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सन्तोषजनक व्यवहार

Bansal Wire Industries Limited

Manufacturers of Steel Wires

July 28, 2026

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 Earnings Conference Call pertaining to the Un-Audited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2026

Dear Sir/Madam,

In accordance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform to the stock exchanges that the transcript of audio call recording of the Company's Earnings Conference Call held on Thursday, July 23, 2026 at 11:00 A.M. (IST) to discuss the Un-Audited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2026 is attached herewith.

This information will also be available on the website of the Company www.bansalwire.com

We request you to take the above information on record.

Thanking you,

Yours faithfully,
For Bansal Wire Industries Limited

Sumit Gupta

Digitally signed by Sumit Gupta
Date: 2026.07.28 17:35:17 +05'30'

Sumit Gupta
Company Secretary & Compliance Officer

Encl.: As Above

Bansal Wire Industries Limited
Q1FY '27 Conference Call
July 23, 2026

MANAGEMENT: **MR. PRANAV BANSAL – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – BANSAL WIRE INDUSTRIES LIMITED**
MR. GHANSHYAM DAS GUJRATI – CHIEF FINANCIAL OFFICER – BANSAL WIRE INDUSTRIES LIMITED

Moderator: Ladies and gentlemen, good day and welcome to the Q1 and FY 2027 Conference Call of Bansal Wire Industries Limited.

From the management, we have Mr. Pranav Bansal, MD and CEO, and Mr. Ghanshyam Gujrati, Chief Financial Officer. To take the discussion forward, we also have an investor relation team from Adfactors PR.

As a reminder, all participant line will be in the listen-only mode, and there will be opportunity for you to ask question after the presentation conclude. Should you need assistance during the conference call, please signal an operator by pressing "*" then "0" on your touchtone phone.

Before we begin, I would like to mention that some of the statement made in today's discussion may be forward-looking in nature and may involve risk and uncertainties.

Please note that the disclaimer mentioning this risk and uncertainties are on the disclaimer slide of the investor relations presentation that has been shared earlier.

I now hand the conference over to Mr. Pranav Bansal for opening remarks. Thank you, and over to you, sir.

Pranav Bansal: Yes. Thank you. Good morning, everyone, and welcome to Bansal Wire Industries Limited Q1 earnings call. Joining me today is Mr. Ghanshyam Das Gujrati – our CFO. I trust you have had a chance to go through the Results, Press Release, and Investor Presentations, all of which are available on the Stock Exchanges and on our website.

Before I delve into specifics of the quarter, let me spend a moment to touch upon the operating environment during this quarter:

This year, we entered the quarter with an added layer of complexity as the ongoing geopolitical tension in West Asia created near-term volatility across global supply chain, leading to a temporary disruption in the availability of natural gas. Consequently, profitability during the first half of the quarter was impacted by higher input costs and operational disruptions.

However, business environment improved. The conditions improved meaningfully in the later half of the quarter, enabling us to a gradual recovery in operations.

I would like to emphasize, however, that we responded to this situation with agility. Through a mix of operational recalibration and increased reliance on alternative energy sources, we were able to progressively restore production levels.

For the quarter, our sales volume stood at 112,000, roughly. More importantly, our operating capacity as of today stands at around 680,000 tonnes, and we are pleased to say that we are back to the normal level of operations with steady and comfortable margins.

On strategic front:

The quarter had actually been quite eventful, with several of our key growth initiatives crossed meaningful milestones during the period.

In our Steel Cord business, we received our first trial order from one of India's leading tire manufacturers during the last quarter.

Given that domestic demand in this segment is largely met through imports, this milestone validates the capabilities we have built and marks an encouraging step in our journey. While the qualification progress is rigorous and typically takes time, we are pleased with the progress that we have made so far.

Our IHT wire business continues to make good progress and has been ahead of our initial expectations. Customer approvals are progressing well, and we are seeing encouraging traction as the business gradually scales up.

We also expect our OHT wire business product to commission shortly. Together, these products strengthen our Speciality product portfolio and position us well to address larger opportunities in higher value-added segments.

On the B2C front also, we made meaningful progress during the quarter with the introduction of our new range of steel wire products for the Farming, Fencing, and Poultry segment. Customer response has been encouraging with these products contributing approximately 10% of our sales already during the last quarter. This marks a promising new growth avenue for the company and reflects our broader strategic focus on diversifying our product portfolio while strengthening the Bansal brand beyond its traditional industrial channels.

I am also pleased to share that we generated a free cash flow from operating activities to the tune of about INR 120 crore during the quarter, which reflects the continued discipline we are bringing to the working capital management and overall capital efficiency, even in seasonally soft quarter impacted by these operational challenges.

Coming to the outlook:

While the quarter did witness subdued demand and some de-stocking at the customer end, our assessment of the underlying business is that our fundamental challenges are almost over. Demand indicators are gradually improving. Industrial gas availability is easing, our strategic initiatives are all progressing well.

So, looking ahead, we are still working towards achieving a growth of 20% for the rest of the year. This confidence is anchored in a few things:

1. Our core business continues to gain market share across all end markets, driven by stronger customer relationships and a widening product mix.
2. Our Speciality portfolio is beginning to contribute more meaningfully as approvals advance and volumes scale up.
3. Our capacity, both installed and being added, give us the runway to support this growth without disruption.

Continuing to gain market share remains at the core of our growth philosophy. It is what has driven our journey so far, and it remains our sharpest focus area even going forward.

We are increasingly seeing the tangible outcomes of the investment and strategic initiatives undertaken over the past few years, we remain confident of creating sustainable long-term value for all our stakeholders.

With that, I will now hand over the call to our CFO – Mr. Ghanshyam Gujrati, who will take you through the financial highlights of the quarter. Thank you.

Ghanshyam Gujrati: Thank you, Pranav Sir. Good morning, everyone.

Let me take you through the financial summary for the quarter of FY 2027:

Our revenue for the quarter is INR 1,168 crore, reflecting a growth of around 25% on a year-over-year basis. EBITDA for the quarter came in at INR 57 crore, and net profit for the quarter is INR 20 crore.

As Pranav Sir already mentioned, our sales volume for the quarter is 112,000 metric tonnes as compared to 104,000 metric tonnes in Quarter 1 FY 2026.

While the Quarter 1 is seasonally a softer quarter and the temporary industrial gas shortage impacted production during the part of the quarter, otherwise the demand across our end market remained reasonably steady.

On the cash flow side, we delivered a healthy operating cash flow of INR 121 crore during the quarter, reflecting our continued focus on tightening working capital cycle.

With that, I will conclude my remarks. Thank you.

Moderator: Thank you. Ladies and gentlemen, we will now begin with the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. Our first question comes from the line of Kunal Sharma with Veritas Research. Please go ahead.

Kunal Sharma: Pranav, just firstly would like to hear from you that how will you rate this result Quarter 1? Pranav, let's say if this war remains for another few quarters as the oil price is again at the elevated level, how does Bansal Wire reach with respect to the growth and margin per se? and will this issue again persist on the growth and margin, or are we ready to move with the strong guidance and the range that we have given?

Pranav Bansal: All right. To answer that question, let me break our Q1 into two parts. The first 45 days is when we saw an exponential increase in all our consumable prices, majorly gas and other packaging and other consumables to the tune of about INR 5,000 a tonne on a blended basis. Now as a company, we took a very conscious decision not to pass this over to our customers on the firm rate of orders that we already have. We generally carry about 30-40 days of orders with us. That 30-40 days of order as a company, we took a call that we will absorb that cost because we have been with these customers and they have supported us for such a long time. We want to support them in this time and not renegotiate on the committed orders. That went with about INR 2 a kg EBITDA margin. We took a hit from INR 7 a kg blended and we came down to INR 2 a kg, wherein we absorbed all that cost. Now once we had that cost increase, the new orders that we booked were again with the right prices. There we were getting even in fact INR 8 a kg blended margin. So, the second half of the quarter went with 7-8 a kg margin. In fact, 8 a kg margin, but if you adjust it with a lower base, it came down to 7 a kg. This is how the 1st Quarter was. After the 30-40 days, quarter two back to normal. The only disruption for us was that our volume was not growing by 20% because there was a dip in demand. Now as of today, even with all of this crisis today, we see that the demand is there. We have been able to grab higher market share, and the B2C segment also helped us in the last quarter to gain market share. So, as of now, even with all the cost escalation, this has been called on, and we are back to the INR 7-8 INR a kg EBITDA levels which gives me a confidence that we will be able to achieve our target for the next three quarters of the year.

Kunal Sharma: Understood. Just to follow up on the margin and the pricing, which you told that INR 2 a kg that we absorbed instead of passing it to the end consumer. On the margin, do we run a cost-plus model? Is that the reason behind the margin during the quarter has impacted and quite badly to, I guess, 4%-odd?

Pranav Bansal: We operate at a cost-plus model wherein any increase and decrease that we take in our raw material or even consumable is passed on to the customer. But now in steel, we carry about 30-40 days of stock. Now to create a natural hedge in the system, what we do is that 40 days of inventory is also covered with 30-40 days of fixed rate orders, so that we do not get into a cycle of commodity pricing. But in this case, that strategy affected us badly because we already had 30-40 days of order book, and the cost escalated drastically immediately. It was not that it will escalate from the next orders. It escalated immediately. Now in this case also, we could have passed this on, but due to the relationship that we have had with all our customers, we try to support them and not renegotiate in the already committed orders. But the day we got an increase, from the very same day, any new orders that we book were with an escalated price. So, any new orders that I booked from 1st of April also, I was maintaining my margin. Therefore, we took a temporary hit of 30-40 days of order book. That is all that was. Other than that whole quarter we have operated on regular margins.

Kunal Sharma: Got it. From next quarter onwards, we will be back 7.5%-8% in margin.

Pranav Bansal: From almost May 15th, we are already back to INR 7-INR 8 per kg margin.

Kunal Sharma: Superb.

Pranav Bansal: That is why you see a blended INR 4.5 or INR 4 a kg. Otherwise, the first 45 days we operated at INR 2 a kg EBITDA.

Kunal Sharma: Got it. Okay. My second question on the Steel Cord. We secured the first trial order from the leading Indian tire manufacturer. I just wanted to understand a basic understanding that first we have shifted from the pilot project to the trial order book last in a couple of quarter we alluded, which means the customer approved us as a Steel Cord supplier, and we start getting an order book from the respective tire manufacturing company. So is my understanding correct?

Pranav Bansal: So, in the approval process, there are two stages. One is a sample approval and then it goes to field trial or bulk trial. We have passed the sample approval stage with most of our customers. We are onto the second stage. In fact, there were some customers that were very pleased with the results that they got in the sample approval. Therefore, they skipped the second stage of a field trial and moved directly to bulk trial orders. So, this is one of those customers who skipped the field trial process, they have shifted to directly product trial. We have received the first trial. There are stages of four trials to be held in this particular case. With a couple of months for each trial, I think we should be there.

Kunal Sharma: If you can share the quantum of the order book from the manufacturing company, Is that a MRF, if you can share.

Pranav Bansal: I can't comment on the name, what I can tell you is it is a trial order so there is no order book honestly there. Once we pass on these stages, we will get a confirmed order book. So, right now this is on a trial stage.

Kunal Sharma: Okay. When are we expecting to get the final order book from this kind of customers?

Pranav Bansal: We will keep you updated. It is still to be seen, how long they take to try it out, then we have to give them a second trial, how all of that works. The results of all of those will define the timeline. Generally, from our experience till now, we see that it will take about two to three months for each stage of a trial. If we take, let's say, four trials or three trials, it can take up to six to eight months. We will keep you updated. This is not the only customer so we are expecting more trial orders within this quarter also from other customers.

Kunal Sharma: My another question on the CFO that we have, I guess during the quarter that we raised to almost INR 800 crore combined for FY 2027 and FY 2028. What has led us to accelerate the guidance for CFO as earlier, I guess we were supposed to be at the INR 600-odd crore. If you can just throw some light on it.

Pranav Bansal: Sure. The INR 600 odd crore was our guidance for last year and this year combined. Last year, our target was INR 250 crore against which we did almost INR 330 crore. This year, our target was INR 350 crore against which even in the last quarter after these challenges, and even though we did not get a good EBITDA or a good PAT, we still were able to manage INR 115 crore of cash flow. Yes, I think our initiatives have paid off, and we are on that journey. We are quite confident, given the last five quarters that we have been able to maintain our cash flows to reach the number. And honestly, if you don't target, you will not be able to achieve. So, it's important for us to target this kind of a number to achieve it.

Kunal Sharma: Are we now back to the (+75%) utilization since we the first generation started since the production has been started?

Pranav Bansal: Yes. Right now, the demand is back, we are operating at that level.

Kunal Sharma: Okay. Thank you. Thank you so much.

Pranav Bansal: Thank you.

Moderator: Thank you. Our next question comes from the line of Aditya Bhartia from Investec Capital Services. Please go ahead.

Aditya Bhartia: Hi, good morning, Pranav. Pranav, you mentioned that we should be back to 20% kind of a growth for the remainder of the year. I guess you were speaking about volume growth. If we consider INR 7-INR 8 of EBITDA per kg, last year we were having closer to INR 6.5-INR 7. Does that mean that even on a profitability on a per tonne or a per kg basis, there can be a 10% increase, and therefore at the EBITDA level we are looking at 20% volume plus 10% EBITDA increase, which makes it 30% kind of a total EBITDA increase? Is that how you are kind of thinking about it?

Pranav Bansal: Sir, yes, good morning. Yes, we are looking at a 20% volume growth. Our EBITDA guidance would also still remain 20%. Although I agree that we started this quarter with a higher EBITDA base. But we have three quarters to go, so you never know. There could be Rs. 0.15 up or down in our business. We would like to be a little comfortable here. If we are gaining, let's say, 20%

volume then our EBITDA would also at least grow by 20%, if not more. But anything upwards of this is still to be seen. A lot of uncertainty is still remaining here.

Aditya Bhartia: Understood. Also, if you could speak about IHT, OHT wires, what proportion of revenues and volumes would be coming from IHT today, and how large can OHT become? How exactly are the profitability metrics of these kind of wires?

Pranav Bansal: IHT and OHT combined, right now we have 9,000 tonnes of capacity, which will reach to 15,000 tonnes with OHT commissioning. As a product combined, I think we have gotten good response from the customers here. In IHT, just to give you an example, next month we are targeting 50% capacity utilization. Within this year, we see that we will reach to an optimum utilization level already in IHT, because our approvals are on a very advanced stages. 80% of the customers have already given us approvals. Only 20% remain, which are also in very advanced stages. So, I think, this product has done well. On the EBITDA side also, although we do not see meaningful EBITDA today because we are operating still at, let's say, 35%-40%. Once we reach an optimum capacity utilization, I would say that we can expect similar EBITDA, like we are thinking of Steel Cord or something like that in percentage. So, the Speciality wires portfolio, we look at a higher EBITDA than our regular business, which is what we will get in IHT as well.

Aditya Bhartia: Sure. On a per tonne basis, how much does that work out to be?

Pranav Bansal: In IHT, I would say about INR 10-20 INR a kg, in that range.

Aditya Bhartia: Understood. Lastly, on the B2C business, of course this business has scaled up quite sharply and in a fairly short time. What is the ambition that we are having? What are the targets that you have set for yourself in the B2C business? How exactly does the profitability differ from our conventional B2B business?

Pranav Bansal: The B2C segment that we have tapped into, this is in the low carbon side of the business, which contributes to about 50%-55% of our total volume. In that low carbon, our ambition is to reach 50% or more through B2C. 50% of our business in low carbon should come from the B2C segment. On a blended basis, that would mean 25% of our total sales should come from B2C. That is the ambition. From 5%-10% is what we have gained in the last one year. We have doubled our sales in B2C last year. This is the kind of growth that we have already seen, although we were operating at a lower base. But yes, I think we still see a lot of growth potential here. A lot of our initiatives have paid off well. This is a good segment. And on the margin front also, this is better than our B2B side margin. I would say about 20%-30% extra EBITDA per tonne is what we are able to get from the B2C segment as compared to B2B in the low carbon front.

Aditya Bhartia: Perfect. That's helpful. Thanks, Pranav.

Pranav Bansal: Thank you.

Moderator: Thank you. Ladies and gentlemen, in order to ensure that the management will be able to address all the questions from the participants, we request you to kindly limit your question to two question per participant. If you have a follow-up question, please rejoin the queue. Our next question comes from the line of Deeya Jain with Sapphire Capital. Please go ahead.

Deeya Jain: Can you also provide the EBITDA per tonne for the OHT wires?

Pranav Bansal: As I said, OHT, IHT combined, we are looking at a INR 10-20 INR a kg EBITDA. It is a little early to say right now, but this is the kind of range that we are targeting. But we will reach there once we reach an optimum level of utilization, which will be within this year.

Deeya Jain: That would be like a 70%-80% utilization?

Pranav Bansal: Yes. Once we reach (+60%) is when we will start to break even, and I think 70%-80% is when we should see decent margins here.

Deeya Jain: What CAPEX are we targeting this year?

Pranav Bansal: As a company now from the last one year, we have been working a little differently from what we have been doing in the past. Now, our thought process is to put in about INR 200 crore-INR 250 crore every year to keep growing at 20%-25% kind of volume. We will cap our CAPEX at about INR 200 crore-INR 250 crore every year to give us runway for each year. So, this year also will be INR 200 crore-INR 250 crore in total.

Deeya Jain: Okay, sir. All right. I will get back in the queue. Thank you.

Pranav Bansal: Thank you.

Moderator: Thank you. The next question comes from the line of Rahul Girish Shah with Glostar LLP. Please go ahead.

Rahul Girish Shah: Good morning, everyone. Other expense this quarter have increased by INR 26 crore. Can you roughly break that into how much was due to extra fuel cost and how much was due to additional cost due to the new Speciality plant whose commercial production has not started? Rough figure may be 50/50 or 75/25.

Pranav Bansal: I would not be actually able to give you some specific numbers here. What I can say is, on the gas front, our cost has almost tripled in some plants. In some plants it has increased by almost 100%. Blended, I think, our gas cost has increased by about, let's say, 1.5x on an average. Yes, that is definitely there.

Rahul Girish Shah: Okay. The new Speciality plant, the Steel Cord and the B2C segment, will we be able to book any meaningful revenue in FY 2027?

Pranav Bansal: Yes. Already in the 1st Quarter, 10% of our revenue has come from B2C, which is only growing every month. Although for B2C, second and 3rd Quarter are seasonally soft quarters. First and 4th Quarters are better. Still, we should see meaningful growth from the B2C segment. In the Speciality front also, IHT, OHT, as I said, next month we are targeting about 50% capacity utilization. Within this year, we are looking at an optimum utilization, so about 60%-80% capacity utilization by the end of this year, we are looking at in IHT and OHT. In IHT especially. OHT will also be commissioned by the end of this year. Next year, we should see more numbers coming from OHT. Steel Cord also, we have made meaningful progress by getting our first trial order. But yes, there is still a long process to go here.

Rahul Girish Shah: Okay. Thank you.

Moderator: Thank you. Our next question comes from the line of Jigar Jani with Nuvama PCG. Please go ahead.

Jigar Jani: Yes. Hi, sir. Thank you for taking my question. Sir, my question is basically only on volume guidance given 20% growth, and if I do the numbers, it basically implies almost 145,000 something volume every quarter if I just divide it by three. What is giving you the conviction of having such high-volume growth? Is it new customer additions or new products? What is giving you that confidence to do that 20% volume growth?

Pranav Bansal: Overall, in the last 20 years also, if you see, we have grown at about 20% every year. We have a track record of growing at 20%. This year should also not be very different. In general, just to give you some basic understanding of how we have done that. If you divide the 20% growth, you can divide it into three equal parts. One third of the growth comes from our regular customers by increasing market share or just by growing with the customers. One third comes from existing customers, and one third comes from new products that we get into. Every month, almost our R&D team develops 20-25 new SKUs. Every year, we have a target of developing 250 new products. So, this product mix also gives us this kind of an increase. All these three combined, we have generally been able to maintain the 20% growth overall. Some years it could be a little less, some years it could be a little more, but 20% average is what we have grown so far also.

Jigar Jani: Sir, why I am asking this question is if I look at the numbers, then it basically implies over the next three quarters almost 145,000 volumes, which is almost 85% capacity utilization. Is that a fair assumption on the numbers?

Pranav Bansal: Historically also, we have maintained 85%-90% capacity utilization. In fact, this is the sweet spot for us. This is where we get the best capital efficiency. With that being said, we started this year with already INR 6.8 lakh tonnes of capacity in hand and 60,000 tonnes of capacity that we can commission whenever required. Other than that as a company, we have made a strategy of always starting the year with 25% excess capacity available so that we can grow at 20%-25%

throughout the year. So, on the capacity front, I think we are covered. We faced some hiccups in the Dadri facility when we started it, our green facility. It was a Greenfield project. Now even those hiccups are clear, and we are seeing a good ramp-up happening there. Yes, as of today, we see a good demand, and as of today, we don't see why we will not be able to meet that demand because we have the capacity either in hand or at our disposal whenever required.

Jigar Jani: Sure. Understood, sir. Great to hear. Just last tiny question is on margin. We operate on a cost-plus basis. Suppose once this issue of geopolitics and war, etc., get resolved, will we also have to take any kind of inventory hit? How will it function when the prices move in opposite direction, we will have to again pass it on to our customers. The inventory that we will be holding, which is about 30-40 days, again, that hit will also have to be taken by us.

Pranav Bansal: Sir, as I explained earlier, we have kind of created a natural hedge in the system, wherein the inventory that we have, about 70%-80% of that inventory is already booked against firm rate of orders. Therefore, whether there is an increase or decrease in our steel prices, it is passed on to the customer. Any inventory loss also is passed on to the customer. Now here the only difference could be that in one quarter, our opening stock and closing stock prices, you might see a little differently. If we take a loss in one quarter, the second quarter will cover it up, because we already have orders in hand for those prices. That is not going to be an issue for us. In terms of consumable also, any increase, decrease is passed on to the customer. In this case, however, in the 1st Quarter, our only issue was that it increased suddenly, our consumable prices from the very same day. We tried to support our customers here as much as we could. But herein also, all new orders that we took was with an increase. This principle has worked well for us so far. We have seen a lot of these kinds of crises before, and we have come out of this flying. Yes.

Jigar Jani: Understood. Great to hear and best of luck, sir, for the future. Thank you so much.

Pranav Bansal: Thank you.

Moderator: Our next question comes from the line of Vinil Shah with Dalal & Broacha. Please go ahead.

Vinil Shah: Yes. I was asking that previously you had mentioned that the demand was slow from other sectors. Only automotive was the sector which was having healthy demand. Has the industry landscape improved and now we have demand from all the sectors? That is what I just wanted to get a brief overview of the demand side.

Pranav Bansal: Yes. I would say that we see demand from almost all sectors again, even our exports have started doing well and automotive still remains strong. With that, some of these initiatives like the B2C segment and Speciality also have started helping us now, especially the B2C in terms of margin as well as quantity. Yes, overall, I think things look positive in almost all sectors. 2nd and 3rd Quarter are generally a little weaker in infra. Yes, overall still good.

Vinil Shah: Okay. Sir, my next question was that, we had a one-time hit on our raw material margins due to the consumable prices going up. Is it possible that we might see a one-time gain as well now that the prices have already eased down, as you already just replied to one of the previous participants?

Pranav Bansal: That is a possibility but that depends on how suddenly the prices move. If it happens over a period of time then it is all passed on to the customer but if it happens drastically, wherein how we saw a drastic increase, if we see a drastic change or decrease in the prices, we could benefit from that gain also.

Vinil Shah: Okay. Thank you so much.

Pranav Bansal: Thank you.

Moderator: Thank you. Our next question comes from the line of Shubham Thorat with Perpetual Capital Advisors. Please go ahead.

Shubham Thorat: Okay. Sir, I am a little new to the company. Just wanted to understand our product portfolio, specifically the Speciality segment that we have recently entered, the kind of rationale that we have behind entering these segments, the margin differential, if any, compared to the conventional product, and the capacity that we have for these products. Thank you.

Pranav Bansal: Sure. As a company, sir, we have products for almost all segments. Our major segment will be automotive and then consumer durable, power and cable, infra, general engineering, all these kind of segments, agriculture, poultry. All of these segments will have some or the other use case in our wire. As a company, we have pretty much diversified ourselves as much as possible in other areas. Today, no segment for us is more than 25% of our total sale. Similarly, no customer for us is more than 3% or 4% of our total sales. We have tried to de-risk ourselves here as much as we can. Now, just a natural thing in our system is we keep on adding new products. Speciality Wire is also a new product or a new vertical that we have recently added. This will help us for the next 20 years to keep growing at 20% or at a higher pace. This was just a natural addition in our product mix. At Speciality Wire, we have seen a good opportunity. In most of the products, either we are the first or the first of maybe one or two companies in the whole country manufacturing these products. And we have identified here all high-margin items with potential of high-growth areas also. For example, IHT, OHT, these are products used in automotive majorly, and in the automotive also, EV is a large part of consumption here. Similarly, for Steel Cord, this is a product in which we are the first Indian company to get started, and these are all import substitutes. So, these are high-growth areas with high-margin or a higher barrier to entry, which takes a little time. That is what we have done in Steel Cord. It's taken about one year already to reach the two stage of approval. Once we are in, I think these will contribute meaningfully in our total EBITDA. Yes, this is what it is.

Shubham Thorat: Can you comment on available capacity that we have for such products or the kind of capacity that we are building.

Pranav Bansal: Yes. Steel Cord, we have put a pilot project of 20,000 tonnes a year. For IHT, we have 9,000. IHT and OHT com combined, by the end of this year, we will have 15,000. Right now, IHT 9,000 tonnes is what we have. So, about 35,000 tonnes is Speciality Wire products what we have. Once we get our first order or once we start utilizing the 20,000 tonne pilot project, we have planned for bigger expansion. As a company, our vision is to reach to INR 2 lakh tonnes of production within the Speciality Wire front. Yes, once we achieve some level of approval, then some level of quantity, I think our eye is towards the INR 2 lakh tonnes, which will help us grow meaningfully in the next four to five years.

Shubham Thorat: Got it. Just one final question. You mentioned that on the gas front, your cost have increased by about 1.5x on an average. Just wanted to check what is the current status on that.

Pranav Bansal: Even today, our gas prices are escalated. We do not see any decrease in our gas prices today. All of that is still there. Our costs are still escalated but the only change is that all of that has been passed on. We are operating at regular EBITDA with an escalated cost.

Shubham Thorat: Okay, got it. Thank you so much. I wish all the best.

Pranav Bansal: Thank you, sir.

Moderator: Thank you. Reminder to all the participants, kindly limit your question to two questions only. Our next question come from the line of Yog Rajani with Omega Portfolio Advisors. Please go ahead.

Yog Rajani: Yes. My first question is regarding what happened in the recent quarter. As we have seen, our margins have dipped. We being one of the largest players, we might have a bit better than most of the industry. How are we trying to take advantage of the situation where some of our weaker competitors might be facing a more turbulent period?

Pranav Bansal: By grabbing market share, honestly. As a company, we have been grabbing market share. The industry is growing at 7%, 8%, whereas as a company, we have grown at 20% all these years. The thought process is to grab market share every year. Now, only in 1st Quarter, it is not that we have come out of it weaker or our competitors would come out of it weaker. In fact, I would say we are one of the very few companies who have taken this hit, wherein we took this call of not to renegotiate in the old orders. A lot of other companies might not have. Yes, we have been in this industry for 85 years, and our customers have supported us and brought us to this level. We tried our best to support them today. Going ahead, we already have capacity, so the only thing is that we have to utilize it.

Yog Rajani: Yes. My second question is regarding the working capital. As I have seen, we have improved our trade payable days by taking some payable financing. That has improved our operating cash flows but that is just substituting one liability item with another. Are there other improvements that we are making to our working capital that will make the OCF more sustainable in the long run?

Pranav Bansal: Yes, of course, sir. So, this is only one of the initiatives. We have taken two to three different initiatives everywhere. Our inventory days have also come down, and they will continue to keep coming down in the long run, as and when we operate at a higher base. Those operational efficiencies will come in our system or have started already coming in. Similarly, we have done a lot on terms of our receivable days also. So, we have actually been able to bring down our over dues to a large extent, and now we are also renegotiating wherever we can with our customers to bring down our receivables. In the next one or two years, you will see a big change in the receivable pattern also that we have, which will be a structure change of why we will be able to maintain this.

Yog Rajani: Could you comment on why we are not able to get payable days from our suppliers? Because as the largest player, we should have some negotiating power over there. Why are we not able to get there? Why do we have to rely on payable financing?

Pranav Bansal: Yes. As of now, we do not want to negotiate with our suppliers and get payable days because that will also, in some of the other way, bring down our negotiation power. Today, we have structured it in such a way that to our vendors, we are still paying advance, which gives us a lot of leverage in the market when we have to purchase. We are the largest purchaser of wire rods in the country today. Yes, this advantage is very important for us to maintain.

Yog Rajani: There must be some cost advantages you might be getting. Could you comment on that?

Pranav Bansal: Yes. Because we are the largest, I would assume that we should have good pricing and because we are the company that pays in advance, yes, that should mean something. I can't give you an absolute number, but yes, this definitely helps us. That is why we have been able to grab market share and still grow profitability over the years.

Yog Rajani: All right. Thank you.

Pranav Bansal: Thank you.

Moderator: Thank you. Our next question comes from the line of Jay Patel with Patel Equity. Please go ahead.

Jay Patel: My first question was regarding return ratio in the Speciality business. In the earlier con-calls, you had mentioned that for INR 2 lakh tonnes Steel Cord capacity, we will be needing around

INR 2,000 crore of CAPEX, and peak revenue potential for that could be around INR 2,000 crore-INR 2,500 crore, right? So, it implies a pretty low asset turn of around 1x. If I do the math, even if we get 16% EBITDA margin with 1x asset turn, at the end, our ROCE will still be 16%. If I see the last two quarters, even without Speciality, we are doing 16% ROCE. So at the end, the Speciality business is not adding any ROCE to our company. Would you like to comment on that?

Pranav Bansal: Sure, sir. Just to do some math again, on INR 2 lakh tonnes, we will be able to maintain about INR 600 crore-INR 800 crore of EBITDA on an investment of INR 2,000 crore or INR 2,500 crore. This is the overall thought process. Revenue and percentage is not something that are really stable for us. What is stable is per tonne EBITDA and quantity. In the Speciality Wire front, which is majorly Steel Cord and Hose Wire, we are expecting this kind of a range. Therefore, we see a good ROCE. But just another point here again is that even in our current business, we are trying to improve our ROCEs. As and when our low carbon wires increase and with all these initiatives that we have already taken, like B2C and other cost-cutting initiatives, we are looking to go to 25% ROCE in current business also in a very short while. These cash flows that have increased, even in the 1st Quarter, we have decreased our total capital base. Even in the current business, with or without Speciality, we are looking at a 25% ROCE. That is our target, and we have to achieve that.

Jay Patel: Right. In Speciality segment, you must have done a pretty good homework. If we compare our rates to Jiangsu Xingda, I think it is the largest player in Speciality segment competitor of ours. Can we compete globally with them? Domestically, I got your point. Some quarters back, you mentioned that domestically, we have an absolute advantage compared to them. Let's say three, four years down the line, if we think of competing in Speciality segment globally, can we compete with them, or is it that Chinese raw material prices are lower, that export would be totally out of our domain?

Pranav Bansal: Yes. You are absolutely right. Export for us is not going to be a good or lucrative business because of the raw material price. I believe as a company today, I can compete with any Chinese manufacturer on an equal cost basis. If I was to get the same raw material price, I can compete with them any day. Today, our raw material price in India for especially this kind of business, we get an INR 10 to INR 15 kg higher price. That is not a call that we will be able to take in this product. That is 50% of our margin. Yes, our target market for this is India, and that is a big enough market. Even when we achieve INR 2 lakh tonnes, we are not looking at more than 45%-50% market share, which today, 60%-65% of the market is being served through imports. This is all that we can replace, which is big enough for us already.

Jay Patel: Got it. Final question is regarding our future CAPEX strategy. Over the past two years, we have been pretty aggressive with the CAPEX, and somewhere our utilization levels have suffered. Do you have any number in mind that in future, a certain number when we hit certain utilization, after that only we will be doing future CAPEX? Because what happens is when the infra growth slows, Pranav ji, we will be left with excess capacity, and it could hurt our financials. That's why I was asking.

Pranav Bansal: You are absolutely right, sir. As a strategy and one unique advantage that we enjoy here is that more than 50% of our equipments we manufacture ourselves. We are backward integrated into manufacturing our own machinery, which gives us a lot of flexibility in terms of deploying our CAPEX. Today as a company, we need land and the basic infrastructure. Equipments, we are very flexible. As and when we see demand in a particular segment is when we expand. We don't have to plan a year or year and a half in advance. We only have to plan six months in advance to put up new capacities. Therefore, the strategy is to start the year with 20%-25% excess capacity to enable us to grow at 20%-25% for the year, not more. Even this year, if you look at it, we started with INR 6.8 lakh tonnes of capacity, which is 20%-25% extra capacity for us to grow. That is the only capacity that we need. As a company, we set our CAPEX to about INR 200 crore-INR 250 crore this year. At the current base of EBITDA or revenue that we have, to grow at 20%, we need to deploy INR 200 crore-INR 250 crore every year. This is what we will keep on doing each and every year. There is not going to be one year of very high CAPEX as of now, other than the Speciality segment.

Jay Patel: Right. Thank you. That's very helpful. Thank you, and all the best for the future.

Pranav Bansal: Thanks.

Moderator: Thank you. Our next question comes from the line of Aditya Bhartia with Investec Capital Services. Please go ahead.

Aditya Bhartia: Pranav, my question was also on vendor financing. Just want to understand what's the roadmap over there. To what extent do we want to keep doing vendor financing? At the same time, is there a scope of getting receivable days down sharply and as the B2C business scales up, involving channel financing as well?

Pranav Bansal: Sir, we have already started doing a lot of channel financing with our customers. We have also renegotiated with a lot of customers wherein we could see that while maintaining market share, we could reduce our receivables. Other than that, also, there is a lot of scope on the receivable side. So that is definitely in our strategy. This year and next year, most of our cash flows you will see will also come from receivable days going down. So that is definitely one of our main strategies. With that being said, there is a lot of scope in increasing our payable days. At least for the inventory carrying days that we have, we would want to substitute that with days payable. A bit of both honestly can help us bring down our total capital base.

Aditya Bhartia: I understood. That's helpful. Thanks, Pranav.

Moderator: Thank you. Our next question comes from the line of Anil Shah with Dalal & Broacha. Please go ahead.

Anil Shah: Thank you for taking my question again. Actually, I had bookkeeping questions. With our previous con-call, we had knowledge that we are planning to sell our balance land of the Sanand facility, but we do not see it being presented in the balance sheet as an asset held for sale. I believe that it's the IndAS requirement. Could you just share with that, please?

Ghanshyam Gujrati: Actually, Sanand facility, we have said that Sanand facility will not be disposed obviously. And it will be the additional land available to us, that we are thinking about that. Nothing more than that. Our expansion is going on there, and it will be there.

Anil Shah: Yes. If I remember correctly, I think Pranav sir had mentioned that we are trying to sell it and cash it out because we had already deferred our backward integration project. That is why I think there's a bit of a confusion.

Pranav Bansal: Yes. Correction here. It is not that we are trying to sell off the entire facility. We have already started expanding in the Sanand facility with wire CAPEX, about 90,000 tonnes, but we have excess land, we will take a call on that definitely. Some part of it we might sell, not completely, because we are expanding already there.

Anil Shah: Okay, sir. Okay. Thank you very much.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to Mr. Pranav Bansal for the closing remarks. Thank you, and over to you, sir.

Pranav Bansal: So, thank you, everyone, for joining us today. I hope we have answered all your questions. If there's anything else, please let us know, we will be happy to answer any more questions that you ask. Thank you. Thank you again for your interest.

Moderator: Thank you so much, sir. Ladies and gentlemen, on behalf of Bansal Wire Industries Limited, that concludes this conference. For any queries, you can connect with Adfactors IR Team. Thank you for joining us, and you may now disconnect your lines.