

Balu Forge Industries Ltd. Announces Q1FY26 Financial Results

Category: Business

written by News Mall | August 13, 2025

Balu Forge Industries Ltd. (the “Company” or “BFIL”) (BSE: 531112 | NSE: BALUFORGE), a leading precision engineering and manufacturing company, has announced its unaudited consolidated financial results for the quarter ending 30th June 2025.

Consolidated Financial Performance for Q1 FY26:

Rs. Mn	Q1 FY26	Q1 FY25	Y-o-Y (%)	Q4 FY25	Q-o-Q (%)
Revenue from Operations	2,332	1,753	33.0%	2,696	-13.5%
Gross Profit	891	594	50.1%	954	-6.6%
Gross Margin%	38.2%	33.9%	436 bps	35.4%	284 bps
EBITDA	723	432	67.3%	750	-3.6%
EBITDA Margin%	31.0%	24.6%	635 bps	27.8%	319 bps
PAT	570	342	66.9%	627	-9.0%
PAT Margin%	24.3%	19.4%	491 bps	22.9%	138 bps

Consolidated Financial Highlights for Q1 FY26:

- Revenue from operations rose 33% YoY to Rs. 2,332 Mn, driven by a richer value-added product mix and higher operating leverage as the company scaled capacity and capability.
- Gross profit surged 50.1% YoY to Rs. 891 Mn, supported by improved product complexity and expanding precision engineering applications.

- EBITDA grew 67.3% YoY to Rs. 723 Mn, reflecting enhanced manufacturing efficiencies and the benefit of integrated high-margin machining.
- Profit after tax jumped 66.9% YoY to Rs. 570 Mn, underpinned by margin expansion, stable cost control, and continued gains in global market share despite external uncertainties.

Commenting on the performance, **Mr. Jaspal Singh Chandock, Executive Director of BFIL** stated:

“The global precision engineering landscape is undergoing a transformative shift, driven by increasing automation and the adoption of advanced manufacturing technologies. In India, as we are transitioning from legacy manufacturing to real time monitoring, precision engineering stands at the core of this transformation, forming the foundation for future-ready, innovation-led growth, strengthening the country’s position as a global manufacturing hub.

On that backdrop, we delivered strong financial and operational results in Q1 FY26, reinforcing our commitment to engineering excellence and future preparedness. Revenue from operations for Q1 FY26 stood at Rs. 2,332 million, marking a strong 33% year-on-year growth over Rs.1,753 million in Q1 FY25. This performance was driven by an improved value-added product mix and increased operating leverage, resulting in a notable 635 basis points expansion in operating margins. Profit after tax came in at Rs. 570 million for the quarter, reflecting a robust 67% growth over the same period last year.

On a sequential basis, the quarter saw a marginal decline, primarily due to ongoing geopolitical uncertainties, regional conflicts, and volatile tariff environments. Despite these external headwinds, profitability remained stable, and the company continued to strengthen its market position through focused execution and operational resilience.

During the quarter, we focussed on boosting our capacity. The initiatives include the addition of a new Empty Shell production line, the 25T Hydraulic Hammer forging line among the world's largest closed die hammers and the integration of state-of-the-art 7-axis and 11-axis machining lines. Our product capabilities are evolving, with unit weights progressing beyond 1 ton and gradually advancing towards 1.5 tons in a phased manner.

Our forging capacity is on track to increase from 100,000 tons to 150,000 tons annually, while machining capacity will rise from 45,000 tons to 80,000 tons per annum. We are also progressing steadily on our greenfield facility, in line with planned timelines.

Geographically, we continue to pursue a diversified strategy to mitigate long-term risks posed by volatile tariff situations. The majority of our new capacities are expected to be operational within this financial year.

As we look ahead, apart from boosting our capacity, we are reinforcing our position as a global precision engineering powerhouse from India. With a strong foundation, advanced infrastructure, and a clear strategic vision, we are poised to capture the emerging opportunities and shape the future of precision engineering."

About Balu Forge Industries

Balu Forge Industries Limited, founded by Mr. Prehlad Singh Chandock, is a leading Indian precision engineering company delivering forged and machined components across multiple global industries. The company offers a comprehensive product portfolio ranging from 1 kg to 1,000 kg and up to 3 meters in length, supporting diverse applications in automotive, industrial vehicles, earthmoving equipment, wind energy, aerospace, defence, oil and gas, railways, marine, and agriculture. Its operations include fully integrated forging

and machining capabilities, with advanced manufacturing facilities in Belgaum, Karnataka, spread over a 46+ acre campus. Equipped with high-capacity hydraulic hammers and forging presses, and supported by a dedicated in-house tool room, metallurgical labs, and CNC machining units, Balu Forge ensures consistent precision and quality. The company's strategy is driven by innovation, with a specialized R&D division focusing on new materials and rapid prototyping. Strategic initiatives emphasize expanding defence production, enhancing automation, and strengthening global partnerships. With a strong focus on operational scalability, customer diversification, and ESG commitments, Balu Forge continues to strengthen its global footprint and industry positioning.

For more details, please visit: www.baluindustries.com.

