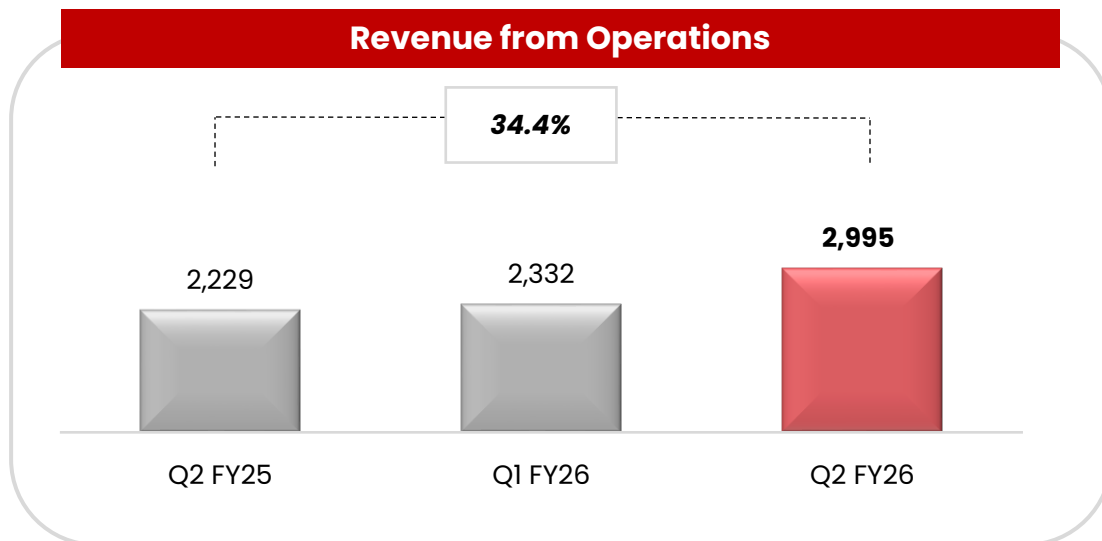


National Highway

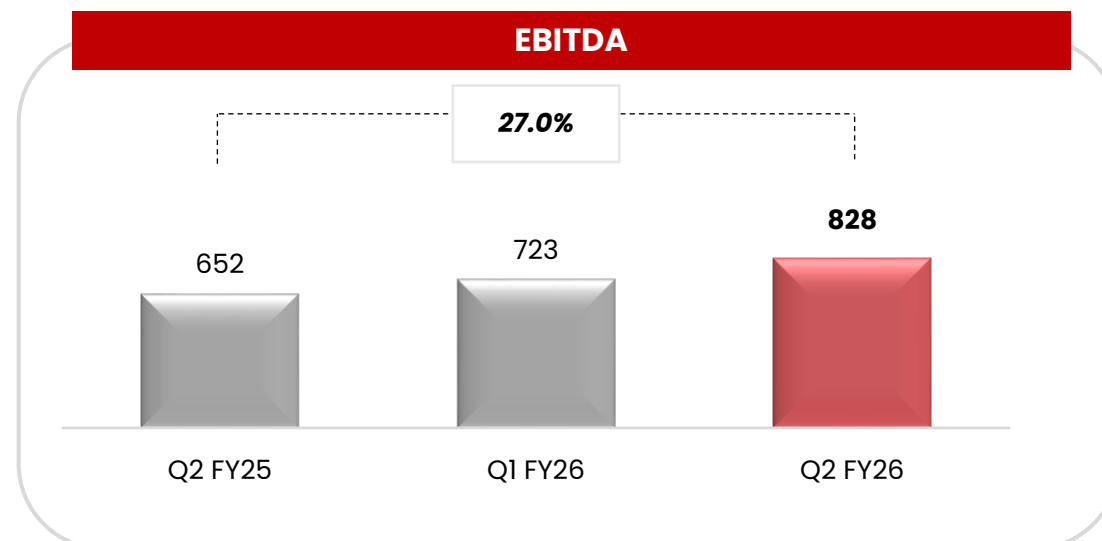
# Q2 FY26 Consolidated Financial Performance

All figures in Rs. Mn.

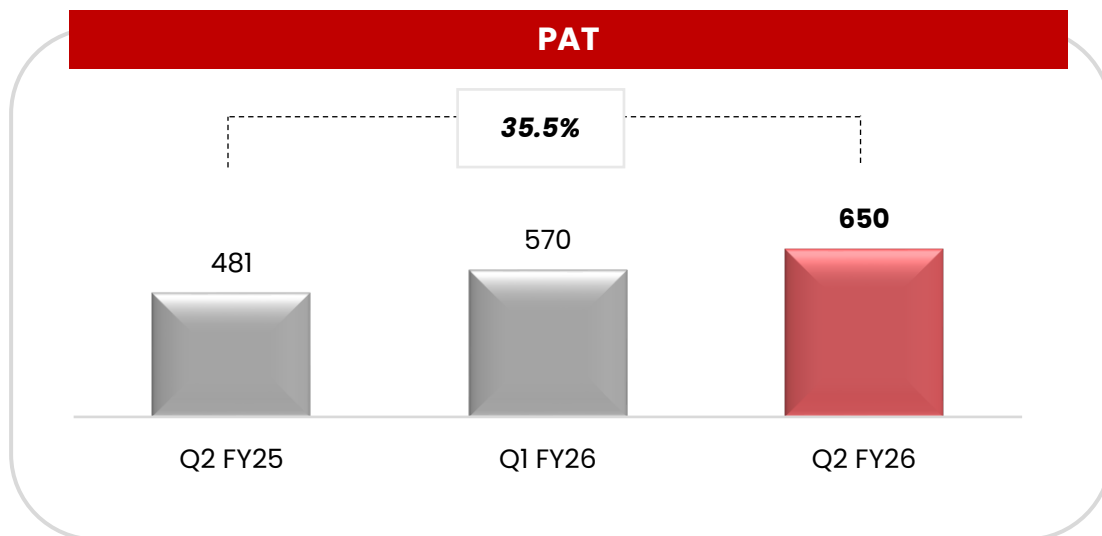
## Revenue from Operations



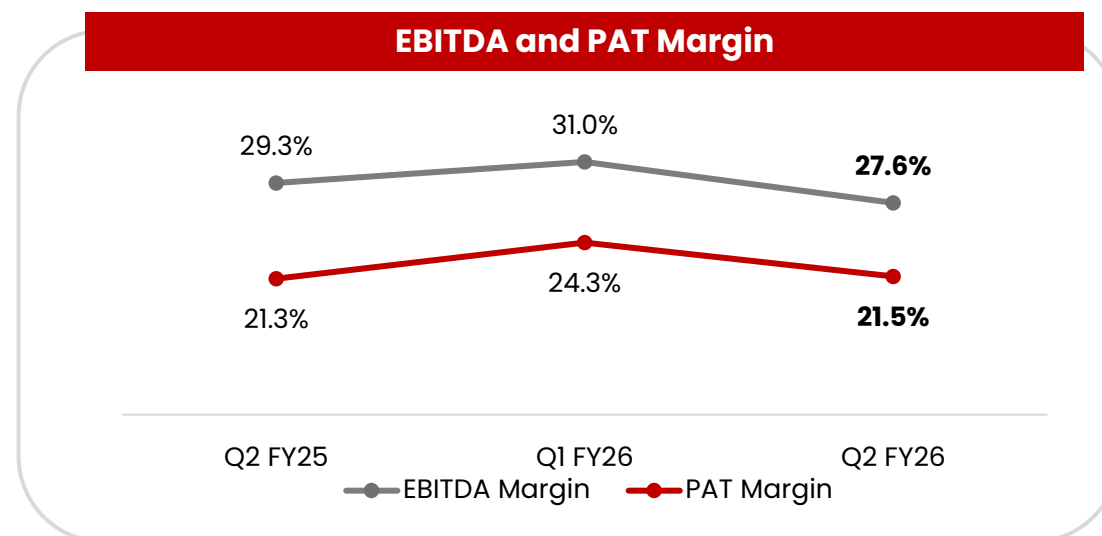
## EBITDA



## PAT



## EBITDA and PAT Margin



Notes:

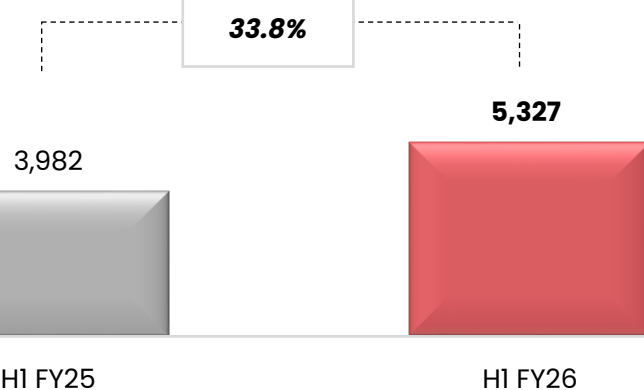
1. EBITDA and EBITDA Margin excludes Other Income
2. All other Margins are calculated on Total Income



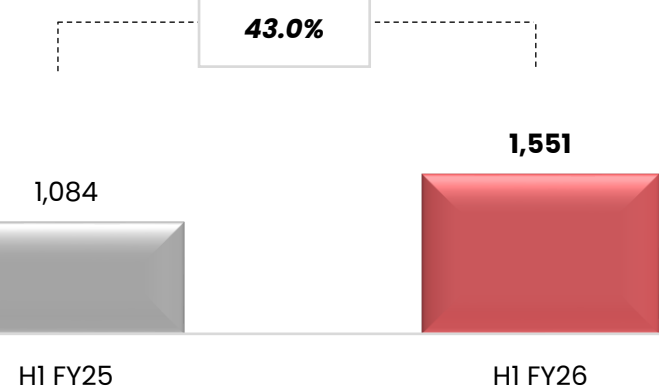
# H1 FY26 Consolidated Financial Performance

All figures in Rs. Mn.

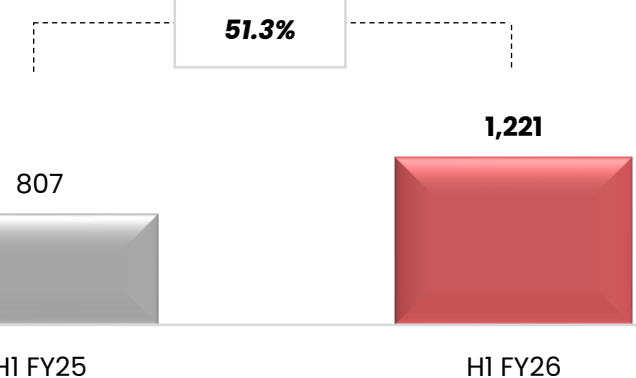
## Revenue from Operations



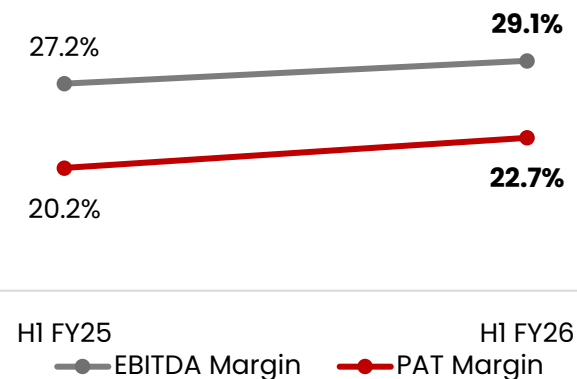
## EBITDA



## PAT



## EBITDA and PAT Margin



Notes:

1. EBITDA and EBITDA Margin excludes Other Income
2. All other Margins are calculated on Total Income

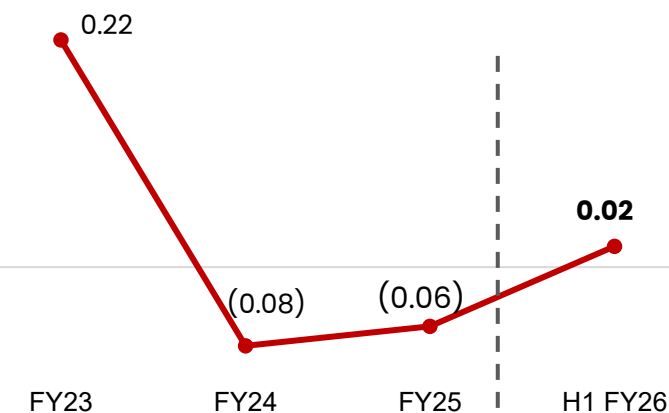
# Capital Structure

(Rs. Mn)	H1 FY26	FY25
Property, Plant & Equipment (Tangible, Intangible, RoU, Goodwill)	4,364	1,830
CWIP	3,506	4,171
Cash And Bank Balances	378	962
Inventories	1,336	981
Trade Receivables	3,714	3,273
Other Assets	1,944	1,305
<b>Total Assets</b>	<b>15,242</b>	<b>12,522</b>
Total Equity	12,489	10,532
Borrowing	640	359
Trade Payables	1,108	1,180
Other Liabilities	1,005	451
<b>Total Equity &amp; Liabilities</b>	<b>15,242</b>	<b>12,522</b>

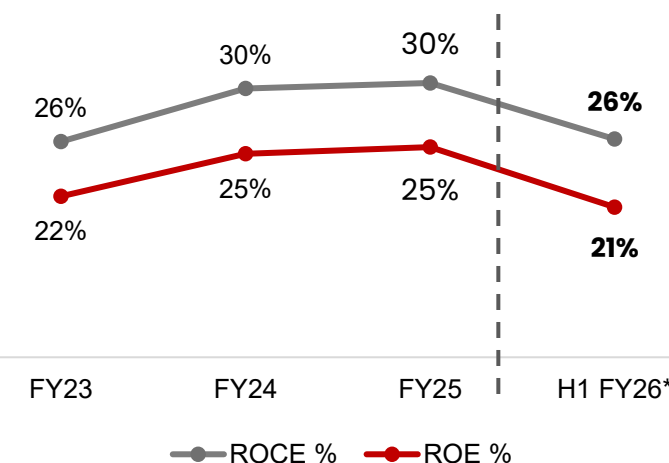
Notes:

1. ROE: PAT/Average Equity; ROCE: EBIT/ Average Capital Employed
2. D/E: Net Debt/Total Equity
3. For H1 FY26, ROCE and ROE have been annualised

## Net Debt/Equity (x)



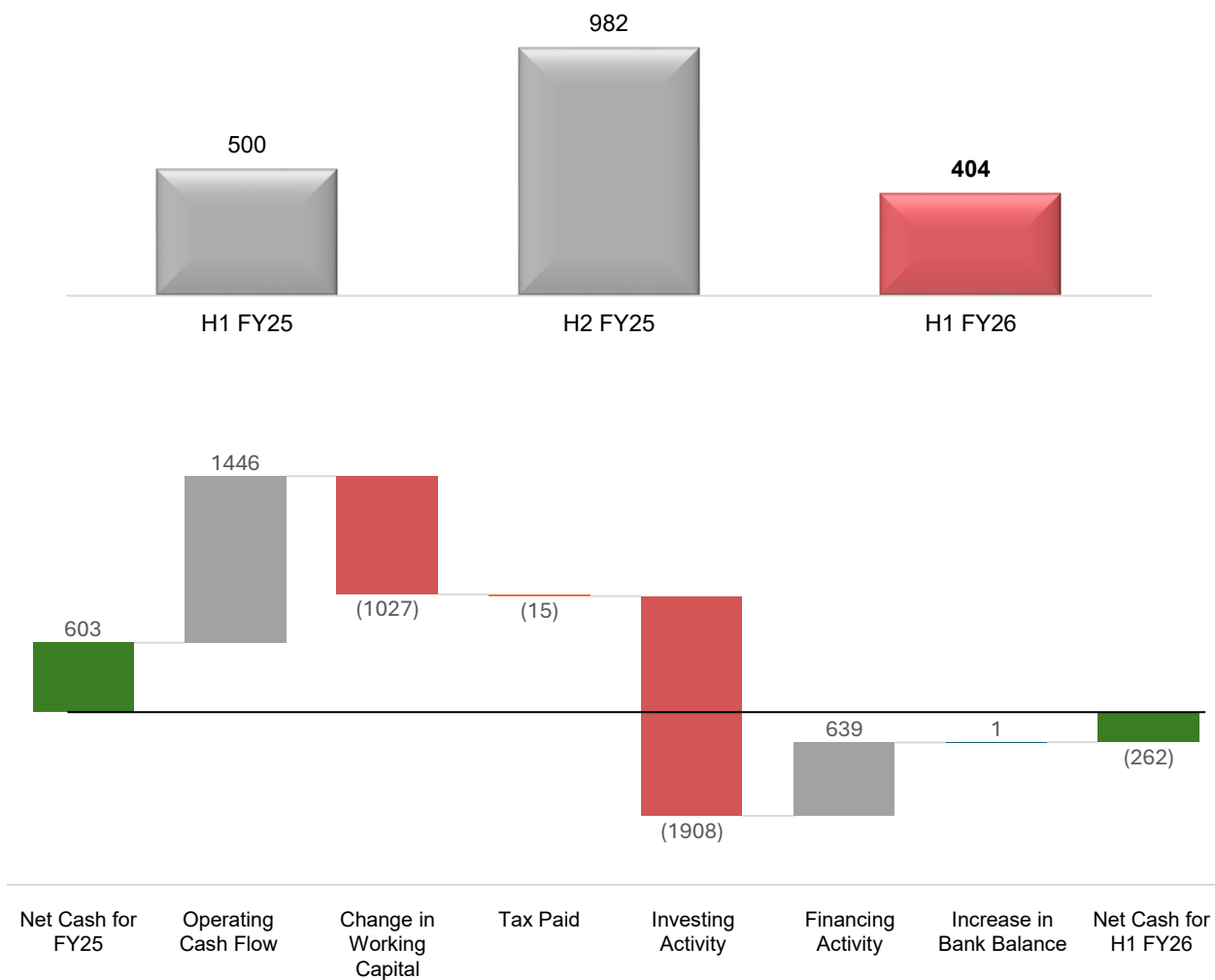
## ROCE and ROE (%)



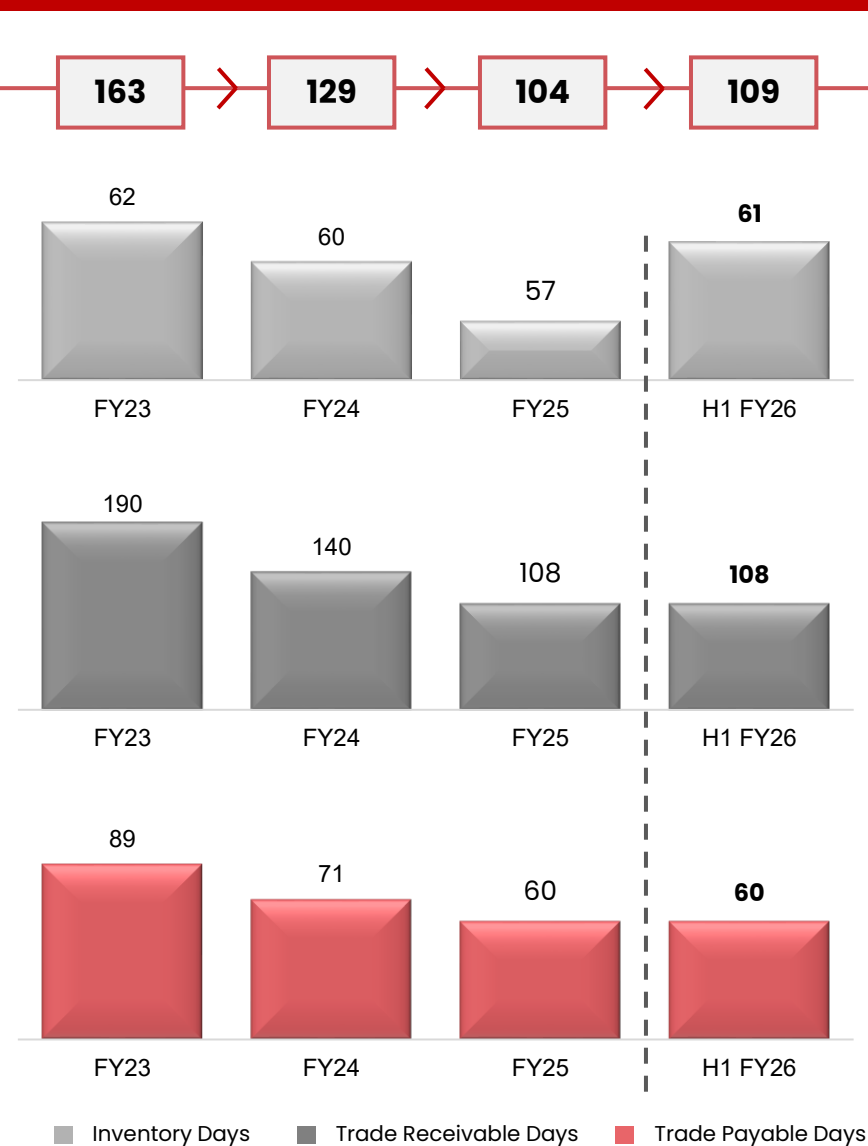
# Cash Flows and Working Capital

Rs. in Mn

## Cash Flow from Operations



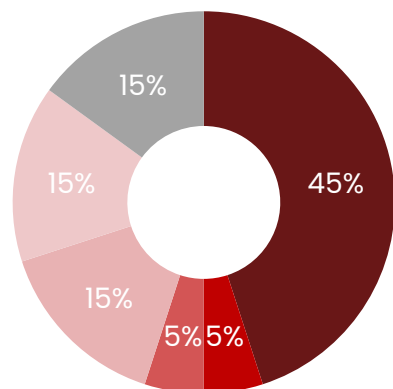
## Working Capital (In Days)



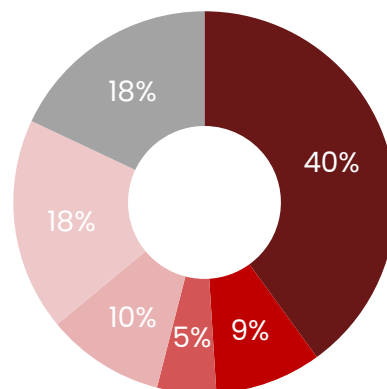
# H1 FY26 Revenue Contribution Analysis

By End-user Industries

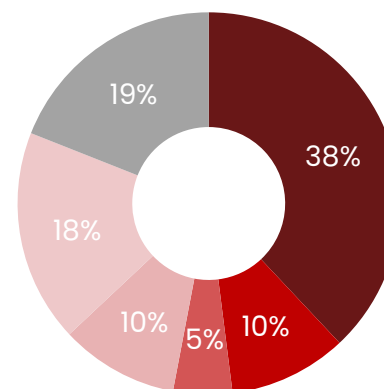
FY24



FY25

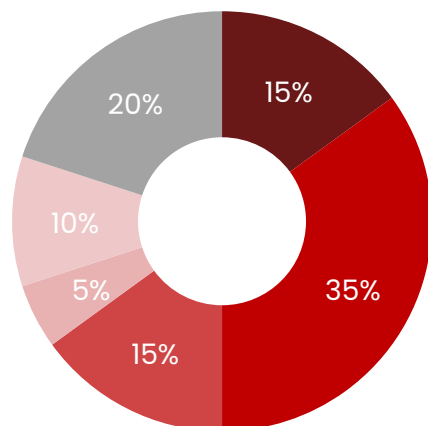
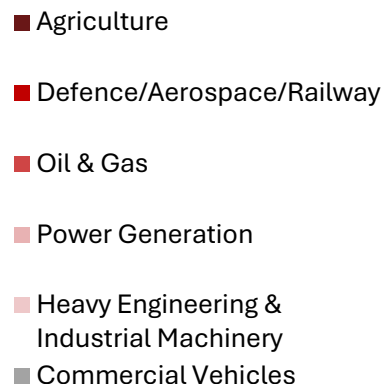


H1 FY26



## Order Book and Revenue Guidance

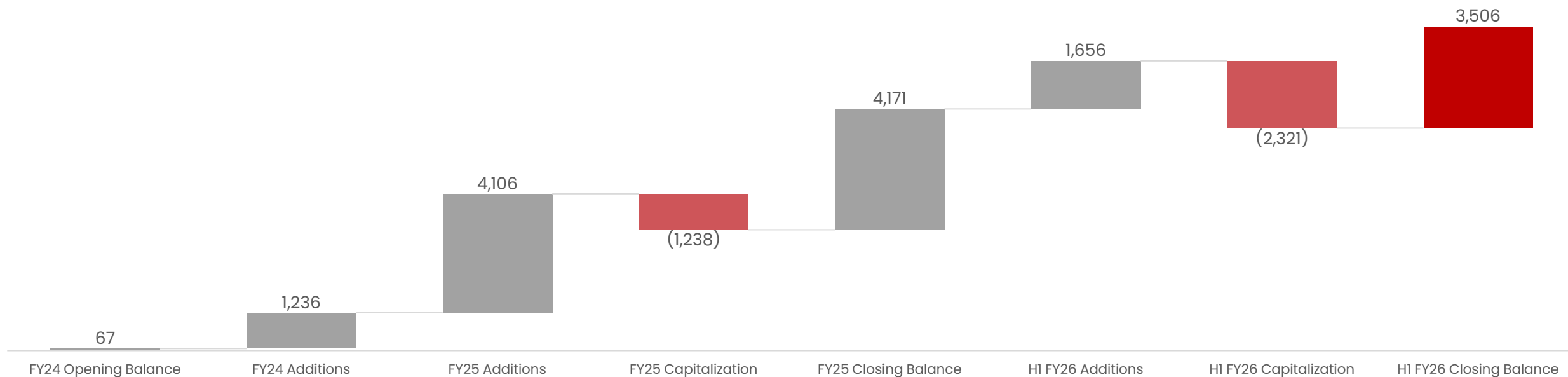
### Order Book Industries wise



### Revenue Guidance

- For FY26, Balu Forge will maintain the revenue growth guidance in the range of 40-45%, driven by strategic capacity expansions and increased penetration into high-demand industries
- The commercialization and operationalization of Unit 3 in Hattargi are key catalysts
- Balu Forge is also prioritizing high-value segments like defence and aerospace, where expertise in advanced machining and heavy forging aligns well with the sector's stringent quality requirements
- Additionally, Balu Forge is leveraging strong customer relationships and long-term contracts to secure consistent revenue streams
- Through the adoption of real-time monitoring, Balu Forge is optimizing its production processes to achieve improved EBITDA margins and sustainable financial performance

## Capital Work in Progress (Rs Mn)



- Balu Forge's asset turnover is relatively high compared to peers as the company has historically acquired used assets through global auctions, private treaties, and liquidations, keeping capital costs low and improving asset efficiency
- Additionally, the relatively low capitalized PP&E base temporarily inflates the asset turnover ratio until these assets are transferred out of CWIP
- As of FY25, about 74% of total fixed assets are classified as Capital Work-in-Progress (CWIP). However, in H1 FY26, a significant portion of CWIP has been capitalized, reducing its proportion to 48%
- As these assets continue to be capitalized over time, the asset base will increase, and the asset turnover ratio will gradually normalize
- Additionally, Balu Forge imports most machinery under the Government of India's MOOWR scheme, with its Hattargi Facility operating as a bonded manufacturing unit
- Machinery imported under the scheme is exempt from customs duty and IGST, improving upfront cash flow management
- MOOWR assets are not subject to depreciation, even after being commissioned and in use

## Auto Components



**Crankshaft**



**Under Carriage Components**



**Chassis Components**

Front Axle Beams, Steering Knuckles,  
Control Arms, Forks, Steering



**Transmission & Clutches**

Drive shafts, Input & Output shafts,  
Main shafts, Yokes



**Brake Components**

Hub, Brake Flange, Disc, Caliper



**Towing Accessories**

Swan Necks, Flange Balls, Tow Bars

## Non-Auto Components



**Railway Wheels**  
Axles & Wheel sets



**Hydraulic  
Motors**



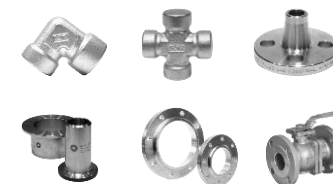
**Turbine Blades**



**Lifting Hooks**  
Sorting, Snap, Shank,  
Ramshorn Hooks



**Empty Shells**



**Oil, Gas, & Flow  
Control Components**

## Received approval to supply 180+ products



Crank Shaft



Breach Base



Road Wheel Arm



Flange



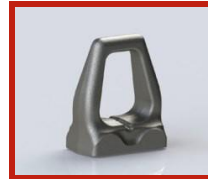
Hub Carrier



Track Link



Intermediate Gear



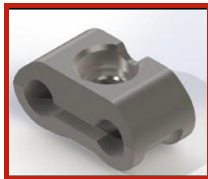
Track Guide



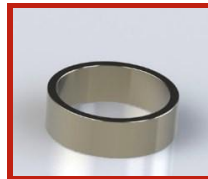
Shoe



Gear Ring  
(Solid)



Clamp



Gear Ring  
(Hollow)



Crank



Sun Gear



Carrier Forging



Empty shell

## Long-Term Capacity Expansion

- Multi-year investments to scale Defence manufacturing infrastructure
- Adding 25T hammer, 8,000T press, and multi-axis machining lines for precision components

## Product Diversification & Technology Edge

- Expanding into artillery, armoured vehicle, ammunition, and engine components
- Adopting Industry 4.0 automation, additive manufacturing, and alloy innovation to meet global Defence standards

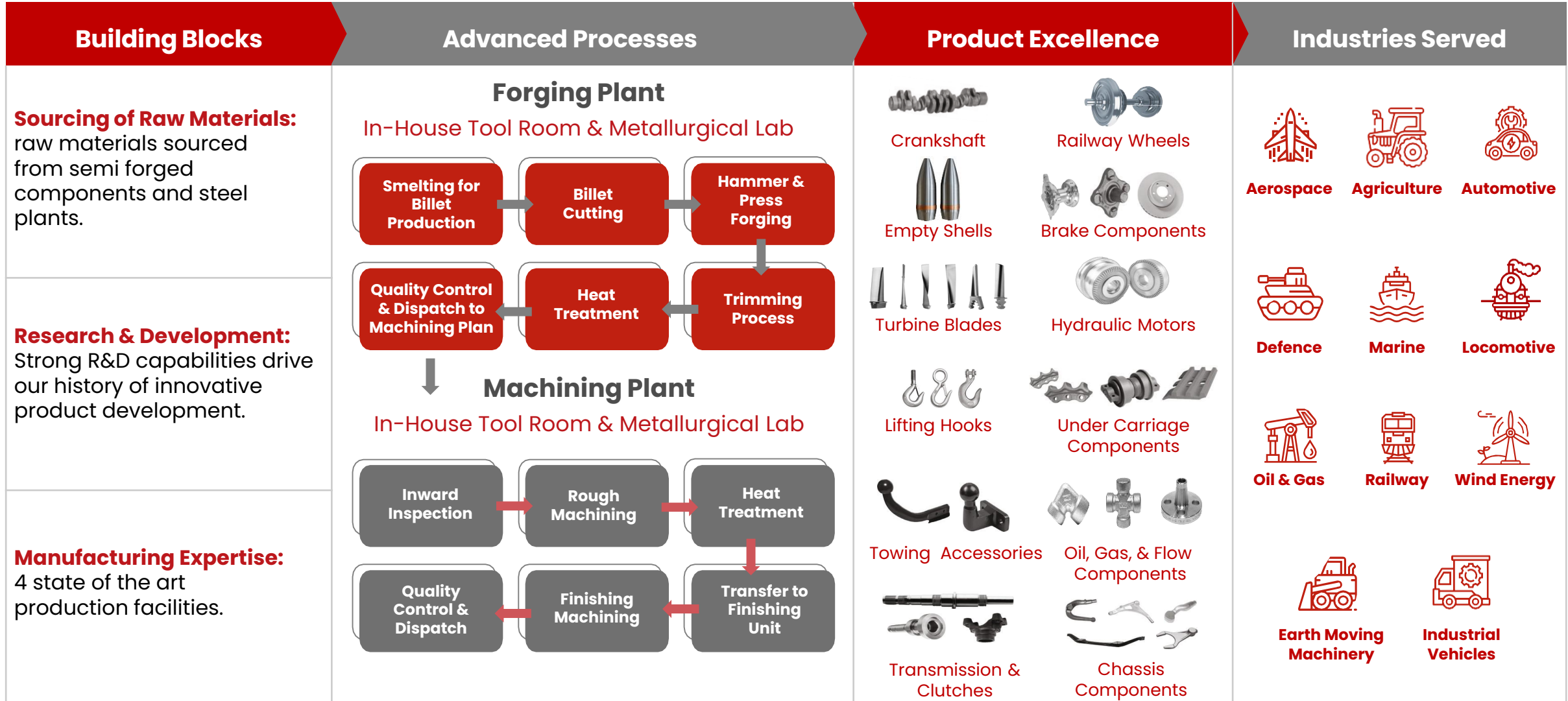
## Global Expansion & Partnerships

- Approved by the Ordnance Factory Board (OFB) to supply components for India's Defence sector
- Expanding reach across Europe and the Middle East to strengthen global positioning

## Empty Shell Product Line

- Dedicated forging and machining line for empty shell production (capacity: 360,000 shells p.a.) in the commercialization phase





Successful R&D ensures continuous improvements in product quality, performance, and efficiency

### R&D Process

- **State of the Art Machining:**  
Machining facilities feature cutting-edge infrastructure, including a comprehensive in-house tool room, metallurgical laboratories, design & process capabilities, as well as inspection & testing facilities
- **Advanced & Additive Manufacturing:**  
Utilize a range of additive manufacturing techniques to ensure flexibility and speed in rapid prototyping and product development
- **Product Engineering & New Product Development:**  
Concentrated efforts on engineering and creating new products across industries
- **Development of New Materials:**  
Projects focus on exploring various new material chemistries to analyze compositions and applications of innovative metals

Customer lifecycle and long product journey:  
15 to 20 years

Research & Application  
2-3 Months



Product Development  
3-5 Months



Customer Lifecycle  
15 to 20 years

### Certifications



## ESG Commitments

## CSR

### Net Zero Emissions

Carbon Neutral  
Operation by 2040

### Water Management

Achieve 100%  
Water Recycling by 2027

**Zero**

Liquid Discharge by 2030

**INR 7.5 Mn**

Amount spent on  
CSR in FY25

**97,666 GJ**

Electricity or Energy  
Consumption 2025

### Renewable Energy

Transition 100%  
Renewable Energy by 2035

### Waste Management

Reduce Total Waste  
Generation by 2030

**INR 1.1 Mn**

Amount Donated in FY25

**20%**

Increase Women's  
Representation In Leadership  
By 2030

**Zero**

Reported Incidents of  
harassment, discrimination  
or victimisation in FY2025

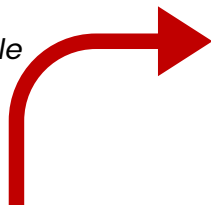
**Zero**

Fatalities in 2025

**517**

Individuals Benefitted  
Through CSR spend

[Click to access ESG Profile](#)



The screenshot displays the ESG Portal interface, which is a web-based platform for managing ESG data. The interface includes a sidebar menu on the left with categories such as 'General', 'Materiality', 'Reporting', and 'Data'. The main content area shows a dashboard with various charts and tables. Red dashed boxes and arrows highlight specific features:

- Map our ESG framework with 35+ different frameworks:** A callout pointing to the 'Frameworks' section in the sidebar.
- Download ESG data:** A callout pointing to the 'Download' button in the top right corner.
- AI Agent:** A callout pointing to the 'AI Agent' button in the top right corner.
- Over 15 factors and 200+ KPI:** A callout pointing to the 'Factors' and 'KPIs' sections in the sidebar.
- Access to ESG factsheet:** A callout pointing to the 'Factsheet' button in the top right corner.
- Search for keywords:** A callout pointing to the search bar in the top right corner.

- Engage in real time through an interactive, OpenAI-powered chatbot
- Receive customised responses to ESG queries on disclosures, data, and performance
- Experience clear and transparent engagement throughout our ESG journey
- Copy / paste responses easily for use in reports, briefing notes, and related documentation

## Q2 and H1 FY26 Profit & Loss

(Rs. Mn)	Q2 FY26	Q2 FY25	Y-o-Y (%)	Q1 FY26	Q-o-Q (%)	H1 FY26	H1 FY25	Y-o-Y (%)
Revenue from Operations	2,995	2,229	34.4%	2,332	28.4%	5,327	3,982	33.8%
Other Income	33	24	39.9%	17	95.7%	50	19.3	nm
<b>Total Income</b>	<b>3,028</b>	<b>2,252</b>	<b>34.4%</b>	<b>2,349</b>	<b>28.9%</b>	<b>5,377</b>	<b>4,001</b>	<b>34.4%</b>
Raw Material Costs	1,969	1,429	37.8%	1,441	36.7%	3,410	2,589	31.7%
<b>EBITDA</b>	<b>828</b>	<b>652</b>	<b>27.0%</b>	<b>723</b>	<b>14.6%</b>	<b>1,551</b>	<b>1,084</b>	<b>43.0%</b>
<i>EBITDA Margin (%)</i>	<b>27.6%</b>	<b>29.3%</b>		<b>31.0%</b>		<b>29.1%</b>	<b>27.2%</b>	
Finance Cost	40	29	36.9%	22	80.4%	63	45	39.4%
Depreciation and Amortization	21	8	nm	16	27.4%	38	16	nm
<b>Profit Before Tax</b>	<b>799</b>	<b>638</b>	<b>25.3%</b>	<b>700</b>	<b>14.1%</b>	<b>1,500</b>	<b>1,042</b>	<b>43.9%</b>
<i>PBT Margin (%)</i>	<b>26.4%</b>	<b>28.3%</b>		<b>29.8%</b>		<b>27.9%</b>	<b>26.1%</b>	
Tax Expenses	149	158	(5.8)%	130	14.4%	279	236	18.4%
<b>PAT</b>	<b>650</b>	<b>480</b>	<b>35.5%</b>	<b>570</b>	<b>14.0%</b>	<b>1,221</b>	<b>807</b>	<b>53.3%</b>
<i>PAT Margin (%)</i>	<b>21.5%</b>	<b>21.3%</b>		<b>24.3%</b>		<b>22.7%</b>	<b>20.2%</b>	
Basic EPS (Rs per share)	6.08	4.55	33.6%	5.04	20.6%	10.76	7.90	40.9%

Notes:

1. EBITDA and EBITDA Margin excludes Other Income
2. All other Margins are calculated on Total Income

# Balance Sheet

Equity and Liabilities (Rs Mn)	H1 FY26	FY2025
Equity Share Capital	1,140	1,108
Other Equity	11,349	9,424
<b>Equity Attributable to Equity Holders of the Group</b>	<b>12,489</b>	<b>10,532</b>
Non-Controlling Interests	-	-
<b>Total Equity</b>	<b>12,489</b>	<b>10,532</b>
Financial Liabilities		
Lease Liabilities	144	-
Provisions	13	12
Borrowings	113	161
Deferred Tax Liabilities	13	-
Other Non-Current Liabilities	-	-
<b>Total Non-Current Liabilities</b>	<b>283</b>	<b>172</b>
Financial Liabilities		
(i) Borrowings	527	199
(ii) Trade Payables	1,108	1,180
(iii) Other Financial Liabilities	238	68
(iv) Lease Liabilities	31	39
Provisions	3	2
Other Current Liabilities	11	11
Current Tax Liabilities (Net)	551	318
<b>Total Current Liabilities</b>	<b>2,469</b>	<b>1,817</b>
<b>Total Equity and Liabilities</b>	<b>15,242</b>	<b>12,522</b>

Assets (Rs Mn)	H1 FY26	FY2025
Property, Plant and Equipment	3,854	1,468
Capital Work-in-Progress	3,506	4,171
Right of Use Assets	184	36
Goodwill	325	325
Financial Assets		
(i) Bank Balance	-	-
(ii) Investments	-	-
(iii) Other Financial Assets	15	6
Deferred Tax Assets (Net)	-	17
Other Non-Current Assets	757	822
<b>Total Non-Current Assets</b>	<b>8,642</b>	<b>6,845</b>
Inventory	1,336	981
Financial Assets		
(i) Investments	-	-
(ii) Trade Receivable	3,714	3,273
(iii) Cash and Cash Equivalents	346	931
(iv) Other Bank Balances	32	31
(v) Loans	-	2
(vi) Other Financial Assets	62	67
Other Current Assets	1,109	393
<b>Total Current Assets</b>	<b>6,600</b>	<b>5,677</b>
<b>Total Assets</b>	<b>15,242</b>	<b>12,522</b>

# Cash Flow Statement

Cash Flow Statement	H1 FY26	H1 FY25
<b>Cash Flow from Operating Activities</b>		
Profit After Tax	1,541	1,059
Adjustment for Non-Operating Items	(95)	(185)
<b>Operating Profit before Working Capital Changes</b>	<b>1,446</b>	<b>873</b>
Changes in Working Capital	(1,027)	(318)
<b>Cash Generated from Operations</b>	<b>419</b>	<b>555</b>
Less: Direct Taxes paid	(15)	(55)
<b>Net Cash from Operating Activities</b>	<b>404</b>	<b>500</b>
Cash Flow from Investing Activities	(1,908)	(3,429)
Cash Flow from Financing Activities	920	2,807
<b>Net increase/ (decrease) in Cash and Cash equivalent</b>	<b>(585)</b>	<b>(122)</b>
Cash and Cash Equivalents at the beginning of the period	931	879
<b>Cash and Cash equivalents at the end of the period</b>	<b>346</b>	<b>758</b>



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# Thank You

For further information on Balu Forge, please visit: [www.baluindustries.com](http://www.baluindustries.com)



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