

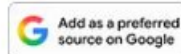
## Balu Forge forms SPV with Swan Energy to jointly explore opportunities in railways, defence, aerospace

Balu Forge will contribute around 40 percent to the SPV's initial share capital while Swan will have the remaining 60 percent stake. The collaboration will leverage the strengths of both BFIL and SEL to capture the growing global demands on railways, defence and aerospace.



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Leading precision engineering and manufacturing, Balu Forge Industries Ltd (BFIL), has signed a Memorandum of Understanding (MoU) with Swan Energy Limited (SEL), a diversified business conglomerate with interests for jointly exploring opportunities in railways, defence and aerospace.

The MoU is primarily aimed at forming a Special Purpose Vehicle (SPV) between BFIL and SPV and the consequent subscription of equity shares of SPV to be incorporated for the purpose of the proposed business venture, according to a disclosure to the exchanges.

The collaboration will leverage the strengths of both BFIL and SEL to capture the growing global demands on railways, defence and aerospace, according to an official statement.

Balu Forge will contribute around 40 percent to the SPV's initial share capital while Swan will have the remaining 60 percent stake.

The SPV will be focused on exploring potential for supplying products and solutions suitable for heavy industries related to global defence industry, aerospace, railways, and nuclear industries and will benefit from the strategic guidance and support of both BFIL and SEL.

The SPV will also focus on expanding its product and service offerings, enhancing its market position, and driving growth and profitability.

Balu Forge reported a more than two-fold jump in consolidated profit after tax to Rs 48.1 crore for the September quarter. The company had delivered a PAT of Rs 23.27 crore in the second quarter of the fiscal 2023-24.

Its revenue in Q2 FY25 grew 60.1 percent to Rs 222.8 crore from Rs 139.22 crore a year ago, driven by constant focus on client addition and continued demand for specialised engineering products, Balu Forge India said.

Swan Energy consolidated net profit tumbled 39.38 percent to Rs 51.27 crore on 15.61 percent decline in revenue from operations to Rs 1032.19 crore in Q2 FY25 over Q2 FY24. Its profit before tax was at Rs 57.39 crore in Q2 FY25, down 67.82 percent as against Rs 178.37 crore posted in same period last year. **BT**