Bansal Wires Industries Ltd

Q1FY27 Result Update | Industrials

Temporary Margin Disruption; Fundamentals Remain Strong

DALAL & BROACHA
STOCK BROKING PVT. LTD.

Equity Research Desk

23 July 2026

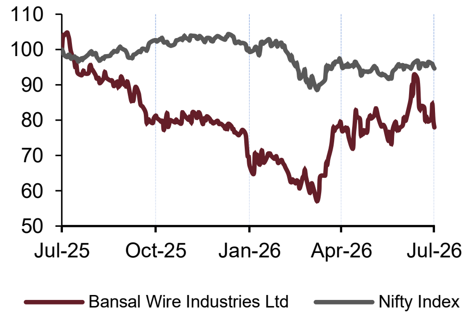
- **Volume Guidance:** 20% volume growth for the year ahead on a normalized basis. Strong Demand outlook from all sectors.
- **EBITDA Guidance:** Reiterated 20% YoY growth in absolute EBITDA. EBITDA/kg normalized to INR 7-8/kg post price revisions.
- **Capex:** Annual investment of INR 200-250 crores to support 20-25% volume growth, financed from internal accruals

Rating	TP (Rs)	Up/Dn (%)
BUY	**370**	**20**

Market data		
Current price	**Rs**	**307**
Market Cap (Rs.Bn)	(Rs Bn)	48
Market Cap (US$ Mn)	(US$ Mn)	498
Face Value	Rs	5
52 Weeks High/Low	Rs	423.45 / 222.5
Average Daily Volume	('000)	1,429
BSE Code		**544209**
Bloomberg		BANSALWI.IN

Source: Bloomberg

One Year Performance



Source: Bloomberg

% Shareholding	**Jun-26**	**Mar-26**
Promoters	75.00	78.00
Public	25.00	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	54,685	68,246
EBIDTA	1,051	1,445	2,688	3,101	3,765	4,793
Margins (%)	4.4	5.9	7.7	7.5	6.9	7.0
Adjusted net profi	599	788	1,465	1,639	1,950	2,634
EPS (Rs)	3.8	5.0	9.3	10.28	12.5	16.8
P/E (x)	82	63	34	31	25	19
EV/EBITDA (x)	9	32	21	18	15	11
RoCE (%)	13.89%	12.29%	12.46%	12.54%	12.74%	17.66%
RoE (%)	21.21%	18.66%	11.54%	11.46%	11.99%	13.94%

Source: Company

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DQ1FY27 Snapshot

Particulars (INR in Mn)	Q1 FY27	Q1 FY26	YoY Growth	Q4 FY 26	QoQ Growth
Revenue from Operations	**11,679**	**9,391**	**24%**	**11,364**	**3%**
Other Income	3	26	-87%	40	-91%
Total Mfg Cost	9,407	7,301	29%	8,727	8%
Employee Benefits Expense	469	387	21%	523	-10%
Other Expenses	1,239	984	26%	1,350	-8%
Total Expenses	11,115	8,672	28%	10,599	5%
EBITDA (Excluding Other Income)	**564**	**719**	**-22%**	**764**	**-26%**
Depreciation and Amortisation Expenses	152	125	22%	150	2%
EBIT / PBIT	**412**	**594**	**-31%**	**615**	**-33%**
Finance Costs	155	120	28%	140	10%
Profit before share in profit of associate & tax	**260**	**500**	**-48%**	**514**	**-49%**
Exceptional items	-	-		-14	
PBT after share of JV / Associates	**260**	**500**	**-48%**	**500**	**-48%**
Tax Expense	56	108	-48%	99	-44%
ETR%	**21%**	**22%**		**20%**	
Net Profit after Tax	**205**	**392**	**-48%**	**401**	**-49%**
Adj Profit after Tax	**205**	**392**	**-48%**	**415**	**-51%**
No. of shares	157	157		157	
Earning Per Share	**1.31**	**2.51**	**-48%**	**2.56**	**-49%**
Adj Earning Per Share	**1.31**	**2.51**	**-48%**	**2.65**	**-51%**
Key Metrics Analysis					
Volume in Tons	1,11,962	1,04,100	8%	1,17,644	-5%
Blended Realisation/ton	1,04,311	90,208	16%	96,593	8%
Blended EBITDA/ton	5,034	6,907	-27%	6,497	-23%
Margin Analysis(%)			(in Bps)		(in Bps)
Gross Margins	19.5%	22.3%	-280	23.2%	-375
EBITDA Margins (Excl Other Income)	4.8%	7.7%	-283	6.7%	-190
Adj PAT Margins	1.8%	4.2%	-241	3.5%	-176
RM as a % to sales	80.5%	77.7%	280	76.8%	375
EE Cost as a % to sales	4.0%	4.1%	-10	4.6%	-58
Other exps as a % to sales	10.6%	10.5%	14	11.9%	-127

Source: Company, Dalal and Broacha Research

Concall Highlights:

- **Geopolitical Disruption impacts execution:** Q1 achieved quarterly sales of **1,11,962 tons,** impacted by subdued demand in the 1st half of quarter and supply chain issues relating to availability of natural gas.
- **Higher Input Cost leads to lower margins:** Absorbed ~₹5/kg higher costs on existing fixed-price orders which led to EBITDA/kg drop to ~₹2/kg during the first 45 days of the quarter. EBITDA/kg normalized to ₹7-8/kg from mid-May as new orders were repriced.
- **Ramping up B2C Segment**: B2C segment, having EBITDA/ton 20-30% higher than traditional B2B business, contributed ~10% (2x from last year) of topline.
- **Specialty Products to drive next leg of growth and profitability:**
- **Key updates on Specialty Products:**

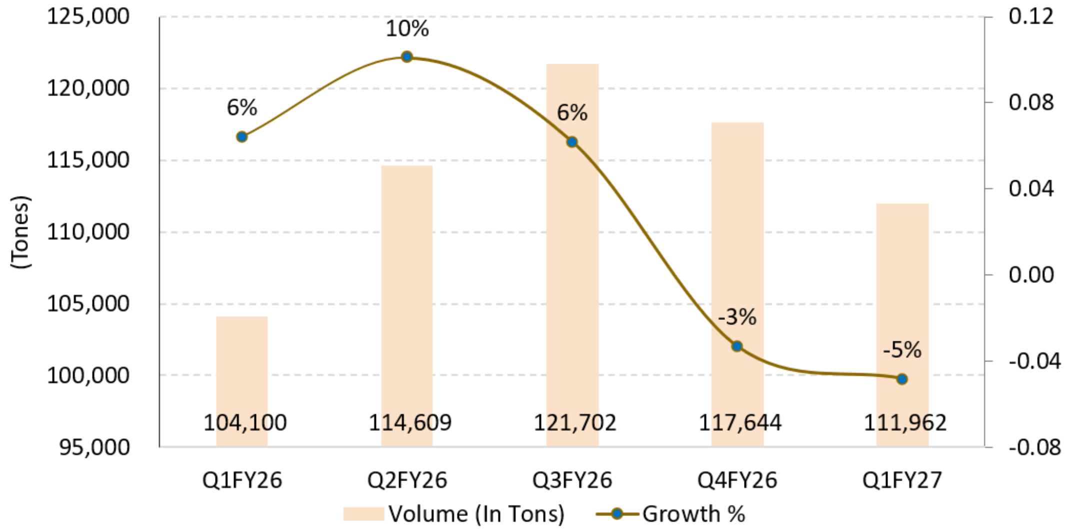
  Steel Cord: Received first trial order from a leading Indian tyre manufacturer; additional trial orders expected in Q2.

  IHT: ~80% customer approvals completed; ahead of expectations

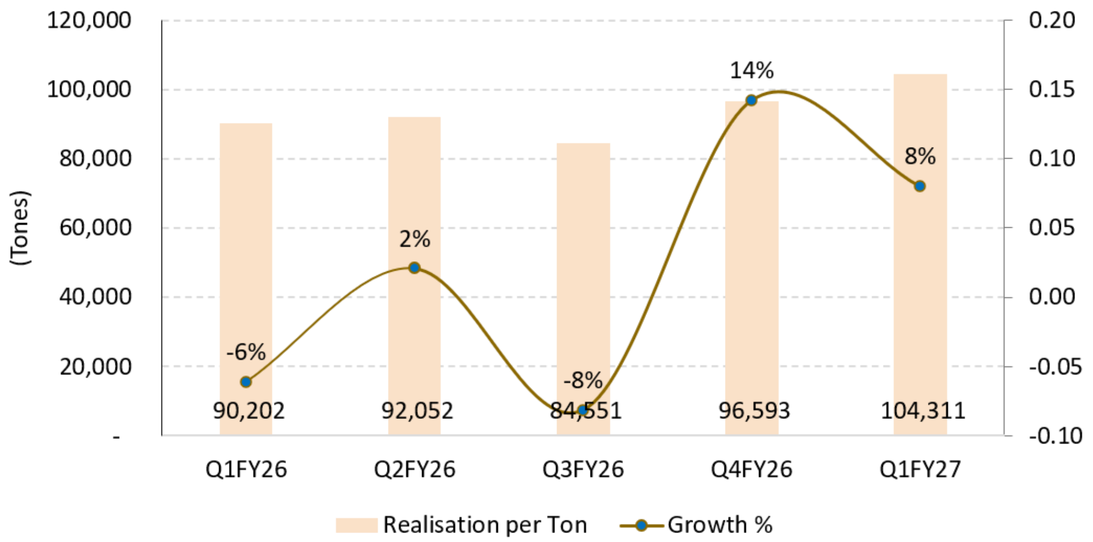
  OHT: Commissioning expected shortly
- **CapEx Guidance:** Annual CapEx of INR 200-250 crores to be funded through internal accruals.
- **Outlook:** Reiterated 20% volume growth guidance for the remaining FY27 and EBITDA growth at 20%.

Quarterly Charts

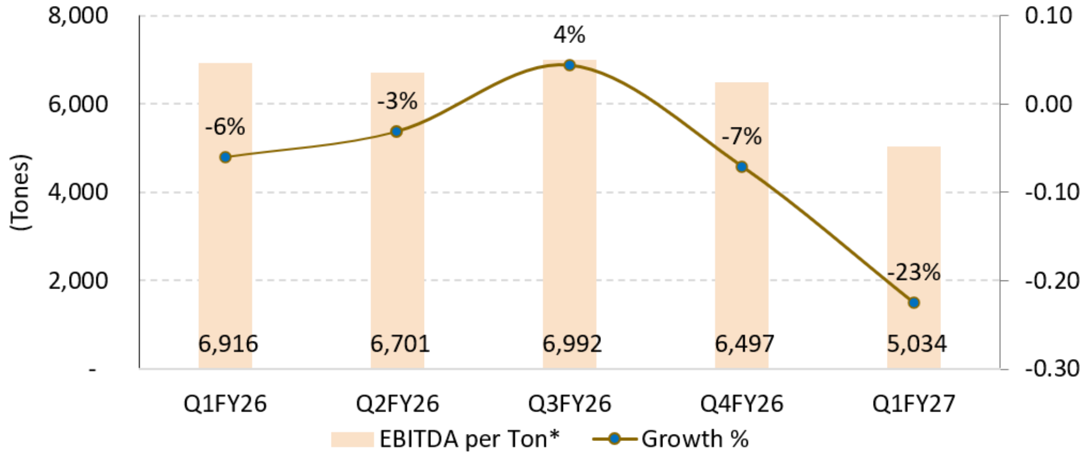
Sales Volume



Realisation Per Ton



EBITDA Per Ton



Source: Company, *For calculation of Realisation per ton & EBITDA per ton we have not considered other income.

Valuation & Outlook

With improved demand and repriced orders, the company shall see steady growth. Volumes are expected to grow by 20% for the remaining FY 27. EBITDA growth to be maintained at 20%.

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

FY27E: Revenue: +6%, EBITDA -5%, PAT -11%
FY28E: Revenue: +10%, EBITDA +1.3%, PAT -2.4%

At CMP of ₹307, the stock trades at 19x on FY28E EPS. We maintain our BUY rating with a Target Price of ₹370, implying ~20% upside. We value the stock at ~22x FY28 EPS, with PAT expected to grow at ~28% 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	54,685	68,246
Total Raw material consumed	19,806	19,820	27,240	31,887	42,654	53,232
Employee Cost	600	735	1,437	1,839	2,207	2,648
Other Expenses	2,672	2,660	3,707	4,771	6,059	7,574
Operating Profit	1,051	1,445	2,688	3,101	3,765	4,793
Depreciation	91	135	300	572	757	833
PBIT	960	1,310	2,388	2,530	3,008	3,959
Other income	96	49	94	133	153	176
Interest	240	288	378	564	562	624
PBT (Before share of JV/associates)	816	1,071	2,104	2,099	2,599	3,512
Exceptional items	-	32	-	-	-	-
PBT	816	1,102	2,104	2,099	2,599	3,512
Provision for tax	216	314	639	460	650	878
PAT (From continuing operations)	599	788	1,465	1,639	1,950	2,634
PAT (From Discontinuing operations)	-	-	-	-	-	-
MI						
Reported PAT	599	788	1,465	1,639	1,950	2,634
Adjusted Profit	599	788	1,465	1,639	1,950	2,634

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	15,474	18,107
Net worth	**2,825**	**4,224**	**12,690**	**14,307**	**16,256**	**18,890**
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	11,226	13,708
Other Liabilities(associated with discontinued operations/ assets held for sale)	-	-	-	-	-	-
TOTAL LIABILITIES	**7,664**	**12,935**	**21,677**	**25,168**	**29,712**	**34,763**
Non Current Assets	**2,037**	**4,918**	**8,984**	**10,610**	**11,868**	**13,060**
Fixed Assets	1,155	2,294	6,928	8,307	9,549	10,716
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	82	92
Other Non Current Assets	25	12	203	87	100	115
Current Assets	**5,627**	**8,016**	**12,695**	**14,559**	**17,844**	**21,703**
Current investments	225	-	-	-	-	-
Inventories	2,439	3,136	6,385	7,078	8,263	9,373
Trade Receivables	2,524	3,579	4,756	5,942	6,010	7,123
Cash and Bank Balances	8	18	17	21	1,908	3,382
Other bank balances	-	26	42	49	49	49
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
Asssets Held for sale	-	-	-	-	-	-
TOTAL ASSETS	**7,664**	**12,935**	**21,678**	**25,168**	**29,712**	**34,763**

Cash Flow St. (Rs. mn)	FY23	FY24	FY25	FY26	FY27E	FY28E
PBT (excluding JV/Associates)	**816**	**1,102**	**2,103**	**2,069**	**2,599**	**3,512**
Add: Dep. & Amort.	91	135	300	572	757	833
Add: Interest Expenses	240	288	378	564	562	624
Operating profit before working capital change	**1,147**	**1,525**	**2,781**	**3,205**	**3,918**	**4,969**
(Inc)/Dec in						
Working capital adjustment	190	(1,289)	(3,144)	545	(430)	(1,107)
Gross cash generated from operations	**1,337**	**236**	**(364)**	**3,750**	**3,488**	**3,862**
Direct taxes paid	(311)	(314)	(639)	(406)	(650)	(878)
Others	-	(5,291)	(507)	-	128	214
CF from Oper. activities	**1,025**	**(5,369)**	**(1,510)**	**3,331**	**2,966**	**3,198**
CF from Inv. activities	(872)	(4,959)	(4,442)	(2,230)	(2,000)	(2,000)
CF from Fin. activities	(150)	10,347	5,950	(1,097)	919	276
Cash generated/(utilised)	3	18	(1)	4	1,887	1,474
Cash at start of the year	4	-	18	17	21	1,908
Cash at end of the year	8	18	17	21	1,908	3,382

Ratios	FY23	FY24	FY25	FY26	FY27E	FY28E
OPM	4.36%	5.86%	7.66%	7.46%	6.89%	7.02%
NPM	2.5%	3.2%	4.2%	3.9%	3.6%	3.8%
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%	31.46%	24.80%
Operating Profit	-1.21%	15.99%	86.06%	15.39%	21.40%	27.29%
PBT	4.37%	35.15%	90.77%	-1.59%	25.63%	35.10%
PAT	4.61%	31.48%	85.75%	9.96%	21.13%	35.10%
CFO/EBITDA Ratio	0.98	-3.72	-0.56	1.07	0.79	0.67
CFO/PAT Ratio	1.71	-6.81	-1.03	2.03	1.52	1.21
Per Share (Rs.)						
Net Earnings (EPS)	3.83	5.03	9.35	10.28	12.45	16.82
Cash Earnings (CPS)	4.54	6.09	11.26	13.93	17.29	22.15
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	103.84	120.66
Free Cash Flow	560	(8,383)	(6,104)	1,005	966	1,198
Valuation Ratios						
P/E(x)	82.29	62.58	33.69	30.64	25.29	18.72
P/B(x)	14.21	9.51	3.89	3.45	3.03	2.61
EV/EBIDTA(x)	9.33	32.23	20.75	17.79	14.54	11.31
Div. Yield(%)	-	-	-	-	-	-
FCFF Yield(%)	9.77	(20.88)	(12.38)	2.04	1.96	2.43
Return Ratios (%)						
ROE	21.21%	18.66%	11.53%	11.25%	11.99%	13.94%
ROCE	13.89%	12.29%	12.46%	12.54%	12.74%	17.66%

Source: Dalal & Broacha Research

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