



# Bansal Wire Industries Limited

Manufacturers of Steel Wires

February 04, 2025

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
Mumbai - 400 001

**National Stock Exchange of India Limited**  
Exchange Plaza, C-1, Block G,  
Bandra-Kurla Complex, Bandra (E)  
Mumbai - 400 051

**Scrip Code: 544209**

**Trading Symbol: BANSALWIRE**

**Subject: Transcript of Analysts/ Investors Call pertaining to the Un-audited Financial Results (Standalone and Consolidated) for the quarter and nine months period ended December 31, 2024**

**Dear Sir/Madam,**

In accordance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform the exchanges that the transcript of audio call recording of the Company's Analyst/ Investors conference Call held on Thursday, January 30, 2025 to discuss the Un-Audited Financial Results (Standalone and Consolidated) for the quarter and nine months period ended December 31, 2024 is attached herewith

This information will also be hosted on the website of the Company i.e. [www.bansalwire.com](http://www.bansalwire.com)

We request you to take the above information on record.

Thanking you,

Yours faithfully,  
For **Bansal Wire Industries Limited**

**Sumit Gupta**  
Company Secretary & Compliance Officer

**Bansal Wire Industries Limited**  
**Q3 FY25 Earnings Conference Call**  
**January 30, 2025**

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**Moderator:** Ladies and gentlemen, good day and welcome to the Q3 and 9M FY25 Conference Call of Bansal Wire Industries Limited. From the management we have Mr. Pranav Bansal – MD and CEO; and Mr. Ghanshyam Das Gujrati – CFO to take the discussion forward. We also have an Investor Relations team from Adfactors PR.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “\*” then “0” on your touchtone phone. I now hand the conference over to Mr. Darshan Mankad from Adfactors PR, for opening remarks. Thank you and over to you sir.

**Darshan Mankad:** Thank you Sagar, Good afternoon everyone. We welcome you to the Third Quarter and Nine Months ended December 31, 2024 Earnings Call of Bansal Wire Industries Limited.

Before we begin the earnings call, I would like to mention that some of the statements made during today's call might be forward-looking in nature, and hence, it may involve risks and uncertainties, including those related to the future financial and operating performance. Please bear with us if there is a call drop during the course of the conference call. We would ensure the call is reconnected the soonest. I will now hand over the call to Mr. Pranav Bansal – MD and CEO for his opening comments. Over to you, sir.

**Pranav Bansal:** Thank you Darshan. Good afternoon, everyone and welcome to the earnings call of the third quarter for this year. It's a pleasure to connect with you all again as we share the progress and performance of Bansal Wire Industries Limited. I hope the New Year has begun on a positive note for you and your family. On behalf of the entire Bansal family, we extend our best wishes. I trust you had a chance to review our results, press release and the investor presentation which are available on the stock exchange and on our website. Joining me today on the call is our CFO, Mr. Ghanshyam Gujrati, who will take you through the financial in detail and answer your queries.

Just to give you a brief, the third quarter of FY25 has been in fact a landmark period for us, showcasing exceptional performance driven by strong demand across our core sectors. Our unwavering commitment to innovation and sustainability continues to reinforce our market leadership as we remain ahead of our projections for the year till now. This quarter also marked

the commencement of production in our specialty wire vertical, which has been a vertical behind which we have all been running for the last five years, featuring high value-added products like bead wire, hose wire, steel tyre cord. And with the market opportunity to tap up to four and a half lakh tonnes annually. We have successfully established a pilot project with an initial capacity of 50,000 tonnes. This strategic move positions us to capitalize on a growing demand while delivering superior quality solutions to our customers. We are confident that with this new capability, we will further strengthen our market presence and unlock new growth opportunities. As is already evident by the response we have received from our customers so far as in this area also, we are ahead of schedule and doing better than our expectations in terms of both order booking as well as product attributes.

Two commencement of the new products. The Dadri facility has achieved 30% capacity utilization already by December, and remains on track to fully achieve commencement by the end of this year, while the total production capacity is set to reach six lakh tonnes. This expansion supports a long term growth ambition. With this we have already planned another phase of expansion in Dadri to take the capacity from 3.5 lakh tonnes to 4.2 lakh tonnes owing to the demand we are receiving from August. Our export also accounted to about 250 crores till the end of Q3 as against 219 crores compared to the corresponding year underscoring strong international demand from our products and new product offering. As we approach the close of FY25 we remain optimistic about our growth trajectory. While challenges like fluctuating raw material prices and geopolitical risk persist, we see immense opportunity in both domestic as well as the export market. Our focus remains on operational excellency, quality and sustainability positioning us as a reliable partner in India's growth journey. With that, I will now hand over the call to our CFO, Mr. Ghanshyam, to take you through the financial performance. Thank you.

**Ghanshyam Das Gujrati:** Thank you, Pranav sir. Good afternoon all. I would like to share the summary of third quarter and nine months financial performance with you for quarter three financial 25 our revenue grew 53% year-on-year to Rs.925 crores. EBITDA **surged 99% on Y-o-Y** basis to Rs.73 crore. And net profits for the quarter is stood at 42 crore, which is up by 172% year-on-year basis.

For the nine month, revenues to date to 567 crore higher by 46%, EBITDA grew 99% to Rs.203 crores; while net profit jump 123% to Rs.113 crores. As our MD, Mr. Pranav sir mentioned, we are committed, and we continue to focus on our operational excellence, quality and sustainability and work on diversifying our product portfolio. As well as enhance contribution from value added product to add our margin. We are happy to report that EBITDA and net profit margin for quarter three has expanded by 184 basis points and 198 basis points on year-on-year terms. Now we will open the forum for question-and-answer.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press “\*” and “1” on their touchstone phone. If you wish to withdraw yourself from the question queue, you may press “\*” and “2”. Participants are requested to

use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question comes from the line of Deep Mehta from Bank of India Mutual Fund. Please go ahead.

**Deep Mehta:** Thank you for the opportunity and congratulations for a very good set of numbers. First bookkeeping questions. Sir what was the volume for this quarter and if you can help us with the volume number for the corresponding quarter of the last year on a like-to-like basis because we have also consolidated some of the group capacities.

**Pranav Bansal:** The volume numbers for this quarter was about 90,000 to 92,000 tonnes, including low carbon mild steel as well as stainless steel. For the corresponding year, last year Mr. Gujrati, will you be able to give us the numbers?

**Ghanshyam Das Gujrati:** Yes, sir it was around 60,000 tonnes actually last year.

**Deep Mehta:** Great. Sir my second question is regarding the recent capacity expansion which you just announced for Dadri facility, if you can help us with the quantum of the CAPEX, timeline of the CAPEX, as well as the product mix for the incremental CAPEX. And how are you looking at this?

**Pranav Bansal:** So, the total expansion that was already planned was about ₹500 to 550 crores, wherein we were installing the capacity of about 3.5 lakh tonnes. Now we have increased that by about 20% to 4.2 lakh tonnes. This is owing to some demand that we are looking at in different products from our customers. Therefore our investment will also increase by about ₹ 70 to 80 crores in total.

**Deep Mehta:** And timeline for this incremental capacity?

**Pranav Bansal:** We will be able to do this within the first two quarters of next year.

**Deep Mehta:** Great sir. And just a clarification, this will be over and above the stainless steel backward integration which we are planning, right. So that will again take increase our capacity few years down the line?

**Pranav Bansal:** Absolutely.

**Deep Mehta:** Very clear and my last question is regarding the value added products, what has been the progress, is the sales started how has been the initial market feedback, and how should we look at this journey going ahead?

**Pranav Bansal:** Sir we actually have done a little better than expected initially from the specialty wire vertical thanks to our customers. We have got very good response, and in fact as we speak, we are able to sell about 100 to 120 tonnes within this first month January. So therefore, we are looking at expedited approval, especially for hose wire, and similarly for steel cord also within this month

we will be submitting samples to our customers. We remain ahead of schedule as of now for sampling as well as product approval.

**Deep Mehta:** That's great to hear sir, that's all from my side. Thank you very much.

**Moderator:** Thank you. The next question comes from Naman Parmar from Niveshaay Investments. Please go ahead.

**Naman Parmar:** Good afternoon, sir. Thank you so much for the opportunity, and congratulations on a good set of numbers. So firstly, I wanted to understand, that how much contribution has been from the different sector in the current quarter and nine months?

**Pranav Bansal:** Sir, I do not have the numbers separately for all segments, but we can find that and give that to you later.

**Naman Parmar:** Okay. only you can tell how much majorly which sector has contributed?

**Pranav Bansal:** Sir we do not disclose those numbers on a regular basis. Therefore, I cannot give it to you right now, but we will send it to you later. In overall all I can say is that low carbon the mild steel segment has increased because of the consolidation as well. Even after that high carbon and stainless steel both have seen a better volume. The exact numbers we can discuss later.

**Naman Parmar:** Yes. And secondly, I wanted to know that how you hedge the prices of the raw material, because your end product is majorly depend on the steel only correct. So if steel prices go up and down so how it impact your margin?

**Pranav Bansal:** So, sir what we try to do is we try to create a kind of a natural hedge in our business model, wherein whatever orders we have is we already have either inventory or pending orders from our raw material suppliers. So therefore we try to keep about a 70% to 75% of our pending orders and stock booked against firm orders. So about 20% to 25% of my total stock is the only stock that I carry with me as well, which will increase and decrease as per the market situation.

**Naman Parmar:** Okay. So on the current business only, you will be able to make a EBITDA of around 7% to 8% only with the increase in the value added product you expect how much margin expansion from here and how much value added product will be contributing?

**Pranav Bansal:** So, sir our margins will change according to the raw material prices. So we have a kind of a cost plus model in which whatever increase and decrease there is in our raw material, we try to pass it on to the customers. Therefore, a percentage of margin would not be a very good way to track how we are doing, it would more be on EBITDA per tonne. And even in EBITDA per tonne, it keeps on differentiating because of the product mix that we have. So as far as margin is concerned, we look at more of ROC than just absolute EBITDA percentage, because it will keep on changing because of raw material prices.

**Naman Parmar:** Yes, understand. It's helpful thank you so much.

**Moderator:** Thank you. The next question comes from Kubair Chauhan from Anand Rathi. Please go ahead.

**Kubair Chauhan:** Thank you for taking my question and congratulations on a good set of numbers. A few questions from my side. So, I just wanted to know that what has led to stupendous growth this particular quarter, and how do we foresee the demand in next couple of quarters, number one. And as you said that you are going with an expansion mode. So what would be our asset turnover from the incremental capacity which will be installed?

**Pranav Bansal:** So, sir as far as asset turnover is concerned, what we can tell you is, if you look at standalone Dadri project, it is we are installing about ₹550 crores worth of equipment, now maybe ₹600 crores for the 4,20,000 tonne capacity that we will generate. And against that 4,20,000 tonnes, we could be able to do a revenue of about ₹3,500 crores. So, against ₹600 crore investment we should be able to do ₹3,500 crore.

**Kubair Chauhan:** Okay.

**Pranav Bansal:** For new project, as far as the current business or anything else post it again keep, will depend on the kind of product that we are installing. As I said, our margins keep on varying depending on the product. Similarly, the investment also keeps on varying. We have about 5000 SKUs now in our product portfolio. For each SKU, the investment matrix or the inventory turnover and asset turnover is a little different.

**Kubair Chauhan:** Okay. And any new products in our pipeline going ahead and how you are aiming to drive next quarter and as well as FY26?

**Pranav Bansal:** Perfect. So, even in this quarter, the third quarter we have seen a big jump in revenue as well as EBITDA pertaining majorly to the consolidation that has happened within our group. So now, all group companies, everything all sales have been consolidated within Bansal Wire, therefore you see it is kind of a jump in this quarter which should remain there, and we should only try to better it as we go on.

**Kubair Chauhan:** And aspiration for FY26 any kind of, how much of top line or how much we are aiming for?

**Pranav Bansal:** So, sir as a company, even in the last 10 years we have grown at 20% to 25% on an average, which is what we want to continue going ahead. With this we are also adding specialty wire vertical which is a new vertical and which is also one of our main focus areas. So against the 20% to 25% now we have our existing products, as well as specialty wire vertical to bank on

**Kubair Chauhan:** So, about the specialty wire vertical so where these products have been applied majorly?

**Pranav Bansal:** Sir, these are products, the main product in specialty wire vertical is a product that we call steel cord. Now, steel cord is a product that, we will be the first and the only Indian company to make this product till now. This is used in tyres. And right now, most of this product is being imported. So this is more of an import substitute, which today the market size in India is about two to two and a half lakh tonnes, of which we are only started with 20,000 tonnes as a pilot project in which we have invested already ₹150 crores. So, there is a big potential here to grow.

**Kubair Chauhan:** So we are supplying to all the system, all the tyre manufacturers, or only certain specific of customer. I am assuming that depends on radial as well as buyers. So we are restricted to any particular segment or to everyone?

**Pranav Bansal:** So, sir there is no bias consumption here. This is only for radial tires, whether it is TBR or PCR. That is one, second we have only started this last month therefore, there needs to be an approval process, along approval process that we are waiting for, till then what we are doing is from the same infrastructure, we are making something called hose wire, which is also part of the specialty wire vertical, which is used to manufacture hydraulic hose. In which our numbers till now have been a little better or than expected, the response also has been better than expected.

**Kubair Chauhan:** And how much we are aiming to, how much would be the contribution of this specialty wire vertical from our top line?

**Pranav Bansal:** Sir right now, the pilot project is of a capacity of 20,000 tonnes. Looking at the current market prices, it should give us about ₹ 300 crores of revenue.

**Kubair Chauhan:** By when?

**Pranav Bansal:** Sir this all depends on the approval process. So the approval process takes anywhere between nine months to two years. So it all depends on when and how we get an approval. But once we do, ramp up is very quick and even till that time, we will still be making hose wire which is a byproduct with similar kind of a return ratio. We expect the capacity utilization to be there very soon.

**Pranav Bansal:** Okay, got it. Thank you.

**Moderator:** Thank you. Before we take the next question, a reminder to all the participants, you may press “\*” and “1” to ask a question. The next question comes from Veenit Pasad from Investec. Please go ahead.

**Veenit Pasad:** Hi, good afternoon Pranav. Hello, am I audible?

**Pranav Bansal:** Yes.

**Veenit Pasad:** Good afternoon Pranav. Pranav my first question is, if you can share any update on how are we seeing, what are the timelines for stainless steel rod backward integration, which we were planning to take up, any progress on that front?

**Pranav Bansal:** So sir in fact as we speak we are in the middle of processing payments for the land acquisition we have already finalized the land in Sanand in Gujarat, from GIDC so that's in process. Within a week we should have the possession on the land. And apart from that, even the equipment's, we are in daily touch with our manufacturers and we should be able to finalize some orders within the next two months. After this, it will take us about 15 to 18 months to really establish them and start production.

**Veenit Pasad:** Okay, and was my understanding correct, that we will place equipment orders in the next two months for this?

**Pranav Bansal:** Absolutely yes. So within this financial year, we will try our best to finalize equipment and place orders, so that after 18 months, we should be able to start so anywhere in the middle of FY27 or even if there is a couple of months here and there, within FY27 at least we should be able to start production in full swing.

**Veenit Pasad:** Understood, and Pranav second question on working capital. Now, we had spoken about using something like bill discounting and other methodologies for discounting of our debtors. Where are we on that front, have we made any progress, we have not done anything as yet, we plan to start that soon, any color on that?

**Pranav Bansal:** So, I would say every one of us has been very focused on ROC now, and it is a journey that we are on. And we have made some good progress till now. We have already tied up a lot of limits, but we are not utilizing it yet, because it is not required. But after the consolidation of Balaji and Bansal High Carbon within Bansal Wire, now we see that maybe next quarter, or from Q1 of next year we will start utilization which will bring our debt level down as well.

**Veenit Pasad:** Understood. And Pranav lastly, if you can share some light on let's say how has been the demand trends for us last month or maybe January or how are we seeing Q4 pan out, number one. And number two, which are the sectors which are doing well, how has been the ordering from the customers end, is it a case wherein we are facing some capacity challenges in terms of fulfilling or demand is relatively slower. If you can share any light on demand, that will be helpful.

**Pranav Bansal:** Awesome. So, sir, it has been challenging for us in the last two, three years overall to be able to meet our customers demand. Earlier because of the delay in the Dadri project, and now in the last three, four months, because of not being able to produce enough product within Dadri. So although it is being streamlined and now every day we see some good numbers. But yes, in the last quarter itself, I would say all our sectors we had good demand, especially automotive,



even though in December there is generally a slowdown in our automotive but we were able to grab a higher market share in a lot of products and get good order. So right now, it is all about producing more, because sales is not a challenge. So even in Q4 we see a good demand from our customers coming across all products, not just one, all high carbon stainless steel as well as low carbon we see a good response.

**Veenit Pasad:** Perfect. Thank you so much Pranav. Thank you.

**Pranav Bansal:** Thank you.

**Moderator:** Thank you. The next question comes from Jay Patel from Patel Equity. Please go ahead.

**Jay Patel:** Hi Pranav. So just wanted a clarification we mentioned ₹150 crore CAPEX for specialty wire. So is it for all the CAPEX that we have done that is IHT, OT, steel cord and bead wire, or it is only for steel cord ₹154 crores?

**Pranav Bansal:** With a 150 crore CAPEX that we have almost already done is only for steel cord. IHT, OT wire is separate from that in fact, that is also a product that we are now ahead of schedule. We were supposed to start investment in IHT wire by mid of next year, but we have already placed some orders, and we will hopefully do something within the first quarter.

**Jay Patel:** Okay and steel cord it is more of an import substitute but what about this, IHT, OT and bead wire are there any domestic manufacturer or they are also substitute?

**Pranav Bansal:** Sir bead wire it is almost all domestic, so we have three, four more manufacturers apart from us here in this product, and similarly in IHT, there is only one manufacturer that is Tata Wire. Otherwise, this is all being imported and this is a product that is used in EVs, so we see a very good demand in this particular product, and which is the reason why we have actually expedited the ordering and the commissioning process.

**Jay Patel:** Okay. And margin same with products would also be more or less in-line with steel cord, or they would be up or down?

**Pranav Bansal:** Sir in IHT wire, we are looking at similar kind of margins as steel cord, but it is of course a smaller market, not as big as steel cord. In bead wire, we are looking at general margins which we get in high power nothing special.

**Jay Patel:** Okay, got it. And sir secondly, this backward integration into SS rods, so how would it affect our margins on per tonne basis, how will it benefit?

**Pranav Bansal:** So, sir here again we work on more of a conversion volume, even for stainless steel scrap, it is more of a conversion module, where in our raw material will be scrapped. And we will just add our processing cost and margin over and above that. Any increase and decrease as with the

wire is passed on to the customers here as well. Here we are our own customers, so we do not see a big challenge in capacity utilization or order booking. As far as margin is concerned, it will only help us here because we will be able to control our inventory and more of a processing cost kind of an advantage here we will see.

**Jay Patel:**

Got it. And sir next is we are basically, as you have been saying we are a low margin business like operating leverage is of top most importance to us. But what I can't understand is, having a Dadri site, very large site at a single location it helps us in operating leverage. But for backward integration we are going into Gujarat, and again for steel cord you are looking at Bangalore. So this would increase your cost, right. So how do you leverage it?

**Pranav Bansal:**

Sir, one good thing that has happened with Dadri that we have understood, that a small capacity somewhere is not viable. After putting up Dadri we feel that even that plant, as compared to our existing smaller facilities, there is a very big difference in operational costs. Therefore, from now on whatever investment we want to do, we do not want to scatter it into very different plants or areas. Therefore the Gujarat and South expansion also is basically from that thought process, because even today about 25% of our sales comes from Gujarat. So by having a plant in Gujarat, we are going closer to the market, and with that, it will also help us in expanding in the wire business at a later date, where in any product that we make in North we can also make in Gujarat and serve the best. Similarly for steel cord, when we choose Bangalore, it is not only for steel cord, but in the longer run by we will also be able to enter in our general products within the South market by having a manufacturing facility there. So this is the reason why we are choosing a different area. And for example, for backward integration the raw material anyway comes from the West. So even today, even if I have a plant within the Northern part of India, I still have to buy from West. So I am only going towards my raw material source and towards 25% in the market. And South for steel cord also, I am going only closer to the market so that I can save my transportation cost, which is a very big cost for us across all products.

**Jay Patel:**

Got it. Sir, last one from my side is, see in specialty wire, in hose wire as well as steel cord Chinese are a significant contributors to India's import right and they can be pretty aggressive with pricing. So do you think once we have approach in place for steel cord, we can beat Chinese in pricing?

**Pranav Bansal:**

Sir, here another challenge in imports is, this product comes on basically a steel packaging or steel reel. So what happens is, any producer outside of India supplies it on a steel reel the customer in India consumes it, and then they send the packaging back. So therefore there is twice the transportation cost that is involved, which is a very, very big cost for this kind of a product. So first, when we compete with China, we will have this advantage of logistics cost, because we are a domestic producer. Second, even after that, we have a 10% kind of a duty on this product, which is something that we get a straight benefit from. Third thing, we are honestly not looking at selling this product at the Chinese price, or competing with China

directly. We are an alternate to China. So we are giving a better service, we are closer to the customer that is why we would be able to charge a better price than the Chinese price in India. So a combination of all these three things, it makes us comfortable that, yes we will be able to compete with them and still earn a decent enough margin, which is also evident by the current order book that we already have for hose wire. The margin that we were expecting in hose wire, in our projections we are getting, we are able to fetch a higher price even today from that.

**Jay Patel:** Got it. Thank you Pranav. Thank you for the elaborate answer, and all the best.

**Pranav Bansal:** Thank you sir.

**Moderator:** Thank you. The next question comes from Depesh Kashyap from Invesco Mutual Funds. Please go ahead.

**Deepesh Kashyap:** Hi Pranav. Thanks for taking my question. Sir to begin with, can you just give a split of the high carbon, low carbon and the stainless steel volumes for this quarter please?

**Pranav Bansal:** Sir we are not making the details on a regular basis. We, we generally only track total volumes, but for the split volumes, we can definitely send it to you later.

**Deepesh Kashyap:** Sure. And so just want to understand this, your other two companies right, the Balaji Wire and your Bansal High Carbon has that been closed and your volume shifted to your main entity or still not?

**Pranav Bansal:** Sir, the volumes have completely shifted by completely what I mean is, about 95%, 98% kind of revenue has been shifted 2% or 3%, 5% revenue is left with those two companies due to some product approvals, which will shift very soon.

**Deepesh Kashyap:** And sir this happened when in this quarter only, or the last quarter also?

**Pranav Bansal:** In the third quarter, the majority of shift happened in the third quarter, but we had already shifted some volumes in Q1, some additional volumes in Q2 and the final volumes have been shifted in Q3.

**Deepesh Kashyap:** Okay. Sir last quarter you did around 80,000 tonnes, right and this quarter 92,000 tonnes. So just wanted to understand how much will be because of the shift, and how much will be the actual volumes that you have seen outside. If you can give some color on that?

**Pranav Bansal:** Yes you are absolutely right. So you will see about 25% to 30% kind of a growth here, in which I would say most of it has come because of consolidation. So about 10% to 15% is the volume increase that we have done quarter-on-quarter.

**Deepesh Kashyap:** Yes, 15% is the volume increase that you have done, but in this something will be due to the consolidation, and something will be due to actual volume growth that you must have seen right? So how much will be for consolidation, if you can just give a color?

**Pranav Bansal:** Sir, we will have to give that to you later.

**Deepesh Kashyap:** Okay, got it. And then how much of the Dadri capacity has been operationalized, and what is the utilization that you are running on right now?

**Pranav Bansal:** We have now touched about 30% kind of a utilization level in Dadri.

**Deepesh Kashyap:** And sir capacity is how much right now?

**Pranav Bansal:** Sir the capacity, I would say about 80% of our capacity has already been commissioned, and the balance is also being commissioning within the next two months, we should be able to commission the complete 3.5 lakh tonne of capacity.

**Deepesh Kashyap:** Okay, so 80% of 3.5 is already commissioned and rest will be happening in this quarter, and then your further expand to 4.2 that will happen over the next six months, right?

**Pranav Bansal:** Yes, absolutely right.

**Deepesh Kashyap:** Okay, got it. And you also highlighted that you started selling the specialty steel wires in the month of January. Can you tell what is the EBITDA per tonne trends like how different it is from the existing numbers that you have in those specialty wires?

**Pranav Bansal:** Sir, I would say it is fairly different from the existing trend that we have, because right now, the product mix that we have is more of high volume and low value addition, whereas steel cord or hose wire is completely different. So for the exact numbers we will have to take it out. But in general, I would say any projections that we had for specialty wire, the margins have been a little better already.

**Deepesh Kashyap:** Okay, understood. And sir lastly, recently you have created a subsidiary of BWI Steel Private Limited so what is the use of that, for what purpose have you created a separate subsidiary?

**Pranav Bansal:** Sir BWI Steel is the company that will do the backward integration for us in Gujarat. That company is already in process of buying land, and then after we will start investment in fixed assets as well.

**Deepesh Kashyap:** Understood. Thank you Pranav, all the best.

**Pranav Bansal:** Thank you, sir.

**Moderator:** Thank you. The next question comes from Manav Jain from SP Capital. Please go ahead.

**Manav Jain:** Thank you for the opportunity. So my question was regarding the steel cords product. So since you said this is an import product, my question is, why hasn't any other Indian company, went into this segment and into this product in the past and will they ever venture into this product segment in the future?

**Pranav Bansal:** There are some definite challenges that we see for a company entering this product, because it is definitely, I would say one of the highest technical product that we have in our industry. Therefore, you need the right set of people, the right set of technology and process and that culture which we already have being in this industry for the last 85 years. For technology also, we signed up with some good companies wherein we are able to get the right product made. Definitely one process, and the second is of course a long approval process from the customer.

**Manav Jain:** So what is the current market share for this product any thoughts that?

**Pranav Bansal:** We have only started last month, our samples have already been made. We are a little ahead of schedule in terms of sampling, as well as in terms of actually realizing sales from those, the quality has come out perfectly well it is acceptable in the market, and this is the reason why we are getting a better than expected response from it.

**Manav Jain:** Got it. And I have a question on a margin side. The specialty products have a high margin base. So what are your expectations when this high margin product get consolidated with your other wire products?

**Pranav Bansal:** The revenue potential of this product for us right now is about ₹300 crore, in which if you look at the current prices, or the prices that were prevailing in the market till now, it has been about 20% to 25% kind of an EBITDA that we look at, which is fairly different from our current numbers.

**Manav Jain:** Okay, got it. That's all from my side. Thank you so much Pranav.

**Moderator:** Thank you. Before we take the next question, a reminder to all the participants. You may press "\*" and "1" to ask a question. As there are no further questions from the line of the participants, I now hand the conference over to Mr. Pranav Bansal for closing comments.

**Pranav Bansal:** Thank you everyone for attending the investor call. It was great to speak to all of you guys again. I hope we have answered all your queries, and for the queries that we have not answered, we will try and send you all the details as soon as possible. Thank you again.

**Moderator:** Thank you. On behalf of Bansal Wire Industries Limited that concludes this conference. Thank you for queries you can connect with Adfactors PR team. Thank you.