

Date: 14th February, 2023

To,
General Manager,
Department of Corporate Services,
BSE Limited.,
P J Towers, Dalal Street,
Mumbai- 400 001.

Dear Sir/ Madam

Sub: Earnings Update pertaining to Financial Results for the Quarter and Nine Months Ended December 2022
BSE: Scrip Code: 531112

Kindly find enclosed herewith the Earnings Update pertaining to Financial Results for the Quarter and Nine Months Ended December 2022

Request you to kindly take the above information on your records.

Thanking you,

Yours faithfully,

For Balu Forge Industries Limited

Jaspalsingh Chandock
Managing Director
DIN:- 00813218



BALU FORGE INDUSTRIES LTD

Formerly Known as Amaze Entertech Limited

CIN: L29100MH1989PLC255933

506, Imperial Palace, 45 Telly Park Road, Andheri East, Mumbai-400 069, India

M:8655075578 **E:** sales@baluindustries.com/compliance@baluindustries.com **W:** www.baluindustries.com



CIN: L29100MH1989PLC255933

Registered Office: 506, Imperial Palace, 45 Telly Park Road, Andheri East, Mumbai-400 069, India

Revenue from Operations reported at ₹ 893.92 Mn in Q3 FY23 and ₹ 2,028.58 Mn for 9M FY23

EBITDA stands at ₹ 201.29 Mn in Q3 FY23 and ₹ 412.06 Mn for 9M FY23

PAT at ₹ 114.53 Mn in Q3 FY23 and ₹ 236.74 Mn for 9M FY23

Consolidated Q3 and 9M FY23 – Earnings Update

Mumbai, 14th February, 2023: Balu Forge Industries Ltd (BFIL) is one of the leading manufacturers of finished and semi-finished forged crankshafts and components. BFIL in its board meeting held on 14th February 2023 has approved the Unaudited Financial Results of the Company for the Third Quarter Ended and Nine Months Ended on 31st December 2022 as one of its agenda.

Consolidated Financial Statement Highlights for Q3 FY23 v/s Q3 FY22 v/s Q2 FY23

Particulars (Rs. Mn)	Q3 FY23	Q3 FY22	YoY%	Q2 FY23
Revenue from Operations	893.92	806.34	11%	620.01
Other Income	26.23	8.52		51.34
Total Revenue	920.15	814.86	13%	671.35
Total Expenses excluding Depreciation, Amortization & Finance Cost	718.86	685.73		568.79
EBITDA*	201.29	129.13	56%	102.56
EBITDA Margin (%)	21.88%	15.85%	603bps	15.28%
Depreciation & Amortization	3.16	2.02		2.9
Finance Cost	27.56	14.38		26.21
PBT before Exceptional Item	170.56	112.73		73.45
Exceptional Items	-	-		-
PBT	170.56	112.73	51%	73.45
Tax	56.04	29.71		25.19
PAT	114.52	83.02	38%	48.25
PAT Margin %	12.45%	10.19%	226bps	7.19%
Other comprehensive profit / loss	-0.16	-0.35		0.68
Net PAT	114.36	83.37		48.93
Diluted EPS (In Rs.)	1.37	1.00		0.58

*EBITDA Includes other income

Consolidated Financial Performance Comparison – Q3 FY23 v/s Q3 FY22

- Revenue from Operations increased by **11%** and stood at **₹ 893.92 Mn in Q3 FY23** from **₹ 806.34 Mn in Q3 FY22** led by increase in demand for our products in the domestic and overseas markets.
- EBITDA increased to **₹ 201.29 Mn in Q3 FY23** from **₹ 129.13 Mn in Q3 FY22**, margins increased from **15.85% in Q3 FY22** to **21.88% in Q3 FY23** due to increased scale of operations, better product mix and aided by favorable foreign exchange.
- PAT stood at **₹ 114.52 Mn in Q3 FY23**, compared to **₹ 83.02 Mn in Q3 FY22**, margins increased from **10.19% in Q3 FY22** to **12.45% in Q3 FY23**.

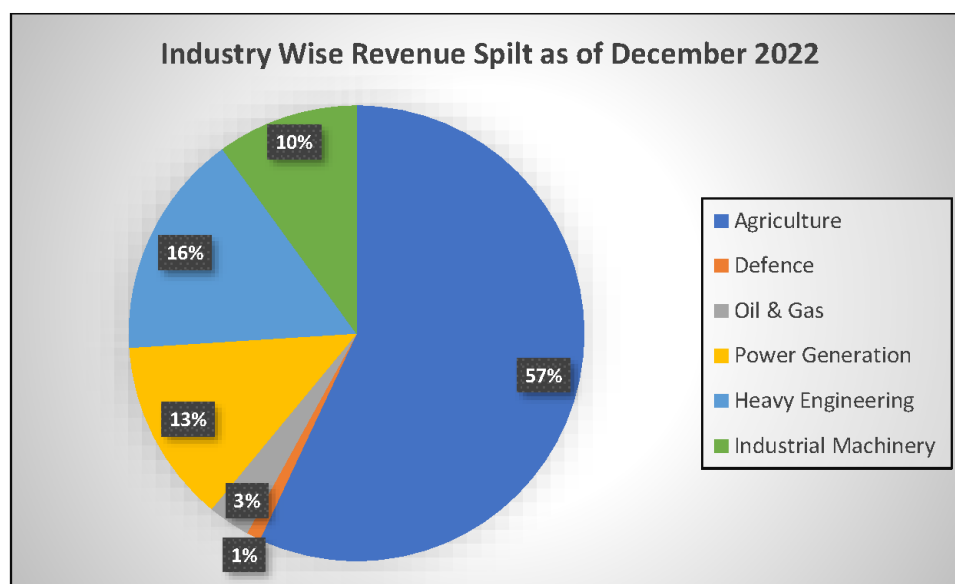
Consolidated Financial Statement Highlights for 9M FY23 v/s 9M FY22

Particulars (Rs. Mn)	9M FY23	9M FY22	YoY%
Revenue from Operations	2,028.58	2,030.15	
Other Income	120.97	33.25	
Total Revenue	2,149.56	2,063.40	4%
Total Expenses excluding Depreciation, Amortization & Finance Cost	1,737.50	1,762.17	
EBITDA *	412.06	301.23	37%
EBITDA Margin (%)	19.17%	14.60%	457bps
Depreciation & Amortization	8.91	7.74	
Finance Cost	70.16	35.36	
PBT before Exceptional Item	332.98	258.14	
Exceptional Items	-	-	
PBT	332.98	258.14	
Tax	96.24	66.03	
PAT	236.75	192.11	23%
PAT Margin %	11.01%	9.31%	170bps
Other comprehensive profit / loss	-0.52	1.87	
Net PAT	237.27	193.95	
Diluted EPS	2.84	2.32	

**EBITDA includes other income*

Financial Performance Comparison – 9M FY23 v/s 9M FY22

- Revenue from Operations remained stable at **₹ 2,028.58 Mn in Q3 FY23** from **₹ 2,030.15 Mn in Q3 FY22**
- EBITDA increased from **₹ 301.23 Mn in 9M FY22** to **₹ 412.06 Mn in 9M FY23** and margins remained stable from **14.60% in 9M FY22** to **19.17% in 9M FY23**.
- PAT stood at **₹ 236.75 Mn in 9M FY23**, compared to **₹ 192.11 Mn in 9M FY22**, margins improved from **9.31% in 9M FY22** to **11.01% in 9M FY23**.



Management Comments

Commenting on the performance of Q3 FY23, the management team of Balu Forge Industries Ltd. stated:

"It gives me immense pleasure to introduce to you Balu Forge Industries Ltd, incorporated in 1989, a company specialized in manufacturing of finished and semi-finished forged crankshafts and components. The Company's product portfolio includes crankshafts, connecting rods, camshafts, steering knuckles, and other components. BFIL has an in-house design and development team that works closely with customers to create customized solutions that meet their specific requirements. It has global presence and distribution network in over 80 countries. We cater to multiple industries like railway, marine, oil & gas, defense, agriculture and others.

Further, we provide one stop solutions encompassing the entire service spectrum of designing, machining, and forging for our clients backed by our 34 years of experience. In 2021, we acquired Hilton Metal Forging Ltd which led to backward integration and has enabled us to expand our product offerings.

The global forging industry has been growing steadily in recent years, with a growing demand for forged components from emerging economies, growing automotive industry and increasing use case across various industries like defense, railways, oil and gas, and others. It plays a vital role in modern manufacturing, offering a reliable and cost-effective means of producing high-quality components.

During the quarter, we continued to focus on expanding our customer base and diversifying our product offerings. We have a healthy order book worth over ₹ 1,800 Mn which will get executed

over the next six months. Additionally, our middle east subsidiary started gaining traction and have started exporting to various countries contributing to overall growth in the quarter.

On the financial front, our sales stood at ₹ 893.92 Mn in Q3 FY23 increasing from ₹ 806.34 Mn in Q3 FY22 owing to increased demand for our products in the domestic and overseas markets. Our EBITDA margins stood at 21.88% in Q3 FY23 from 15.85% in Q3 FY22.

We have invested in the process of setting up a new 52,000 sq.mt state-of-the-art manufacturing facility which will enable us to diversify forged components/product. This will increase our efficiency and productivity and enable us to meet the stringent quality standards required by our customers.

We would like to thank our employees for their efforts and our investors/stakeholders for their continued support and encouragement.”

About Balu Forge Industries Ltd Limited

Balu Forge Industries Ltd (BFIL), established in 1989, specializes in the manufacturing process of finished and semi-finished forged crankshafts and components. **BFIL** has the capability to create components that comply with the latest emission regulations and energy vehicle standards. The company operates a fully integrated forging and machining unit with a comprehensive product range, catering to customers with forging needs weighing between **1 Kg to 500 Kgs**. The facility houses both closed die forging hammers and presses has a **monthly production capacity of 5000 tons**. Additionally, the company is capable of producing **3.6 lakh crankshafts annually**. **BFIL** has a global distribution **network of over 80 countries** and serves both domestic and international markets. Its clients include renowned suppliers and manufacturers across various industries such as prototypes, vehicles, commercial vehicles, off-highway vehicles, ships, locomotives, aerospace, defence, oil and gas, railway, marine and others.

Aakash Joshi (Company Secretary)
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For further information on the Company, please visit www.baluindustries.com

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