

Date: August 12, 2026

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 ended June 30, 2026

Dear Sir/Madam,

Please find enclosed herewith the Earnings Release for the Quarter ended June 30, 2026.

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

Q1 FY27

BSE : 531112 | NSE : BALUFORGE

PRECISION ENGINEERING & POWERING THE FUTURE



August 2026

Leading with Precision Machining and Engineering



Machining & Assembly *Kakti, Belgaum*

22,000+ MTPA

7+ Acres
Established
Manufacturing Facilities

Machining & Assembly *Hattargi, Hukkeri*

58,000+ MTPA

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. 11,074 Mn
FY26 Revenue

Rs. 2,896 Mn
FY26 EBIT

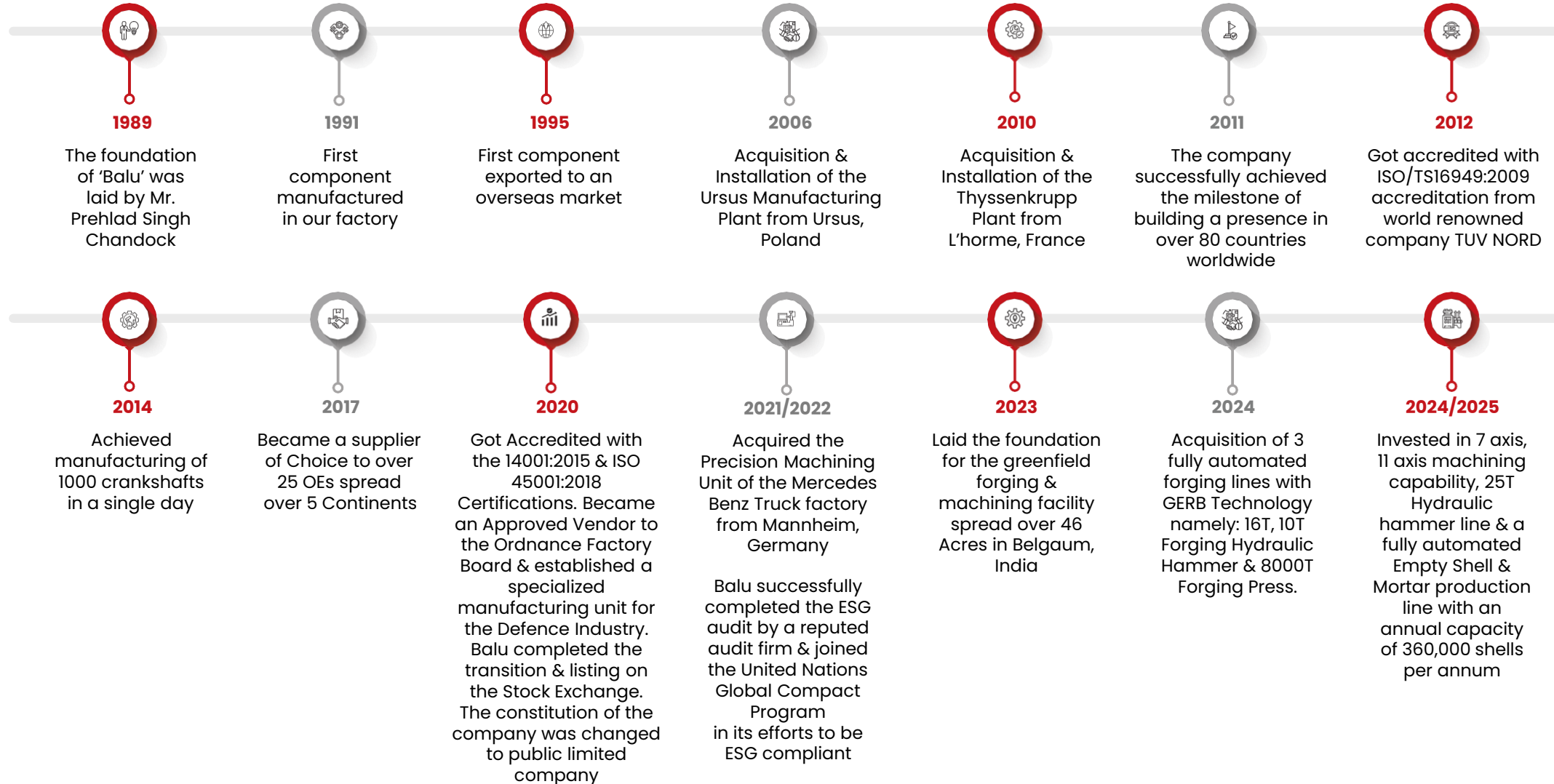
26.2%
FY26 EBIT Margin

Rs. 317 Mn
Cash Flow from Operations

21.7%
FY26 ROCE

19.6%
FY26 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 hammer, 8,000 Ton mechanical presses, CNC machines and robotic systems for high precision component 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 1,00,000+ 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 sectors with complex precision components
- Commercialized 360,000 shells p.a. empty shell forging and machining line
- 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 components
- 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 (FY26)

- FY26 Revenue from Operations of Rs. 11,074 Mn with EBITDA margin of 27.0% and PAT margin of 22.7%
- ROCE of 21.7% and ROE of 19.6%, highlighting efficient utilization of capital and shareholder funds
- Cash flow from operations of Rs. 316.9 Mn, reflecting positive cash generation despite geopolitical uncertainties



Mr. Jaspal Singh Chandock

Chairman & Managing Director

Rs. 3,007 Mn

Q1 FY27 Revenue (29.0% YoY)

Rs. 848 Mn

Q1 FY27 EBITDA (28.2% Margin)

Rs. 807 Mn

Q1 FY27 PBT (26.5% Margin)

Rs. 661 Mn

Q1 FY27 PAT (21.7% Margin)



"Q1 FY27 has been a defining quarter for Balu Forge Industries Ltd (BFIL), as the Company continued to scale the value chain across high-value, technology-intensive engineering segments.

During the quarter, Revenue from Operations was Rs. 3,007 Mn, registering a growth of 29.0% YoY, while EBITDA increased by 17.3% YoY to Rs. 848 Mn, with an EBITDA margin of 28.2%. Profit After Tax was Rs. 661 Mn, representing a growth of 15.9% YoY. This performance was accompanied by meaningful developments across aerospace, defence and precision heavy engineering, further advancing the Company's transition towards higher-value engineering applications.

The maiden aerospace order from the United States marks a milestone in BFIL's journey, signalling entry into the highly regulated global aerospace supply chain. This breakthrough validates the Company's precision engineering capabilities, expertise across advanced alloys and stringent zero-defect quality standards. BFIL is now positioned to expand its portfolio of aerospace components and capitalise on growing global demand for resilient aerospace manufacturing hubs.

The Company has also made significant progress in defence manufacturing, including incremental orders for large-calibre artillery shells. Beyond munitions, BFIL is expanding its presence in precision defence through the development of complex, mission-critical forged components for armoured vehicles and aerospace defence applications. Fully automated, indigenously developed production lines provide the foundation to capture these opportunities with scale, consistency and efficiency. These developments further strengthen the Company's role in India's defence indigenisation efforts.

In addition to aerospace and defence, BFIL is steadily expanding its precision heavy engineering capabilities. Growing demand for high durability, tight tolerance components across heavy mobility, specialised industrial machinery and energy transition sectors presents significant opportunities. Continued upgrades in forging and machining capabilities are enabling the Company to address complex geometries and heavy-duty applications, capture higher wallet share and strengthen its position as a preferred partner for global OEMs.

BFIL is advancing its infrastructure to support growing demand and the strategic shift towards higher margin businesses. The upcoming commissioning of additional capacities, equipped with advanced heavy forging presses and sophisticated machining lines, will significantly enhance throughput and delivery capabilities. This provides the headroom to execute the growing order book, scale aerospace and defence programs and onboard new global clients.

The strategic focus remains on scaling advanced manufacturing capacity, deepening penetration into critical sectors and expanding participation in higher-value, niche engineering applications. Sustained investments in latest automation, metallurgical innovation and forward integration are strengthening BFIL's manufacturing capabilities. This combination of capability, scale and diversification is expected to drive long-term, profitable growth."

Commercialization of our 100% “Made in India” Shell Line

- Commissioned a 360,000 shells per annum large-caliber ammunition shell line at its greenfield Belgaum facility.
- The fully indigenous, highly automated facility strengthens the Company's advanced high-precision defence manufacturing capabilities.

Induction into the NATO Supply Chain

- Inducted into the NATO supply chain for the manufacture of artillery shell bodies and mission-critical components.
- The milestone reflects the Company's advanced forging and precision machining capabilities while strengthening its global defence presence.

5-Year MoU for Large-Caliber Ammunition Supply

- Entered into a 5-year binding MoU with a NATO-affiliated entity for the supply of large-caliber ammunition shells from its Belgaum facility.
- The agreement provides long-term demand visibility and strengthens the Company's presence in the defence consumables segment.

Maiden Entry into the Aerospace Sector

- Secured its maiden aerospace order from Alpha Aircraft Systems Inc., USA, marking the Company's entry into the global aerospace sector.
- The order validates the Company's advanced precision engineering and manufacturing capabilities while strengthening its presence in the North American market.

Major Order for 152mm Artillery Shells

- Secured an order for 30,000 units of 152mm artillery shells from a leading Indian energetics player, with supplies commencing in June 2026.
- The order strengthens the Company's presence in the defence ammunition segment and provides scope for volume expansion through additional variants.

Forward Integration into Defence Materials

- Quantum Energetics Private Limited, Subsidiary, entered the advanced energetics segment with plans to manufacture TNT, RDX, HMX and allied products, subject to requisite approvals.
- Enhances the Company's defence value chain presence through forward integration into defence materials.

Commissioning of Advanced Multi-Axis Machining Line

- Commercialized a high-precision machining line comprising advanced 7-Axis and 11-Axis CNC machines at its Belgaum facility.
- The facility enhances the Company's capability to manufacture complex, high-precision components for aerospace, defence and other industries.

Credit Rating Upgrade by ICRA

- ICRA upgraded the Company's credit rating to [ICRA]A-(Stable) / [ICRA]A2+ across its bank facilities.
- The rating upgrade reflects the Company's strengthened credit profile and financial position.

Expanding the Product Portfolio Through New Commercialisations



Heavy Forging Commercialisations

- Production and dispatches commenced for large gear blanks, road wheel arms and other components
- Expanding the heavy forged and machined component portfolio with marquee global partners



152mm Empty Shell

- Serial production and dispatches of 152 mm shells successfully initiated
- Part of the broader strategy to expand capabilities in large-calibre ammunition beyond 155 mm shells



155mm Empty Shell

- Serial production and dispatches of 155 mm shells successfully commenced
- Strengthening presence in the large-calibre ammunition segment through commercial execution



ERFB BB/BT Empty Shell

- Achieved a significant milestone with the successful production of ERFB BB/BT shells
- Among the select few manufacturers to achieve this capability



Aluminium Forgings

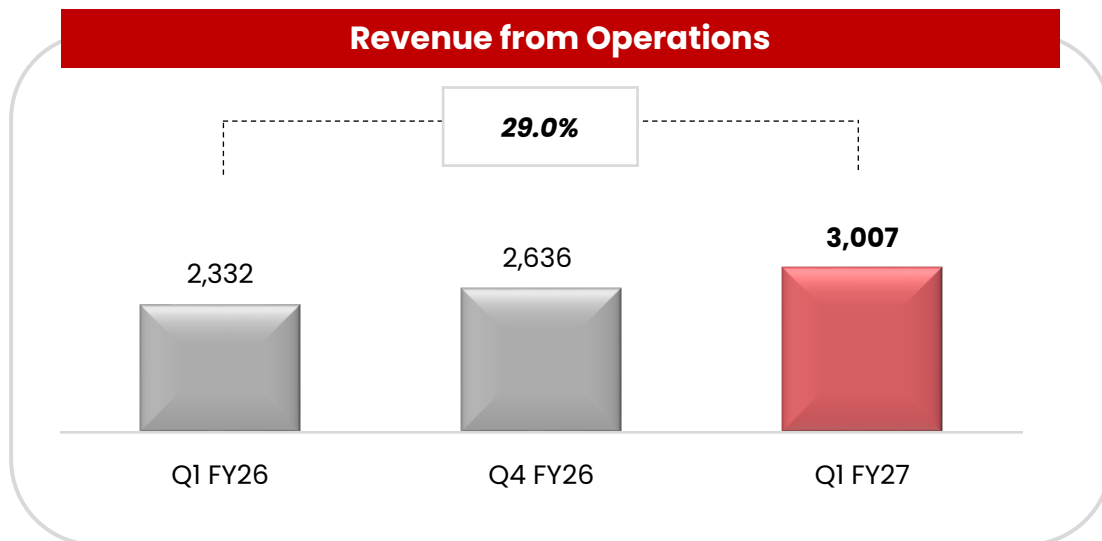
- Production and supplies initiated for a range of aluminium forged and machined components
- These components have also been successfully supplied to the defence sector



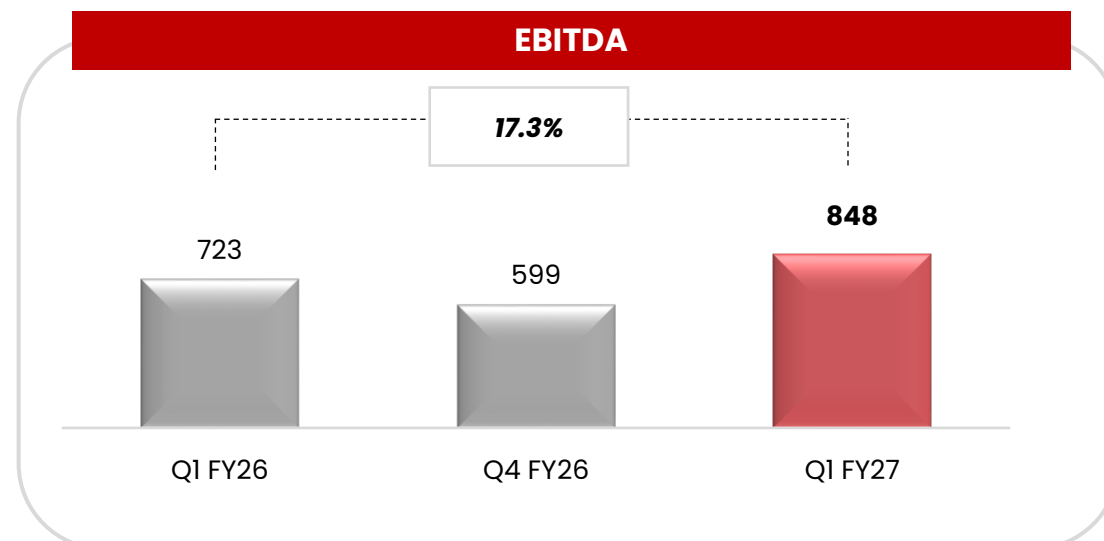
Q1 FY27 Consolidated Financial Performance

All figures in Rs. Mn.

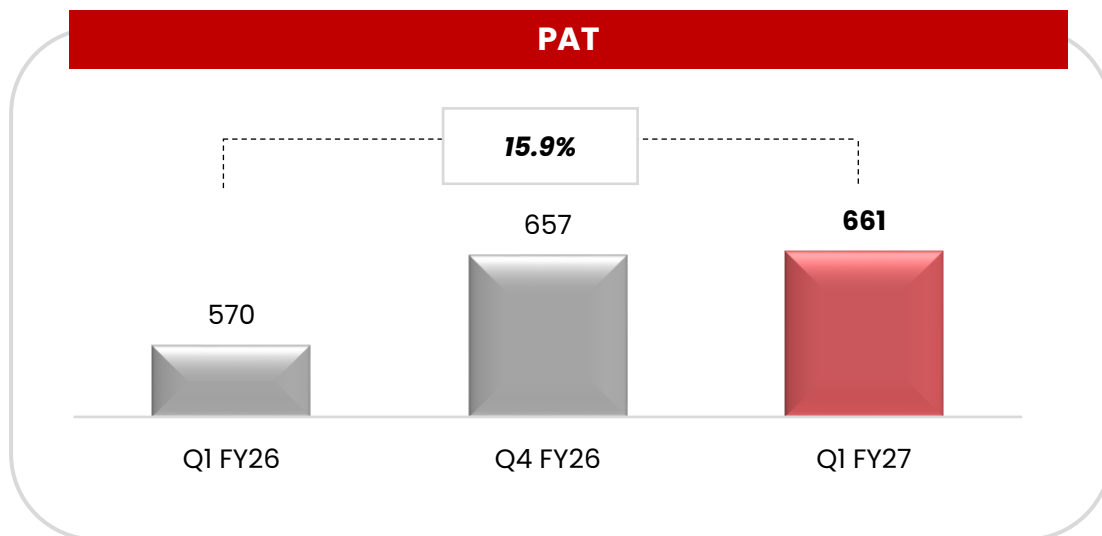
Revenue from Operations



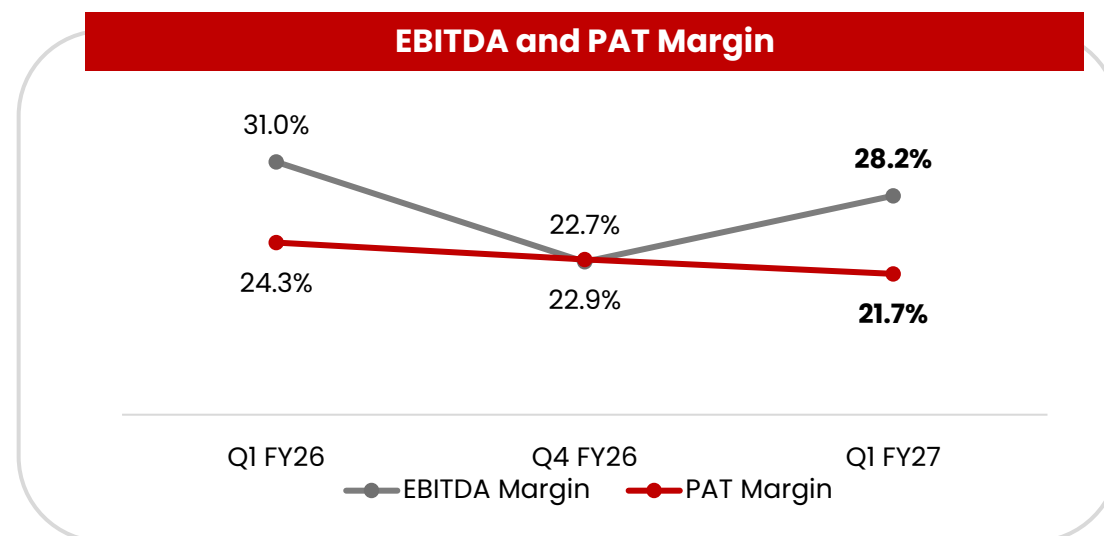
EBITDA



PAT



EBITDA and PAT Margin



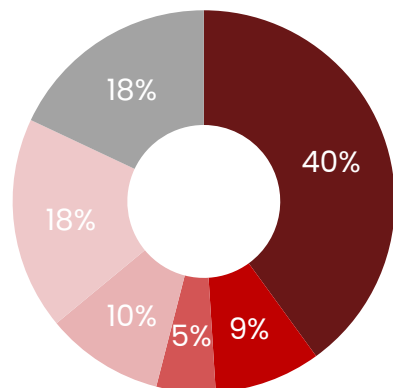
Notes:

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

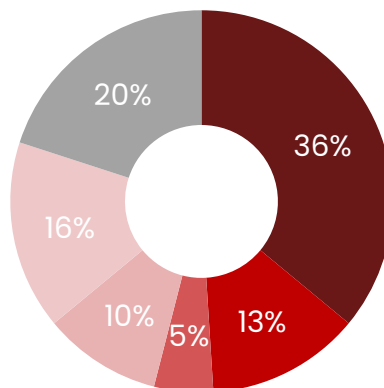
Q1 FY27 Revenue Contribution Analysis

By End-user Industries

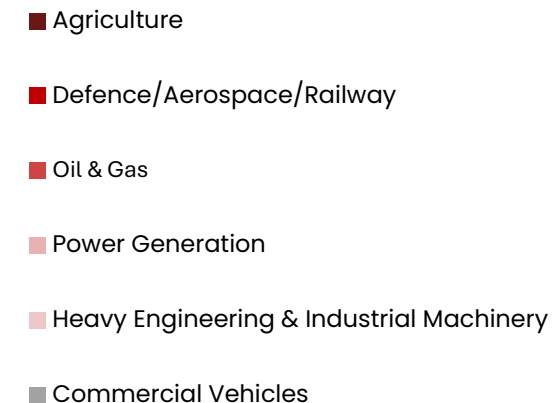
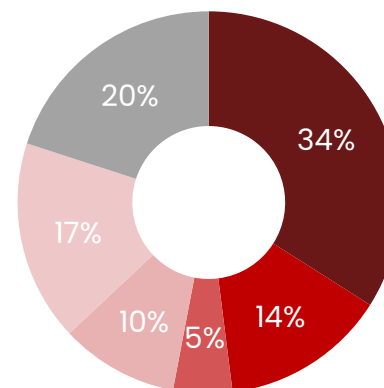
FY25



FY26

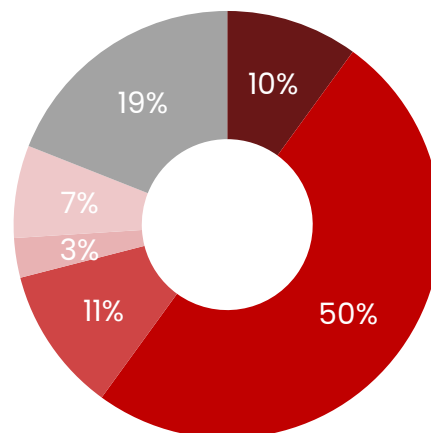
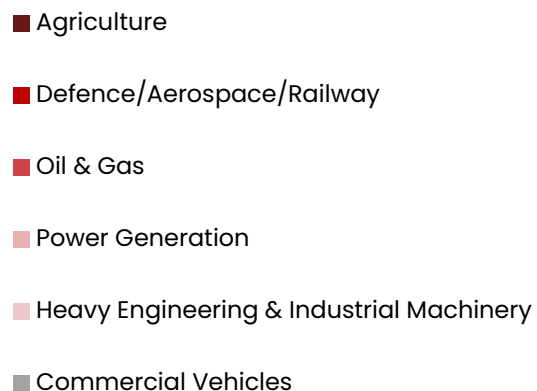


Q1 FY27



Order Book

Order Book Industries wise



Highlights

- Defence, Aerospace and Railways now account for approximately 50% of the order book, reflecting the continued expansion of the Company's high value engineering segments.
- Balanced contribution from Commercial Vehicles, Agriculture, Oil & Gas, Power Generation and Heavy Engineering supports diversification across end markets.
- The evolving sector mix supports the Company's transition towards a higher value product mix and reflects its long term growth strategy.

Deployment of Capital raised from FCCB (Foreign Currency Convertible Bond)



Potential Refinancing

- Balu Forge is considering the refinancing of existing Rs. denominated debt facilities with a USD FCCB, which will meaningfully reduce interest costs and improve free cash flows
- A USD FCCB is also naturally hedged with the increasing share of export revenues of the Company

Uses of Funds: Defence Ammunition Scale up

- Expansion of the category beyond large calibre ammunition to service a larger product category in this space
- An expansion within the defence consumables category

Uses of Funds: Aerospace & Heavy Forging Expansion

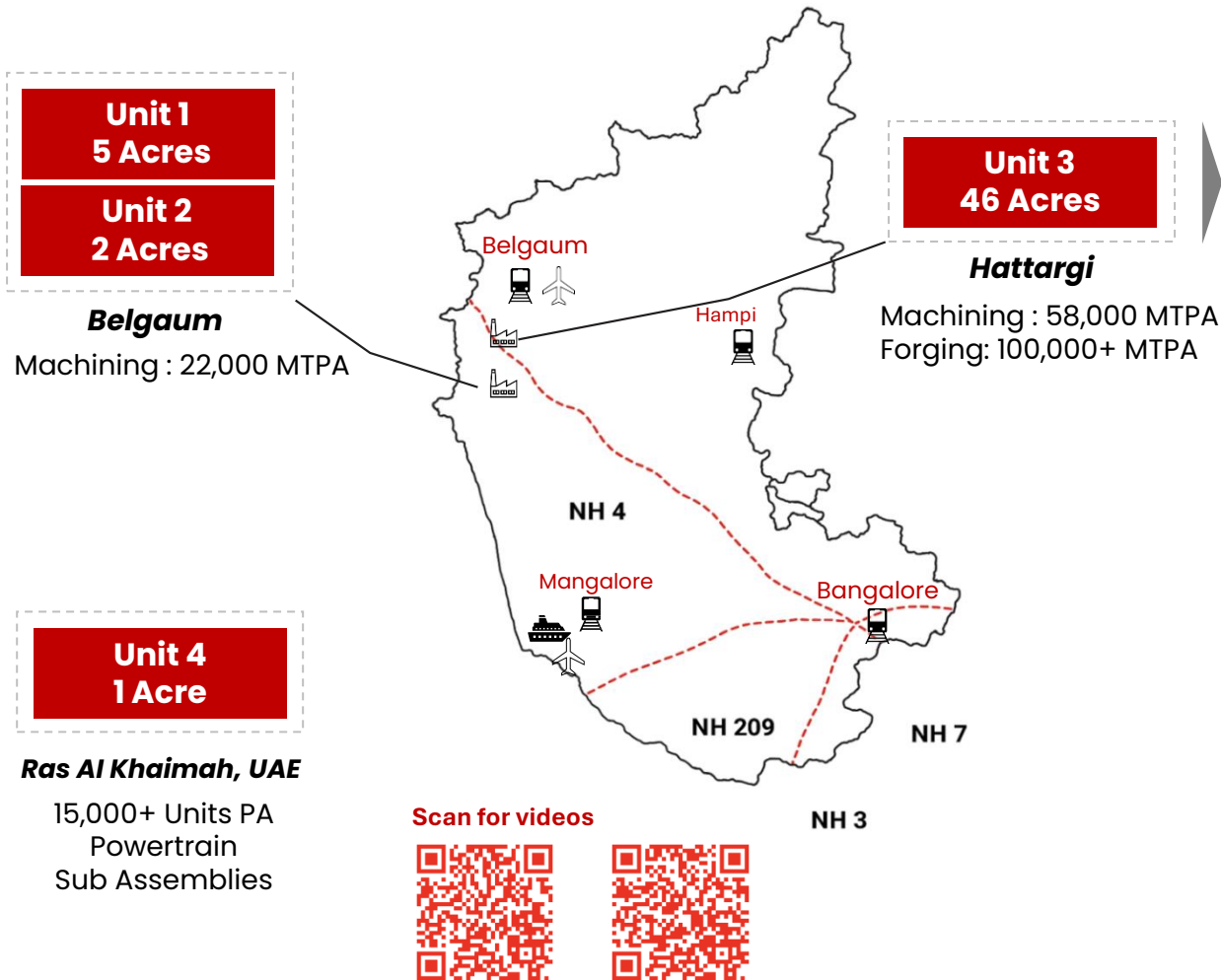
- Expanding specialized forging capacities to target the aerospace sector
- Focusing on titanium, superalloys, and mission-critical structural components to meet growing OEM demand

Uses of Funds: Forging Capability Enhancement

- Multi sector expansion in foundational forging technology beyond traditional closed-die applications to capture market share in high-barrier industries
- Investing in heavier tonnage capabilities and advanced alloy processing, allows seamless integration into the lucrative global supply chains of aerospace, defence, and high-speed rail

Strategically Located Manufacturing Facilities

Karnataka, India – 3 Units, 53 Acres



Manufacturing Facilities



Port



Airport



Railway Station



National Highway

Forging & Precision Machining Capabilities

ADVANCED FORGING

BFIL offers cutting-edge forging capabilities with its advanced GERB technology.

25 Ton, 16 Ton, 10 Ton Hydraulic Hammer and 8000 Ton Mechanical Press.

Forging Capacity:
100,000+ MTPA
(Will increase to **150,000** MTPA)



PRECISION MACHINING

BFIL specializes in precision machining with advanced machining capabilities.

7-Axis machining, 11-Axis machining, Junker grinding machining and other precision machines.

Machining Capacity:
52,000+ MTPA
(Will increase to **80,000** MTPA)





METALLURGICAL TESTING LABORATORY

- State-of-the-art testing lab at the Hattargi plant
- Covers chemical, mechanical, and microstructure testing
- Testing aligned with ASTM/ISO standards
- Pursuing NABL accreditation



HEAT TREATMENT SHOP

- Continuous Pusher Type facility with Hardening and Tempering lines
- Advanced PLC & SCADA-based process automation
- Consistent, high-quality heat treatment output
- Reliable quenching and material handling systems



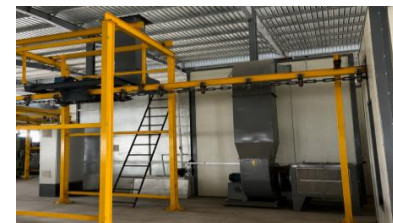
DIE SHOP & TOOL ROOM

- Fully integrated in-house tool room
- Advanced machining centers for die fabrication
- In-house production of dies, jigs, fixtures & tooling
- Among the shortest tooling lead times in the market



PAINT SHOP

- Highly automated industrial coating system
- Powder coating for durability & corrosion resistance
- Automated phosphating for large components
- Supports automotive, defence & industrial sectors



Auto 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



Under Carriage Components

Non-Auto Components



Hydraulic Motors



Turbine Blades



Oil, Gas, & Flow Control Components



Lifting Hooks

Sorting, Snap, Shank,
Ramshorn Hooks

Railway Components

Key Components



Wheels



Axles



Wheel Sets

Other Components

Connecting Rod 50 to 150 kgs	Connecting Cap 25 to 100 kgs	Crankshafts 2 to 1000 kgs	Link Pin 15 to 50 kgs
Rocker Lever 10 to 50 kgs	Valve Body 10 to 850 kgs	Arm 20 to 50 kgs	Link 50 to 150 kgs
Dog Pin 10 to 50 kgs	Hooks 10 to 200 kgs	Gear Blank 10 to 500 kgs	Nuts 5 to 150 kgs
Roll Link 10 to 25 kgs	Camshafts 50 to 100 kgs	Flanges 100 to 600 kgs	Bend Arm 10 to 30 kgs
Lever 15 to 25 kgs	Yokes 10 to 50 kgs		

Aerospace Components

Key Components



Other Components

Material: Titanium + Aluminium Alloy

Scope: Forged + Semi Machined

Engine Components

5 to 300 kgs

Landing Gear Components

50 to 250 kgs

APU Components

5 to 300 kgs

Aero Structure

50 to 250 kgs

Oil & Gas Components

Key Components



Other Components

Valves	Pressure Control Equipment	Loops
Flanges	Hammer Unions	Manifold Units
Fitting	Stubs Ends	Tees
X-overs	Joints	



Empty Shells



Mortar Ammunition
51 mm, 81 mm, 120 mm



Artillery Ammunition
155 mm, 152 mm 130 mm,
105 mm



RCL Ammunition
Round 84 mm



Naval Ammunition
Cartridge 40 mm, 76.2 mm,
76/62 SRGM, RGB 60 Rocket



Tank Ammunition
Round 120 mm, Shell 125 mm



Aerial Ammunition
500 kg GP Aerial Bomb

Fully Automated Empty Shell Production Line

(Upto 360,000 shell capacity per annum)

- 1000T Hydraulic Press
- 400T Vertical Elongator
- 600MT Hydraulic Nosing Press
- Induction Heater 1800 KW
- Induction Heater 600 KW (Partial Heating)
- Copper Band Dia Press for Assembly
- Powder Coating Paint shop with Automation
- 6-Axis multiple Robot
- Phosphating Plant of 155mm Full Automated
- Machine Auxiliary Supporting
- Shot Blasting
- Sand Blasting
- CNC Machining
- Heat Treatment
- Cutting (Circular saw) m/c



Other Components



Crankshaft



Breach Base



Road Wheel Arm



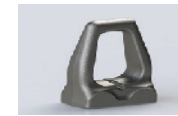
Flange



Crank 690



Hub Carrier



Track guide



EFA Crankshaft



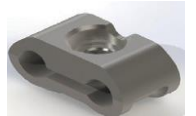
Sun Gear



Shoe



Gear Ring



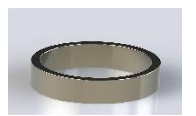
Clamp



Track Link



Intermediate Gear



Gear Ring (Hollow)

Defence and Aerospace: Balu Forge Positioning



Product Diversification & Technology Edge

01

- Expanding into artillery, ammunition and engine components
- Adopting Industry 4.0 automation, additive manufacturing and alloy innovation
- Expanding sales from Aerospace sector after first order win



Defence Capacity & Empty Shell Expansion

02

- Empty shell forging and machining line commercialised, with capacity of 360,000 shells p.a.
- Adding 25T close die hammer, 8,000T press and multi-axis machining lines to scale defence manufacturing
- Further capacity expansion planned through internal accruals



Global Expansion & Partnerships

03

- Strengthened global footprint through induction into the NATO supply chain, establishing a strategic international defense partnership
- Expanding reach across Europe and the Middle East to strengthen global positioning



Advanced Energetics & Defence Materials

04

- Expanding into high energy explosives, including TNT, HMX and RDX, through Quantum Energetics
- Forward integration into advanced energetics, complementing existing defence capabilities
- Expanding presence across the defence value chain with end-to-end capabilities



Key Business Wins

05

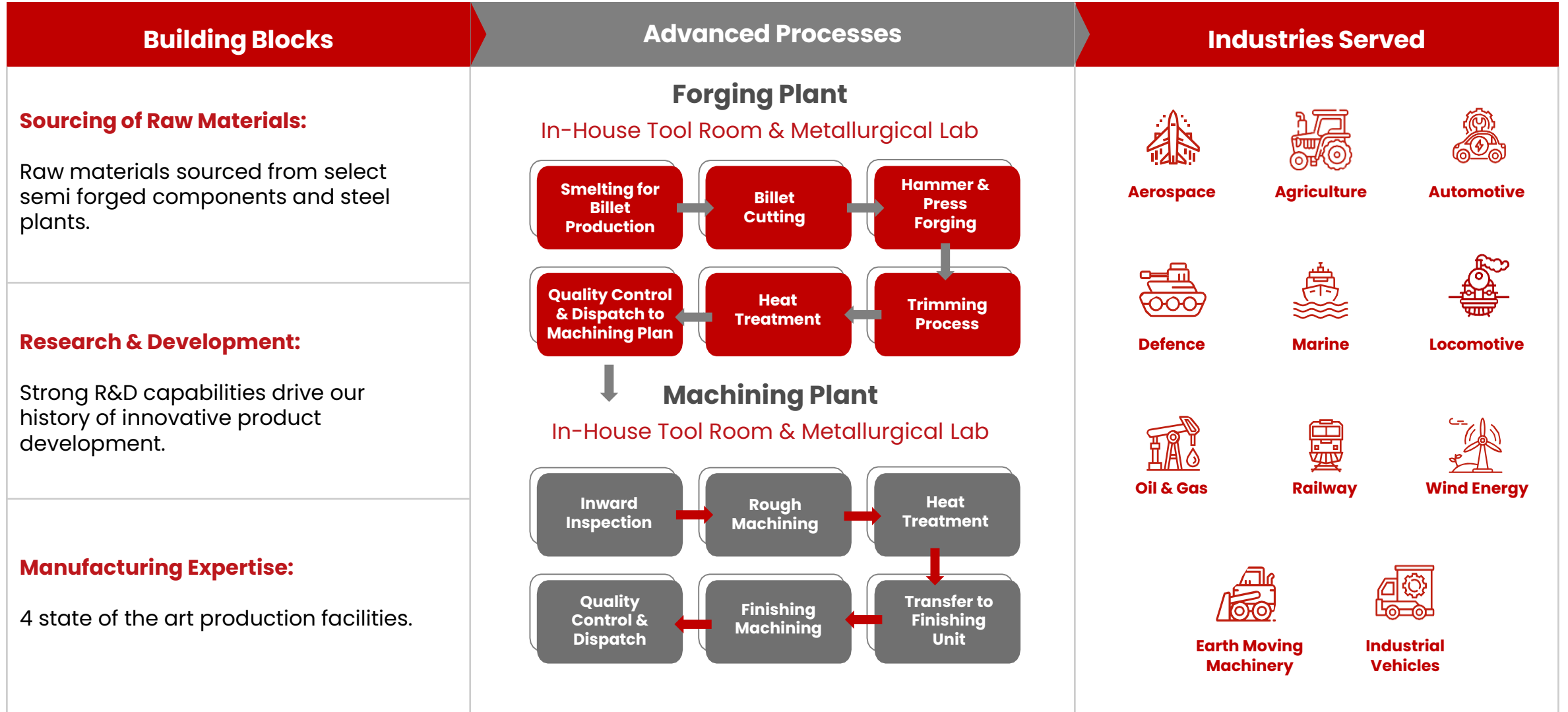
- Signed a 5-year MoU for the supply of large calibre ammunition, strengthening presence in the defence manufacturing segment
- Secured the maiden aerospace order from Alpha Aircraft Systems Inc., USA, marking entry into the global aerospace supply chain



Revenue and Order Book Mix

06

- Defence, Aerospace & Railways contribution increased from 5% in FY24 to 13% in FY26, reflecting growing exposure to strategic sectors
- Defence, Aerospace & Railways now account for ~50% of the order book, supported by the 5-year large calibre ammunition MoU and 152mm artillery shell order



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
- **Dedicated and Experienced R&D Team:**
Strong in-house R&D capabilities supported by a highly experienced 75-member team with nearly 4 decades of domain expertise, driving continuous innovation and advanced engineering excellence
- **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
15-20 years

Certifications



Q1 FY27 Profit & Loss

(Rs. Mn)	Q1 FY27	Q1 FY26	Y-o-Y (%)	Q4 FY26	Q-o-Q (%)
Revenue from Operations	3,007	2,332	29.0%	2,636	14.1%
Other Income	39	17	129.7%	235	(83.5)%
Total Income	3,046	2,349	29.7%	2,870	6.1%
Raw Material Costs	1,915	1,441	32.9%	1,687	13.5%
EBITDA	848	723	17.3%	599	41.5%
EBITDA Margin (%)	28.2%	31.0%		22.7%	
Finance Cost	46	22	105.9%	48	(3.9)%
Depreciation and Amortization	33	17	96.5%	32	3.8%
Profit Before Tax	807	700	15.3%	754	7.0%
PBT Margin (%)	26.5%	29.8%		26.3%	
Tax Expenses	146	130	12.5%	97	51.2%
PAT	661	570	15.9%	657	0.5%
PAT Margin (%)	21.7%	24.3%		22.9%	
Basic EPS (Rs per share)	5.49	5.04	8.9%	6.35	(13.5)%

Notes:

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



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ESG Profile Summary: 484 ESG Subfactors, 618 DocuLinks and 198 Factsheet Data Points

Company Approved Profile

All Factors

All Keywords

Asset Man

Global Frai

ESG Rating

BRSR

TimeStamp

Updated: 10 Jun 2026
Views: 8,112

Feedback

Last 60 Day's Refresh

Profile

Factsheet

DocuLink

AI Agent

Download ESG data

Over 10 factors and 300+ KPI

Map our ESG KPIs with 45+ different frameworks

Access to ESG factsheet

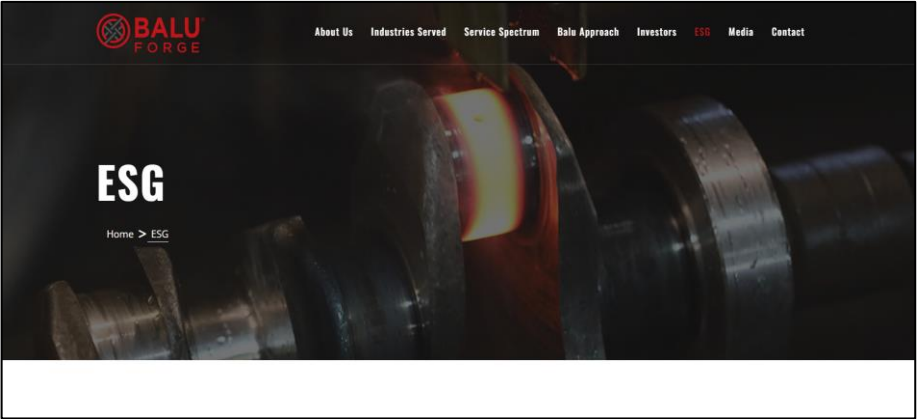
Search for keywords

Subfactor	Keywords	DocuLinks	Factsheet	Highlights
Management Approach				
Message from Chairperson	Board of Directors Chairman		Mr. Jaspal Singh Chandock (Chairman & Managing Director): The fiscal year 2024.-2025 presented a complex and evolving global economic environment. We witnessed moderate growth in several key economies, alongside persistent geopolitical focus on sustainable industrial practices. The shift towards green energy and electric mobility continued to reshape the automotive and industrial sectors worldwide, creating both opportunities and challenges for the forging industry; Our diversified business model has been a cornerstone of our success, enabling us to navigate market dynamics effectively and cater to a wide spectrum of industries. The Automotive Components segment continued to be a major contributor to our revenue, driven by strong demand from both the commercial and passenger vehicle markets. We have solidified our position as a preferred supplier to leading Original Equipment Manufacturers (OEMs) by consistently delivering products of the highest quality and precision; In line with the global transition towards sustainable energy, our New Energy and E-Mobility segment has shown exceptional promise. We have proactively invested in developing and manufacturing critical components for	

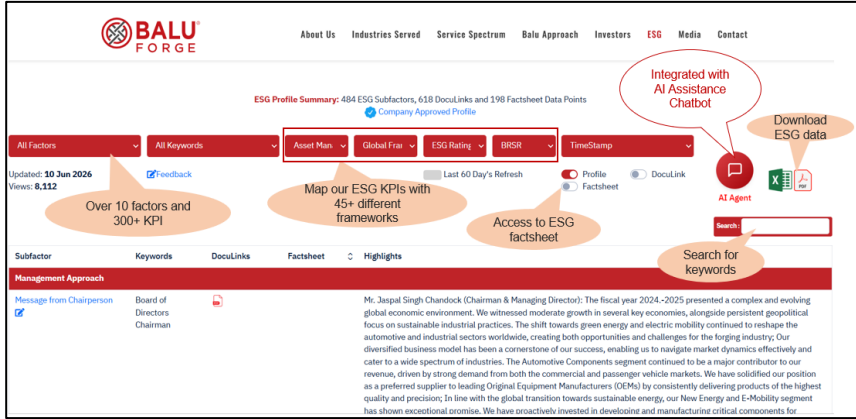
AI – ESG Profile: 15 Factors and 484 Subfactors



Balu Forge Website



ESG Disclosure Platform



Balu Forge ESG Profile Link ([Click Here](#))

ESG Factors (15)

Management Approach (2)	Company Overview (13)	Board of Directors (7)	Resilience (7)
Environment (49)	Social (85)	Governance (103)	Membership (2)
Materiality Assessment (11)	Awards and Recognitions (1)	Ratings and Indices (2)	BRSR (148)
Profile Sources (33)	ISO and Certifications (4)	Corporate Information (17)	

ESG Commitments

Net Zero Emissions

Carbon Neutral
Operation by 2040

Water Management

Achieve 100%
Water Recycling by 2027

Zero

Liquid Discharge by 2037

ISO 14001:2015

Environmental Management
System

20%

Increase Women’s
Representation In Leadership
By 2030

Renewable Energy

Transition 100%
Renewable Energy by 2035

Waste Management

Reduce Total Waste
Generation by 2030

ISO 45001:2018

Occupational Health and
Safety

CSR

INR 15.7 Mn

Amount spent on
CSR in FY26

620

Individuals Benefitted Through CSR spend

Environment (49)

- 1) Environment Strategy in Place
- 2) Environmental Reporting
- 3) Environmental Policy and Commitments
- 4) Net Zero / Other Climate Related Commitments
- 5) Board Oversight on Climate Related Risk
- 6) Environmental Capital Budgeting
- 7) Green Credits
- 8) Maximizing Product Life
- 9) Innovation and Product Stewardship
- 10) Life Cycle Assessment
- 11) Product Free From Harmful Substances
- 12) Recycling Old Products
- 13) Low Carbon Products
- 14) Amount of GHG Emissions
- 15) GHG Emission Scope Breakdown
- 16) GHG Emission History
- 17) GHG Intensity
- 18) GHG Reduction Initiatives
- 19) GHG Reduction Target
- 20) Sources of Water
- 21) Amount of Water Withdrawn
- 22) Water Usage History
- 23) Water Intensity
- 24) Water Savings Initiatives

- 25) Waste Water Safe Discharge
- 26) Water Risk Management Processes
- 27) Protecting Land, Natural Resources and Biodiversity
- 28) Energy Consumption
- 29) Energy Efficiency History
- 30) Energy Efficiency Initiatives
- 31) Energy Intensity
- 32) Transition to Renewable Energy
- 33) Clean Technology Initiatives
- 34) Amount of Air Pollution
- 35) Air Pollution History
- 36) Air Emission Reduction Target
- 37) Amount of Plastic Pollution
- 38) Amount of Waste Generated
- 39) Amount of Hazardous Waste Generated
- 40) Amount of Non-Hazardous Waste Generated
- 41) Waste Generation History
- 42) Waste Intensity
- 43) Waste Reduction Initiatives
- 44) Reusing Waste
- 45) Recycling Waste
- 46) E-Waste Management
- 47) Other Circular Economy Initiatives
- 48) Eliminating Landfill Waste
- 49) Fuel Efficiency

Social (85)

1) Social Strategy in Place	29) Return to Work and Retention Rates for Parental Leave	58) Employee Well Being Program
2) Supplier Responsibility Initiatives	30) Gender Pay Differentials Addressed and Monitored	59) Amount Spend on Employees Well-being
3) Awareness Programs for Supply Chain	31) Long-term Incentive Program for Senior Management	60) Employee Engagement Initiatives
4) Statutory Dues Compliance for Value Chain Partners	32) Health and Safety Policies	61) Employee Performance Reviews
5) Supply Chain Assessment	33) Health and Safety Initiatives	62) Respecting Employee Rights
6) Suppliers Code of Conduct	34) Health and Safety Systems and Processes	63) Preventing Forced and Bonded Labour
7) Environmental Policy for Suppliers	35) Incident Management Reporting	64) Preventing Child Labour
8) Customer Responsibility Initiatives	36) Lost Time Injury and Lost Time Frequency Rate	65) Collective Bargaining Allowed
9) Initiatives to Educate / Inform Customers	37) Total Recordable Injury Frequency Rate	66) Freedom of Association Allowed
10) Customer Grievance Mechanism	38) Fatalities Reporting	67) Anti Discrimination Workplace
11) Information Access Channels	39) Health and Safety Board Oversight	68) Anti Harassment Workplace
12) Amount Spend on Promotional Materials	40) Independent Health and Safety Verification	69) Complaints on Sexual Harassment on Workplace
13) Product/Service Safety and Quality Metrics	41) Emergency Procedure Guidelines	70) Board of Directors Training
14) Product Recalls	42) Complaints Regarding Working Conditions	71) Policy Breach Action Taken
15) Diversity and Inclusion	43) Maternity Leave Policy	72) Broader Education Initiatives
16) Diversity Policy	44) Accessibility for Differently Abled Employees	73) Effective Grievance Mechanisms
17) Board of Directors Gender Composition	45) Labour Management Commitment	74) Health and Safety Parameter in Supply Chain
18) Senior Management Gender Composition	46) Talent Attraction and Retention	75) Human Rights and Modern Slavery Risk Management
19) Workforce Gender Composition	47) People Analytics for Strategic Workforce Planning	76) Human Rights Grievance Mechanism
20) Contractors Part of Workforce	48) Workforce Training	77) Identification of Key Human Rights Issues
21) Part Time Workers	49) Number of Trained Staff	78) Customer Satisfaction Survey
22) Differently Abled Workforce	50) Flexible Working Arrangements for Employees	79) Community Support Initiatives
23) Gender and Diversity Targets and Initiatives	51) Fair Wage, Benefits and Contracts	80) Community Investment Policy
24) Pay Performance Gap Management	52) Employee Life Insurance and Compensation	81) Wider Stakeholder Initiatives
25) CEO to Employee Compensation Ratio	53) Family Rehabilitation and Employment Placements	82) Youth Unemployment Initiatives
26) Median Salary of Employees	54) Minimum Wages Paid	83) Community Grievances Mechanism
27) Gross Salary Paid to Female Workforce	55) Location Based Wages Paid for Job Creation	84) Local Employment and Sourcing
28) Staff Turnover Rate	56) Compulsory Employer Pensions	85) Total Donations Made and Philanthropy
	57) Fair Working and Living Conditions	

Governance (103)

1) Corporate Governance Policies	27) Environmental, Social or Ethical Litigation Claims	53) Independent Board of Directors
2) Governance Oversight Framework	28) Non Compliant Staff Actions	54) Board Independence Statement
3) Board Oversight on Financial Statements	29) Strikes and Lockouts	55) Board Independence Criteria
4) Allocation of Duties and Responsibilities	30) Accounts Payables Days	56) Entrenched Board of Directors
5) Corporate Culture Management	31) Concentration of Purchases and Sales	57) Average Tenure of Board Members
6) Behaviour and Business Ethics	32) Tax Transparency Disclosures	58) Founders Represented on Board
7) ESG Listing Disclosure Compliance	33) Effective Tax Rate	59) Audit Committee Composition
8) Scope of Policies and Practices	34) Material Controversies Identified	60) Audit Committee Gender Composition
9) Dedicated Person for Risk Management	35) Public Policy and Advocacy	61) Remuneration Committee Composition
10) Expertise and Training for Risk Management Functions	36) Concerns Identified in Audit Report	62) Remuneration Committee Gender Composition
11) Risk Management Processes	37) Auditor's Report on Financial Statements	63) Nomination Committee Composition
12) Fraud Risk Control Policies	38) Standalone Financial Statements	64) Nomination Committee Gender Composition
13) Anti Corruption Policy	49) Consolidated Financial Statements	65) Risk Committee Composition
14) Anti Corruption Policy for Suppliers	40) Auditor and Fee Disclosure	66) Risk Committee Gender Composition
15) Anti Corruption Training	41) CEO / Chairperson Separation	67) CSR Committee Composition
16) Bribery and Corruption Procedure	42) CEO/Senior Management Succession Planning	68) CSR Committee Gender Composition
17) Related Party Transactions	43) Directors / Senior Management Development Programs	69) Board Member Alternative Commitments
18) Process & Approval Practices for Related Party Transaction	44) Regular Self-Assessment of Board Performance	70) Financial Expertise on Audit Committee
19) Anti Competitive Practices Controls	45) CEO and Board Compensation	71) Audit Committee Oversight on Financial Statements
20) Whistle Blower Policy	46) Board Composition	72) Responsibilities of Audit Committee
21) Dividend Distribution Policy	47) Board Overview	73) Conflicts of Interest
22) New Partner Due Diligence	48) Management Overview	74) Government Controlling Stake
23) Political Contributions	49) Regular Independent Assessment of Board Performance	75) Frequency of Risk Review by Board
24) Contingent Liabilities	50) Disclosure of Board Age Ranges	76) Shareholder over 20% Ownership
25) Penalty Disclosures	51) Board Skill Map Matrix	77) Directors' Shareholder Ownership
26) Environmental, Social or Ethical Violations	52) Non Executive Board of Directors	78) Executive Shareholder Ownership

Governance (103)

- 79) Family Ownership
- 80) Material Executive Share Trading
- 81) Cross Shareholding
- 82) Executive Pay Disclosures
- 83) Executive Pay Performance Alignment Policies
- 84) Median Remuneration of Board of Directors
- 85) Governmental Institutions with More than 5% of Voting Rights
- 86) Shareholding Details
- 87) Voting Rights
- 88) Dual Classes of Shares
- 89) Voting Results Transparency
- 90) Disclosure of Board and Subcommittee Attendance
- 91) Failure to Secure Voting Approval
- 92) Shareholder Rights and Relations Policy
- 93) Shareholder Right to Vote on Executive Remuneration
- 94) Sensitivity Analysis and Stress Testing
- 95) Stakeholder Inclusiveness
- 96) Soliciting Stakeholder ESG Feedback
- 97) Data Privacy Policy
- 98) Board Oversight of Data Protection and Cybersecurity
- 99) Number of Data Breach Incidents
- 100) Data Protection Programs for Stakeholders
- 101) Auditor Tenure
- 102) AGM Attendance
- 103) BRSR Review Frequency

1. What is the story behind the foundation and journey of Balu Forge?

In 1989, founder Mr. Prehlad Singh Chandock, along with a small team, established a 3,000 square foot machining plant in Belgaum, Karnataka, as a job work vendor for crankshafts and an ancillary supplier to companies across India. Building on this foundation, the Company entered the export market in 1994, a move that has since extended its presence to over 80 countries and positioned it as a trusted supplier to Original Equipment Manufacturers (OEMs) and the global aftermarket. From this early foundation, nearly four decades of sustained growth have laid the strong foundation on which the company stands today.

3. What are the key factors that differentiate Balu Forge from other precision engineering firms, especially in the defence, aerospace, and railways sectors?

Balu Forge operates four manufacturing facilities, including a new 46-acre greenfield plant in Belagavi, Karnataka, currently under expansion. Supported by a dedicated in-house R&D function and a highly experienced workforce with nearly 4 decades of industry expertise. The Company manages all machining in-house and has integrated forging operations for captive use, enabling a fully integrated value chain from design and engineering to manufacturing, testing, and validation for global clients. With advanced 7-axis and 11-axis CNC machines, automated shell lines, and forging capabilities ranging from 1 kg to 1,000+ kg and up to 3 metres in length, supported by both closed-die hammers and presses, including India's largest 25-ton hydraulic hammer, the Company provides end-to-end precision engineering solutions. Its vertically integrated infrastructure, multi-sector exposure, and proven ability to deliver high-value critical components for defence, aerospace, and railways position Balu Forge as a differentiated global company in precision engineering.

2. What were some of the most defining milestones in Balu Forge's growth, with respect to major strategic acquisitions?

After securing a strong foothold in the Indian market, the Company achieved the major export opportunity in 1994 by embarking on its global expansion journey through exports, which now span over 80 countries, laying the foundation for an accelerated growth trajectory. However, the real boost in the Company's operation came with the many fixed asset acquisitions that the Company has done over the decades, starting with the Ursus manufacturing plant from Poland in 2006, followed by the Thyssenkrupp's facility in France, in 2010. These strategic acquisitions significantly enhanced Balu Forge's manufacturing capabilities and helped in diversifying its product portfolio while simultaneously establishing the Company as a global force in precision engineering. Encouraged by its strong performance in both Indian and international markets, the company went public in 2020. Since then, Balu Forge has made several strategic acquisitions including the Precision Machining Unit from Daimler's Truck Factory in Mannheim, Germany, and one of the largest forging equipment assets from Ukraine. The addition of advanced 7-axis and 11-axis precision machining further enhanced its technical capabilities. Most recently, the company acquired one of the world's largest closed-die forging hammers (25T) from Romania, which is now being installed at the 46-acre greenfield campus in Belagavi, Karnataka.

1. What is Balu Forge's medium-term growth strategy?

Balu Forge's 3–5 year strategy focuses on expanding capacity, enhancing technology, and strengthening its global presence through organic growth and selective acquisitions. The 46-acre integrated facility at Belagavi, Karnataka, will expand machining capacity to 80,000 TPA by FY27, enabling the Company to cater to high-specification requirements in defence, aerospace, and power generation. The Company is also pursuing diversification into precision-led sectors such as defence platforms and aerospace assemblies, supported by advanced materials like aluminum and titanium. Backed by strong cash flows and a prudent balance sheet, Balu Forge aims to drive sustainable, innovation-led growth aligned with the Government's "Make in India" vision and deliver long-term shareholder value.

2. What role do defense and aerospace play in the company's future growth?

Defense and aerospace are high-margin, high-potential verticals for Balu Forge and form a critical component of the Company's growth strategy: **1) Automated Empty Shell Line:** The Company has installed a fully automated empty shell line with an annual capacity of 360,000 shells (155 mm), significantly enhancing its defence manufacturing capability. Vendor approval has already been received from a large company in India; **2) Aerospace Certifications:** The Company is pursuing key global certifications to qualify as an aerospace component supplier to OEMs and Tier-1 companies worldwide and has also received vendor approval from a customer in India; **3) Make in India & Global Reach initiatives** align with India's defense localization policies, while also opening global export opportunities in the Americas, Europe, and MENA regions; **4) Revenue Mix Evolution:** As the revenue contribution from defence and aerospace increases, it is expected to boost overall margins, given the premium pricing in these segments. This focus on long-term government contracts and strategic export opportunities ensures sustainable and high-margin growth.

1. Could you provide an update on the execution of the Company's defence orders and key developments across defence and heavy engineering?

Balu Forge is executing its recent defence orders as scheduled, with serial production and supplies of both 152 mm and 155 mm artillery shells already initiated. BFIL has also achieved a key manufacturing milestone by becoming one of the select few producers globally to successfully develop advanced ERFB-BB (Base Bleed) and ERFB-BT (Boat Tail) extended-range shells. The Company's fully automated, robotics-enabled forging lines and stringent metallurgical quality controls enable the production of high-precision components that meet global standards and provide the necessary capacity to scale production and execute defence commitments across global markets.

Beyond ammunition, Balu Forge continues to expand its heavy forging capabilities into higher-value components, including large gear blanks and road wheel arms, in collaboration with leading global partners. The Company has also commercialised and delivered precision aluminium forged and machined components for defence applications, further strengthening its capabilities across multi-material defence and heavy engineering components.

2. How does the Company plan to expand its defence manufacturing capacity to support the execution of announced orders?

The Company's defence capacity expansion is progressing as planned, with a clear focus on creating the manufacturing capabilities required to execute its recently announced orders. As communicated in earlier disclosures, the expanded capacity is currently moving towards commercialisation, with further updates to be announced in due course. The expansion is being funded through a prudent mix of internal accruals and potentially Foreign Currency Convertible Bonds (FCCBs), as deemed appropriate by the Company. This will enable it to scale its defence manufacturing capabilities while maintaining financial discipline.

1. What steps are being taken to improve operational efficiency?

Operational efficiency is a core driver of margin improvement at Balu Forge. Key initiatives include: 1) Deployment of IoT-enabled CNC machines, robotic handling, and anti-vibration systems for high-precision forging & machining; 2) Adoption of machine learning models to monitor real-time performance, reduce downtime, and extend asset life; 3) Enhanced production cycles and resource allocation for multi-line flexibility. This allows the precision machining lines to be fungible, thereby supporting a broader and more diversified product portfolio; 4) Advanced quality systems and checks are in place to ensure product consistency, particularly for critical applications in defence and aerospace. These initiatives have collectively increased productivity, optimized cost structures, and improved margin.

2. Clarify the situation regarding the Enforcement Directorate (ED)?

The aforesaid transaction was undertaken independently through the secondary market and did not involve any participation, facilitation, or involvement of the Company. The shares in question pertain to a transfer of holdings from certain shareholders to the Enforcement Directorate, Raipur, through a market-based transaction. As a listed entity, the Company has no control, oversight, or influence over transactions executed at the shareholder level in the secondary market. Further, the Company does not have visibility into the personal or business affairs of individual shareholders. The Company also confirms that it has no direct or indirect association with the parties to the said transaction.

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Thank You

For further information on Balu Forge, please visit: www.baluindustries.com



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