

Volumes delivered, EBITDA margins drop



- **Volume Guidance:** 20% volume growth for FY27 on a normalized basis.
- **EBITDA Guidance:** Maintained at 20% YoY growth in absolute EBITDA.
- **Capex:** Additional 1.2 Lac Tonnes being added at Dadri , to be available by year end.

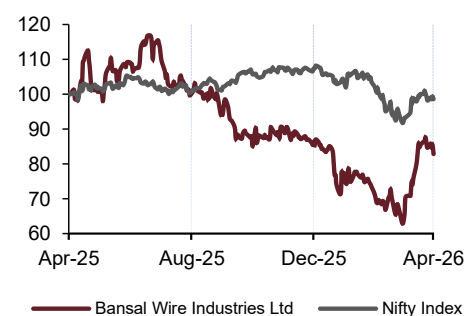
Rating	TP (Rs)	Up/Dn (%)
BUY	379	27

Market data

Current price	Rs	298
Market Cap (Rs.Bn)	(Rs Bn)	46
Market Cap (US\$ Mn)	(US\$ Mn)	489
Face Value	Rs	5
52 Weeks High/Low	Rs	434.3 / 222.5
Average Daily Volume	('000)	890
BSE Code		544209
Bloomberg		BANSALWI.IN

Source: Bloomberg

One Year Performance



Source: Bloomberg

% Shareholding	Mar-25	Dec-24
Promoters	78.00	78.00
Public	22.00	22.00
Total	100.00	100.00

Source: Bloomberg

Financial Summary

Y/E Mar (Rs mn)	FY23	FY24	FY25	FY26	FY27E	FY28E
Net sales	24,130	24,660	35,072	41,598	51,647	61,769
EBIDTA	1,051	1,445	2,688	3,101	3,975	4,730
Margins (%)	4.4	5.9	7.7	7.5	7.7	7.7
Adjusted net profit	599	788	1,465	1,639	2,194	2,699
EPS (Rs)	3.8	5.0	9.3	10.28	14.0	17.2
P/E (x)	78	59	32	29	21	17
EV/EBITDA (x)	9	31	20	17	13	11
RoCE (%)	13.89%	12.29%	12.46%	12.54%	13.56%	17.23%
RoE (%)	21.21%	18.66%	11.54%	11.46%	13.30%	14.06%

Source: Company

Het Shah
+91 22 67141496

het.shah@dalal-broacha.com

Q4FY26 Snapshot

(Rs.Mn)	Q4FY26	Q4FY25	YoY Growth	Q3FY26	QoQ Growth
Revenue from Operations	11,364	9,402	21%	10,290	10%
Other Income	40	28	43%	19	110%
Total Mfg Cost	8,727	7,371	18%	7,836	11%
Employee Benefits Expense	523	377	39%	441	18%
Other Expenses	1,350	934	45%	1,162	16%
Total Expenses	10,599	8,683	22%	9,439	12%
EBITDA (Excluding Other Income)	764	719	6%	851	-10%
Depreciation and Amortisation Expenses	150	107	40%	149	0%
EBIT / PBIT	615	640	-4%	702	-12%
Finance Costs	140	132	6%	146	-4%
Profit before share in profit of associate & tax	514	508	1%	575	-10%
Exceptional items	-14	0		-15	
PBT after share of JV / Associates	500	508	-2%	559	-11%
Tax Expense	99	177	-44%	126	-22%
ETR%	20%	35%		23%	
Net Profit after Tax	401	331	21%	433	-7%
Adj Profit after Tax	415	331	21%	448	-7%
No. of shares	157	157		157	
Earning Per Share	2.56	2.12	21%	2.76	-7%
Adj Earning Per Share	2.65	2.11	25%	2.86	-7%
Key Metrics Analysis					
Volume in Tons	117,644	97,821	20%	121,702	-3%
Blended Realisation/ton	96,593	96,114	0%	84,553	14%
Blended EBITDA/ton	6,497	7,354	-12%	6,992	-7%
Margin Analysis(%)			(in Bps)	(in Bps)	
Gross Margins	23.2%	21.6%	161	24.0%	-77
EBITDA Margins (Excl Other Income)	6.7%	7.7%	-92	7.3%	-55
Adj PAT Margins	3.5%	3.5%	0	4.3%	-83
RM as a % to sales	76.8%	78.4%	-161	76.0%	77
EE Cost as a % to sales	4.6%	4.0%	59	4.6%	-2
Other exps as a % to sales	11.9%	9.9%	194	12.1%	-20

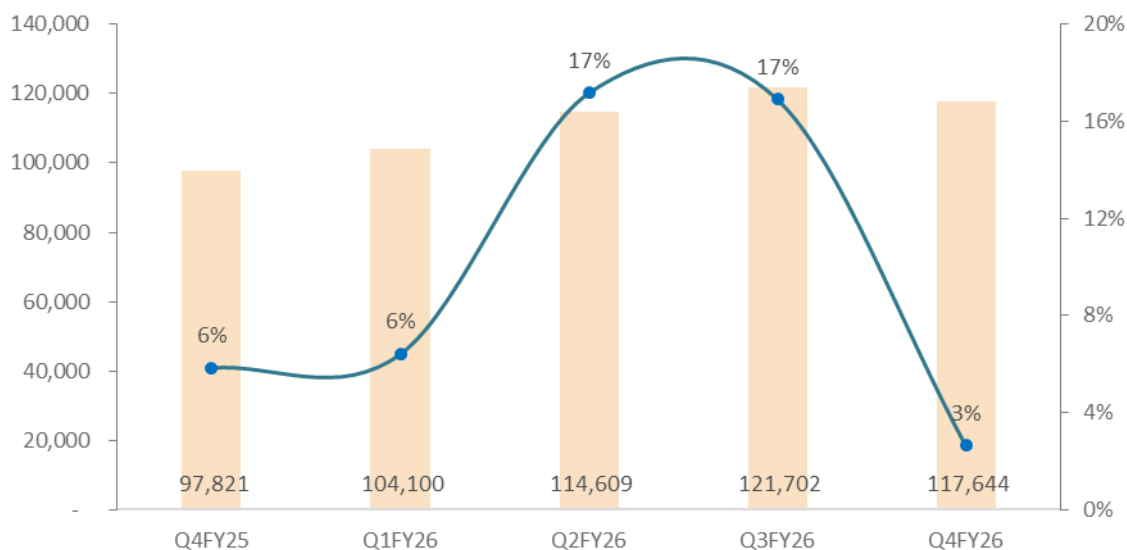
Source: Company, Dalal and Broacha Research

Concall Highlights:

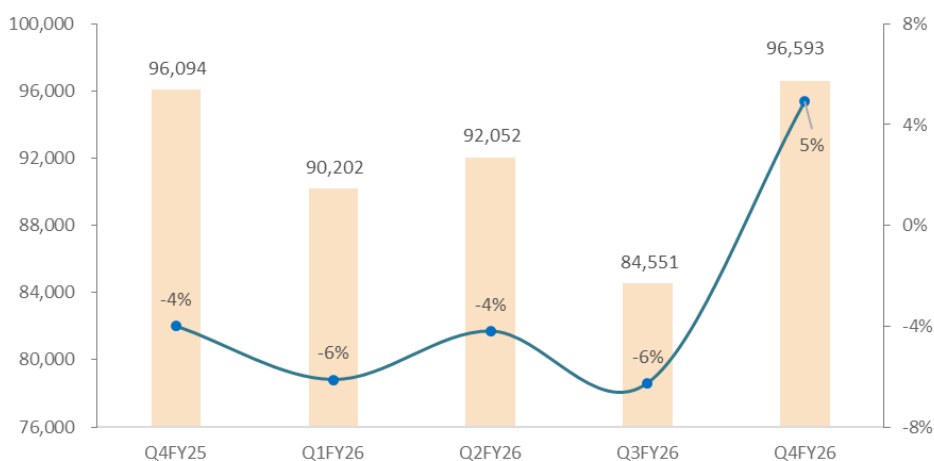
- **Strong Volumes & Execution:** Q4 Achieved quarterly sales of **117,644 tons**
- **Volume and EBITDA Growth:** Volume growth and ebitda growth to be ~20% on a normalized basis.
- **Product Mix to remain stable:**
 - Low Carbon Wire: ~55% of volumes → high ROC business, even if EBITDA/ton slightly lower.
- **Specialty Wires = Future Margin Driver:**
 - Steel Cord: 1st trial order expected soon
- **Capacity & Production:** Installed capacity 6.8 lakh tons → ~8 lakh tons by end of FY27 (i.e additional 120,000 Tons). Another 90,000 Tons at Sanand by December FY27. (8.9 lakh tons by FY28).

Quarterly Charts

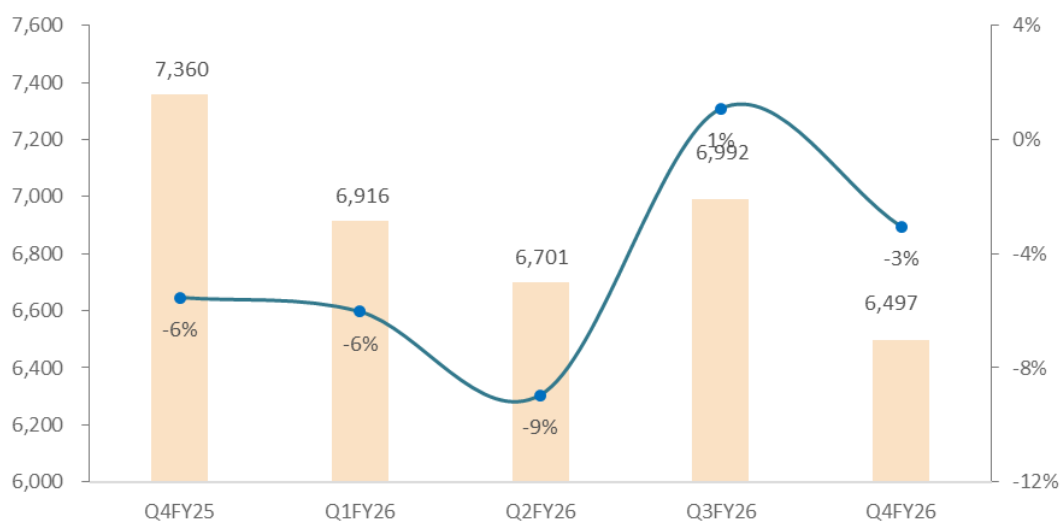
Sales Volume



Realisation Per Ton



EBITDA Per Ton



Source: Company, *For calculation of Realisation per ton & EBITDA per ton we have not considered other income which basically consists of export related forex gains.

Valuation & Outlook

BWIL continues to demonstrate strong execution with **volume growth of ~33% YoY**. FY27 onwards volume growth can be expected to be translated towards ebitda growth (~20%). Steel cords 1st trial order is to be expected. Overall, margins are expected to be stable in FY27.

On estimates, **we have revised our Revenue, EBITDA and PAT forecasts** across FY26–28E as below,

FY27E: Revenue: -1%, EBITDA -3%, PAT -3%

FY28E: Revenue: -0%, EBITDA -0.2%, PAT +1.6%

At CMP of ₹298, the stock trades at 29x / 21x / 17x FY26/FY27/FY28E EPS. We maintain our BUY rating with a Target Price of ₹379, implying ~27% upside. We derive TP using 0.75x PEG on FY26–28E growth, valuing at ~22x FY28 EPS, with PAT expected to grow at ~29% CAGR over FY26–28E.

Financials

P&L (Rs mn)	FY23	FY24	FY25	FY26	FY27E	FY28E
Net Sales	24,130	24,660	35,072	41,598	51,647	61,769
Total Raw material consumed	19,806	19,820	27,240	31,887	39,406	46,945
Employee Cost	600	735	1,437	1,839	2,207	2,521
Other Expenses	2,672	2,660	3,707	4,771	6,059	7,574
Operating Profit	1,051	1,445	2,688	3,101	3,975	4,730
Depreciation	91	135	300	572	740	801
PBIT	960	1,310	2,388	2,530	3,235	3,929
Other income	96	49	94	133	153	176
Interest	240	288	378	564	463	507
PBT (Before share of JV/associates)	816	1,071	2,104	2,099	2,926	3,599
Exceptional items	-	32	-	-	-	-
PBT	816	1,102	2,104	2,099	2,926	3,599
Provision for tax	216	314	639	460	731	900
PAT (From continuing operations)	599	788	1,465	1,639	2,194	2,699
PAT (From Discontinuing operations)	-	-	-	-	-	-
MI						
Reported PAT	599	788	1,465	1,639	2,194	2,699
Adjusted Profit	599	788	1,465	1,639	2,194	2,699

Balance Sheet (Rs mn)	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity capital	91	637	783	783	783	783
Reserves	2,734	3,586	11,907	13,524	15,718	18,417
Net worth	2,825	4,224	12,690	14,307	16,501	19,200
Minority Interest	-	388	-	-	-	-
Non Current Liabilites	2,060	3,214	2,038	1,967	2,230	2,165
Current Liabilites	2,779	5,109	6,949	8,895	9,557	11,478
Other Liabilities(associated with discontinued operations/ assets held for sale)	-	-	-	-	-	-
TOTAL LIABILITIES	7,664	12,935	21,677	25,168	28,288	32,843
Non Current Assets	2,037	4,918	8,984	10,609	11,383	12,607
Fixed Assets	1,155	2,294	6,928	8,307	9,067	10,266
Goodwill	-	-	-	-	-	-
CWIP	379	2,119	1,780	2,137	2,137	2,137
Long term loans & Advances	479	483	-	-	-	-
Non-current assets tax (net)	-	-	-	-	-	-
Deferred Tax Asset	-	-	-	-	-	-
Other Financial Assets	-	11	73	79	80	90
Other Non Current Assets	25	12	203	87	100	115
Current Assets	5,627	8,016	12,695	14,559	16,905	20,236
Current investments	225	-	-	-	-	-
Inventories	2,439	3,136	6,385	7,078	7,805	9,334
Trade Receivables	2,524	3,579	4,756	5,942	6,386	6,958
Cash and Bank Balances	8	18	17	21	1,048	2,117
Other bank balances	-	26	42	49	50	50
Short Term Loans and Advances	425	1,161	221	244	268	295
Other Financial Assets	-	0	0	0	0	0
Other current assets	6	96	1,274	1,224	1,347	1,482
Assets Held for sale	-	-	-	-	-	-
TOTAL ASSETS	7,664	12,935	21,678	25,168	28,288	32,843

Cash Flow St. (Rs. mn)	FY23	FY24	FY25	FY26	FY27E	FY28E
PBT (excluding JV/Associates)	816	1,102	2,103	2,069	2,926	3,599
Add: Dep. & Amort.	91	135	300	572	740	801
Add: Interest Expenses	240	288	378	564	463	507
Operating profit before working capital change	1,147	1,525	2,781	3,205	4,128	4,906
(Inc)/Dec in						
Working capital adjustment	190	(1,289)	(3,144)	545	(2,018)	(1,545)
Gross cash generated from operations	1,337	236	(364)	3,750	2,110	3,361
Direct taxes paid	(311)	(314)	(639)	(406)	(731)	(900)
Others	-	(5,291)	(507)	-	128	214
CF from Oper. activities	1,025	(5,369)	(1,510)	3,331	1,507	2,676
CF from Inv. activities	(872)	(4,959)	(4,442)	(2,230)	(1,499)	(2,000)
CF from Fin. activities	(150)	10,347	5,950	(1,097)	1,019	393
Cash generated/(utilised)	3	18	(1)	4	1,026	1,069
Cash at start of the year	4	-	18	17	21	1,048
Cash at end of the year	8	18	17	21	1,048	2,117

Source: Dalal & Broacha Research, Company

Ratios	FY23	FY24	FY25	FY26	FY27E	FY28E
OPM	4.36%	5.86%	7.66%	7.46%	7.70%	7.66%
NPM	0	0	0	0	0	0
Tax Rate	26.51%	28.50%	30.38%	23.00%	25.00%	25.00%
Growth Ratios (%)						
Net Sales	9.76%	2.20%	42.22%	18.61%	24.16%	19.60%
Operating Profit	-1.21%	15.99%	86.06%	15.39%	28.16%	19.00%
PBT	4.37%	35.15%	90.77%	-1.59%	41.40%	23.00%
PAT	4.61%	31.48%	85.75%	9.96%	36.33%	23.00%
CFO/EBITDA Ratio	0.98	-3.72	-0.56	1.07	0.38	0.57
CFO/PAT Ratio	1.71	-6.81	-1.03	2.03	0.69	0.99
Per Share (Rs.)						
Net Earnings (EPS)	3.83	5.03	9.35	10.28	14.02	17.24
Cash Earnings (CPS)	4.54	6.09	11.26	13.93	18.74	22.35
Payout ratio	0%	0%	0%	0%	0%	0%
Dividend	0.00	0.00	0.00	0.00	0.00	0.00
Book Value per share (BVPS)	22.17	33.14	81.06	91.39	105.40	122.64
Free Cash Flow	560	(8,383)	(6,104)	1,005	7	676
Valuation Ratios						
P/E(x)	77.85	59.21	31.87	28.99	21.26	17.29
P/B(x)	13.44	8.99	3.68	3.26	2.83	2.43
EV/EBIDTA(x)	9.04	30.73	19.76	16.93	13.32	11.16
Div. Yield(%)	-	-	-	-	-	-
FCFF Yield(%)	10.33	(22.07)	(13.08)	2.16	0.01	1.45
Return Ratios (%)						
ROE	21.21%	18.66%	11.53%	11.25%	13.30%	14.06%
ROCE	13.89%	12.29%	12.46%	12.54%	13.56%	17.23%

Source: Dalal & Broacha Research

Disclaimer

Dalal & Broacha Stock Broking Pvt Ltd, hereinafter referred to as D&B (CINU67120MH1997PTC111186) was established in 1997 and is an integrated financial services player offering an extensive range of financial solutions and services to a wide spectrum of customers with varied needs ranging from equities to mutual funds to depository services.

D&B is a corporate trading member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE). D&B along with its affiliates offers the most comprehensive avenues for investments and is engaged in the securities businesses including stock broking (Institutional and retail), depository participant, portfolio management and services rendered in connection with distribution of primary market issues and financial products like mutual funds, fixed deposits. Details of associates are available on our website i.e. www.dalal-broacha.com

D&B is registered as Research Analyst with SEBI bearing registration Number INH000001246 as per SEBI (Research Analysts) Regulations, 2014.

D&B hereby declares that it has not defaulted with any stock exchange nor its activities were suspended by any stock exchange with whom it is registered in any time in the past. It has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time. SEBI and Stock Exchanges have conducted the routine inspection and based on their observations have issued advice letters or levied minor penalty on D&B for certain operational deviations in routine course of business.

D&B offers research services to clients as well as prospects. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Other disclosures by D&B (Research Entity) and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

D&B or its associates may have financial interest in the subject company.

D&B or its associates do not have any material conflict of interest in the subject company.

The Research Analyst or Research Entity (D&B) has not been engaged in market making activity for the subject company.

D&B or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report.

Disclosures in respect of Research Analyst:

Whether Research Analyst or his/her relatives have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report:	No
Whether the Research Analyst or his/her relative's financial interest in the subject company.	No
Whether the research Analyst has served as officer, director or employee of the subject company	No
Whether the Research Analyst has received any compensation from the subject company in the past twelve months	No
Whether the Research Analyst has managed or co-managed public offering of securities for the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
Whether the Research Analyst has received any compensation or other benefits from the subject company or third party in connection with the research report	No

D&B and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that may be inconsistent with the recommendations expressed herein.

In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject D&B or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person. Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom. All material presented in this report, unless specifically indicated otherwise, is under copyright to D&B. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of D&B. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of D&B or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Address: - 508, Maker Chambers V, 221 Nariman Point, Mumbai 400 021.
Tel: 91-22- 2282 2992, 2287 6173 | E-mail: equity.research@dalal-broacha.com