

Date: 21st May, 2024

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: - Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Press Release

Dear Sir/Madam,

With reference to the captioned matter, please find enclosed the Press Release regarding the Massive Strategic Expansion by setting up an advanced Forging capacity at Belagavi. The details of the said new facilities are furnished in the attached Press Release.

Kindly take the above information on your records.

Thanking You,
Yours Truly,

For Balu Forge Industries Limited

JASPALSINGH
PREHLADSINGH
CHANDOCK

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PREHLADSINGH CHANDOCK
Date: 2024.05.21 11:22:34
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Jaspalsingh Prehladsingh Chandock
Managing Director
DIN No.: 00813218



BALU FORGE INDUSTRIES LTD

CIN: L29100MH1989PLC255933

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CIN: L29100MH1989PLC255933

Registered Office: 506, 5th Floor, Imperial Palace, 45 Tolly Park Road, Andheri (East), Mumbai – 400 069.

Balu Forge Industries Ltd takes one more leap to accomplish one of the major milestones. As a part of the larger mission to be among the prominent global players in value added critical forging & engineering segment, we are delighted to announce that Balu Forge Industries Ltd has taken up major expansion by setting up an advanced Forging Capacity of 72,000 Tons annually. Besides increase in the capacity, it enhances our R & D capability by far and with consistent to our vision & business plan to move away from pure forging company to become a value added Specialized Critical Engineering product company.

Mumbai, 21st May, 2024: BFIL, a prominent precision engineering company engaged in manufacturing of crankshafts & forged components, is pleased to announce the successful acquisition of three forging lines in a combination of Hammers & Presses capable of producing 72,000 tonnes p.a. of heavy forged products. These newly acquired forging lines will seamlessly integrate with the precision engineering expansion taking place at our upcoming manufacturing campus in Belagavi, Karnataka thereby making BFIL an integrated one stop solution provider for advanced machining solutions for critical industries viz. Railways, Defence, Oil & Gas, Mining, Aerospace, Defence, Aluminium & other critical precision industries globally.

- BFIL is pleased to announce its recent acquisition of three state of the art forging production lines, with a capacity of producing **72,000 tons** of forged products. This comprehensive setup includes 16-ton closed die forging hammer, 10-ton closed die forging hammer and 8,000T capacity mechanical press. This setup will be fully automated with latest technology **LIKE ANTIVIBRATION SYSTEM PRESS LINE WITH ROBOTIC HANDLING COMPLINES WITH INDUSTRY 4.0 MODEL** all of which will be installed in our upcoming greenfield project at Belagavi, Karnataka.
- The new forging unit will be seamlessly integrated with the recently acquired precision machining unit of Mercedes Benz. This will further strengthen our product engineering & increase our precision product offerings to global major's operating in critical engineering & safety components industry with end-to-end solution under one roof.
- This forging unit includes a 16 Ton closed-die forging hammer, ranking amongst the largest in the country and capable of producing forgings up to **800-900 kgs**. This capacity will be further enhanced with a 10 Ton closed-die forging hammer line and 8,000T capacity mechanical forging press. **With these facilities we are advancing our presence in engineering critical industries viz. Oil and Gas, Aerospace, Defence, Railways, Mining, Aluminium and Auto part manufacturing and many other critical industries.**
- This acquisition not only strengthens & expand our critical engineering products portfolio but also enhanced R&D capabilities in alloy mixing & metal combinations. It provides us unique strength in **creating products from different alloys based of Aluminum to Titanium** which shall enable BFIL to expand its product offering to major growth industries for critical engineering products and to further capture **the OEM market that we cater to across North America, Europe, Asia, and the Middle East regions.**

Advantages of transforming into a fully integrated precision machining and forging company



Commenting on the announcement, Trimaan Chandock, Executive Director of BFIL stated

"I am delighted to share with one each of you that we have successfully concluded this expansion which open new doors for us in critical & precision engineering space.

This superlative acquisition also provides level playing footing with all global majors in critical engineering product space & equally compete with them at global level in terms of precision, product & pricing. These recent three acquisitions is not only value accretive in terms of business financials but also a start of the new chapter for Balu Forge Industries Ltd. These newly acquired production lines fantastically complements the existing precision machining capacity of 32,000 tons, positioning BFIL as a fully integrated company.

This strategic integration of precision/special engineering and forging will not only bring margin enhancement, but increased R & D capability addressing end-to-end needs & solutions for a substantial global clientele. Apart from the manufacturing prowess, the new facility once commercialized, will create large scale employment opportunities in the area and empower local societies around the plant. The team strength is expected to reach to 1,000+ employees (including contracted workforce) growing continuously from 375 in FY23 to 525 currently.

I would especially like to mention that all these acquisitions would not have been possible without my team members at BFIL. I am really thankful to each one at BFIL. I am sure we shall continue to take more such strategic initiatives which will be in line with our vision & business plan, incremental to BFIL's Growth.

For further information on the Company, please visit www.baluindustries.com

About Balu Forge Industries Ltd

Balu Forge Industries Ltd (BFIL) was Incorporated in 1989 & is engaged in the manufacturing of fully finished and semi-finished crankshafts and Forged Components. It has the capacity to manufacture components conforming to both New Emission Regulations & the New Energy Vehicles. The company has a fully Integrated Forging & Machining production infrastructure with a large product portfolio ranging from 1 Kg to 900 Kgs. The Company has a 80+ global distribution networks and operates through both domestic and export segments. The customers include some of the renowned suppliers and manufacturers of light vehicles, agricultural equipment, power generation equipment, commercial vehicles, off-highway vehicles, ships, locomotives, and many others. The company also caters to the defence, oil & gas, railway, marine amongst other industries.

Balu Forge Industries Ltd

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Captive IR Strategic Advisors Pvt Ltd

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Disclaimer:

This investor release is not an offer to sell any securities or a solicitation to buy any securities of Balu Forge Industries Limited (the "company") or its subsidiaries (together with the company, the "group").

Certain statements in this document may be forward looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "projects", "expects", "intends", "may", "will", "or" or "in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, aims, objectives, goals, future events or intention. 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.

Forward looking statements are not guarantees of future performance including those relating to general business plans and strategy of the Company, its future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. No representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts, if any, are correct or that the objectives of the Company will be achieved.

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