



# Bansal Wire Industries Limited

Manufacturers of Steel Wires

Date: November 15, 2024

To,  
**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 half year ended September 30, 2024**

Dear Sir/Madam,

In accordance with Regulation 30 of the 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 Call held on Tuesday, November 12, 2024 to discuss the Un-Audited Financial Results (Standalone and Consolidated) for the quarter and half year ended September 30, 2024 is attached herewith.

We request you to take the above report on record.

Thanking you,

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

**Sumit Gupta**  
Company Secretary & Compliance Officer

**Bansal Wire Industries Limited**  
**Bansal Wire Industries Limited Q2 H1 FY'25 Earnings Conference Call**  
**November 12, 2024**

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**Moderator:** Ladies and gentlemen, good day and welcome to the Q2 and H1 FY '25 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. 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 “\*” and “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Darshan Mankad from Adfactors PR, for opening remarks. Thank you and over to you.

**Darshan Mankad:** Thank you, Michelle. Good afternoon, everyone. We welcome you to the 2nd Quarter and first half ended September 30, 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 our 2nd Quarter and half year ended September 30.

I am delighted to address you today as we continue building on the momentum set earlier this year after our listing. I hope you all had a great festive time with your families. On behalf of Bansal Wire Industries Limited, accept our best wishes to all of you and your family members.

I trust you had a chance to review our result, press release and investor presentation which are available on the Stock Exchanges and our website. I have with me our CFO, Mr. Ghanshyam Das Gujrati to answer your questions.

For those new to our company, Bansal Wire Industries Limited operates 5 manufacturing facilities. We produce over 3,000 SKUs focusing on high carbon wire, mild steel wire and stainless-steel wire as our key segment. We are right now on a journey of establishing our fourth vertical which is the speciality wire. These products are serve in a wide range of industries including automotive, infra, consumer durable, general engineering and various others.

Our commitment to quality and customization has helped us build a diverse and loyal customer base of over 5,000 customers. As a leading player in the steel and stainless-steel wire industry, Bansal Wire Industries Limited is positioned to leverage growing opportunities in all our concerned sectors. In the 2nd Quarter of FY'25 also, we have achieved our highest ever quarterly revenue driven by strong demand across all our key segments like automotive, construction and general engineering.

In the last quarter, we proudly announced our operational commencement of the Dadri facility, a significant step towards expanding our total production capacity to 600,000 tons and we are firmly on track to fully operationalize this facility within the stipulated timeframe, a development that is poised to deliver a well-orchestrated boost to our production volume. Furthermore, our plans of specialty wire production is also on track which will help us expand our margins in the future.

This strategic capacity expansion underscores our commitment to capturing new growth opportunities and reinforcing our position in the market. On the export front as well, the business continues to flourish. During the first half, export accounted for about 10% of our total revenue.

Global demand highlights a strong reputation for quality and timely delivery in international markets. I will now hand over the call to our CFO, – Mr. Ghanshyam Das Gujrati, who will update you on our financials performance for the second quarter and first half. Thank you.

**Ghanshyam Das Gujrati:**

Thank you, Pranav Sir. Good evening everyone. I would like to share the summary of the 2nd Quarter financial performance with you.

Our revenue for the second quarter grew by 36.8% year-on-year basis to Rs. 825.45 crores, EBITDA rose 78.9% year-on-year basis to Rs. 68.1 crores.

Net profit after tax for the quarter stood at Rs. 40.06 crores up by 120.8 % YoY

For the first half, the revenue stood at Rs. 1,642.36 crores higher by 42.7%; EBITDA rose 99.2% to Rs. 130.35 crores, while the net profit jumped 101.9% to Rs. 71.57 crores.

We continue to focus on the cost optimization measures and work on diversifying our product portfolio as well as enhanced contribution from value-added products to aid our margins. We are happy to report that EBITDA and net profit margins for Quarter 2 has expanded by 192 basis points and 183 basis points on year-on-year basis. For the first half too, our margins have risen by 224 basis points for EBITDA and 127 basis points for the net profit.

As on September 30, 2024, we had a comfortable debt-equity ratio at 0.21 times.

We will now open for the forum for Q&A.

**Moderator:** Thank you very much. The first question is from the line of Aditya Bhartia from Investec. Please go ahead.

**Aditya Bhartia:** My first question is on volumes that we have done in this particular quarter. If you could give us some indication of what those volumes were and how low carbon and high carbon would have fared this quarter?

**Pranav Bansal:** Sure, good afternoon. On the volume front, we did about 80,000 tons this quarter, in which high carbon was about 30,000 tons, low carbon was 27,000 tons and stainless-steel was around 21,000 tons. In high carbon, we were able to increase about 10% from last quarter itself, which is the main reason why our EBITDA margin has also increased.

**Aditya Bhartia:** Understood. Pranav, how much of group volumes that we were looking to consolidate in the main company would have played out until now and what is the roadmap for the consolidation going forward?

**Pranav Bansal:** Sure. So, I would say in the last call also, I updated you that in the 2nd Quarter, we are looking at consolidating Bansal Steel and Power. That was the target and from the third quarter itself, we were looking to fully consolidate Balaji and Bansal High Carbon the other 2 companies that were left. So, we were already on track.

In the last quarter, we have done 100% acquisition of Bansal Steel and Power and by the end of last quarter itself, we have done almost 100% consolidation of Bansal High Carbon and Balaji. Therefore, from this quarter onwards, we already have most of the numbers of Balaji and Bansal High Carbon with us.

We are expecting by the end of third quarter, the sale from Balaji and Bansal High Carbon will be almost zero.

**Aditya Bhartia:** How exactly is the capacity ramp-up that is taking place at Dadri Facility? How much capacity would have become operational by now and how should we think about improving utilization in the next

few quarters? The reason I am also asking this question is because on a sequential basis, this quarter, we have not seen a massive growth. There has been a decent growth both in revenues and volumes, but it has not been a very significant one. So, going forward, should we be anticipating an expedited volume ramp-up happening at the Dadri Facility?

**Pranav Bansal:** Sure,. Within this quarter, any growth in volume has come from only Dadri. In fact, the 2nd Quarter generally is a quarter where our capacity utilization goes down a little bit because of some labour issues that we always face. But any increase in production or any increase in sale has come because of the Dadri Facility. By the end of this quarter, we were already close to 20% capacity utilization in Dadri and I would say again, for the first month itself in this quarter, we have done a lot better.

So, on capacity utilization front, it is going as per plan. I would say in the third quarter, we are looking at a big difference within the Dadri Facility itself because most of our units have now been commissioned. So, it is only a matter of taking that production in.

**Moderator:** We will take the next question from the line of Praveen Jadhav, an individual investor. Please go ahead.

**Praveen Jadhav:** I wanted to know how much is the steel prices which have come down in the last quarter which has helped in the profitability of the company?

**Pranav Bansal:** Very good question, sir. I do not have the exact figures with me. But yes, definitely, even if you look at our revenues, although our volume has decreased, our revenue has not. It is only because of the steel prices coming down, which is the reason there is definitely an increase in margins because of the steel prices. From a very basic number, if you see, our volume has grown by about 10% whereas our revenue is flat. So, there is definitely a difference of at least 10% that has come there. But for the exact information, we will have to provide to you later.

**Moderator:** Thank you. The next question is from the line of Arpit Maheshwari from JM Financial Private Equity. Please go ahead.

**Arpit Maheshwari:** I just wanted to understand what kind of growth are we seeing in the automobile space and what is driving that growth?

**Pranav Bansal:** Sir, automotive, I would say, is one of the main sectors where our product is used and here we are seeing 2 or 3 different types of growth.. First is, of course, we continue to diversify our product offering. So, there are some of the other SKUs that we keep on adding in our product vertical, which is not just for automotive but for other industries as well. Other than that, the two-wheeler industry has been doing well. Therefore, we see a good growth, in which the growth has also come from acquiring market share. As and when we have more capacity, we are able to meet the demand that

we have from our existing customers. So, it is all a matter of either acquiring new customers or increasing our share within the existing customers as well.

**Moderator:** Thank you. The next question is from the line of Shraddha from Share India. Please go ahead.

**Shraddha:** So, I just wanted a confirmation or basic growth guidance by the company or do we stick to the previous guidance?

**Pranav Bansal:** So, ma'am, as of now, all I can say is that we have already, in the first half itself, we have done a good growth compared to last year. We have done about 120% growth in PAT or even for the quarter, we have done about 100% growth in PAT and 100% growth in EBITDA and this has come from basically increased margins and not much from the Dadri expansion, which for the first 2 quarters has not been in terms of numbers that much and the third and fourth quarter, of course, we are expecting the Dadri facility also to ramp up. So, we are expecting a little better growth as compared to the first 2 quarters in the next 2 quarters.

**Shraddha:** Any guidance on EBITDA?

**Pranav Bansal:** EBITDA also, ma'am, if you see our current trend for the first year, we are expecting something better to happen in the third and fourth quarter solely because the ramp-up of Dadri will happen.

**Shraddha:** Okay. Sure. Thank you so much. Also, any comments to have a higher margin for that and majorly for which sector?

**Pranav Bansal:** Sure, ma'am. So, of course, as I said, we are adding our fourth vertical, which is Speciality Wire and which was set to start from Quarter 3 of this year and we are on track. In fact, this month, we are expecting one line of lead wire to be commissioned fully and the next month, the other line of steel cord also to be commissioned, which are the two main areas in which steel cord is the main focus area for us in Speciality Wire, which will help us increase our margin profile. Here, the plan is on track. From the last quarter of this year, we should be seeing some production and some sales happening there and for the future also, we are depending on this segment very aggressively and we want to grow with this product, steel cord.

**Shraddha:** Actually, I wanted to understand which sectors majorly would be having a higher margin compared to the other normal sectors?

**Pranav Bansal:** So, if you look at the Speciality Wire vertical, the steel cord and lead wire products, these are comparatively higher margin products as compared to our existing vertical of low carbon, high carbon and stainless-steel. So, as and when we are able to ramp up the Speciality Wire vertical, our mix of margin will completely change. Other than that also, ma'am, one thing in our business model is that, honestly, the percentage of margin is not very relevant when it comes to our business model.

What we look at is per ton EBITDA that we get because on a percentage basis, it will always change depending on the cost of my input. For example, in the last quarter, my cost of input has decreased. Therefore, the percentage is also increased. So, these kind of differences we will always see, but even on a percentage basis and a per ton basis, Speciality Wire is a much higher margin business.

We will only start that from the last quarter of this year and next year and the coming years, we are betting heavily on this product.

**Moderator:** Thank you. We will take the next question from the line of Vinit Prasad from Investec. Please go ahead.

**Vinit Prasad:** Pranav, just one clarification. Is the understanding correct that we have not started shifting volumes from Balaji and Bansal High Carbon yet, at least until its Q2 and it is only in the third quarter is when we have started moving volumes from these two entities to that phase?

**Pranav Bansal:** So, sir, in fact, revenues and volumes from Balaji and Bansal High Carbon, we started shifting in the first quarter itself. This is why in the first quarter itself, you saw a good jump in revenue as well as volume. But, yes, we have not ramped up any volume shifting in the 2nd Quarter, only because that the production in Dadri itself did not start. So, it was purely a job work model that we did. But by the end of the 2nd Quarter, we have concluded the job work model. Therefore, in Quarter 3, we are looking at almost all volumes and revenue from Balaji and Bansal High Carbon to come into Bansal Wire.

**Vinit Prasad:** Understood. So, can you just quantify what proportion of the work is being done currently on job work, how much of it is done by Balaji and Bansal High Carbon themselves, and what proportion is yet to be moved directly to Dadri?

**Pranav Bansal:** So, if you look at today, almost 95% of sale is on job work. So, there is no revenue of Balaji and Bansal High Carbon today. 5% or less is being done by Balaji and Bansal High Carbon.

**Vinit Prasad:** So, how much was it in the last quarter?

**Pranav Bansal:** Sir, I do not have the right numbers of Balaji and Bansal High Carbon with me in the last quarter, but we can give that information to you.

**Vinit Prasad:** Okay, sure and Pranav, on the working capital front, we were planning to implement some of the initiatives around vendor financing, bill discounting, etc., etc. Have we finalized any plans out there? We were thinking on these fronts. Have we finalized any plans, any progress on that front?

**Pranav Bansal:** Yes, sir. So, we have already tied up some limits for discounting and other various tools. We are only waiting for the revenue, which will come in the third quarter of this year to increase from Balaji

and Bansal High Carbon, and then we will start utilizing those limits as well. As of now, in the last quarter, because there was no increase in revenue, we were able to manage with the current resource. But from the third and fourth quarter, you will see some of that being utilized.

**Moderator:** Thank you. We will take the next question 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 very good numbers. Couple of questions. First regarding the transfer of volume from group companies to Dadri as we shift that volume in Q3, do we force any margin expansion because we will be moving from a slightly inefficient plant to the brand new efficient plant.

**Pranav Bansal:** In terms of percentage, we are not looking at any margin expansion because of the products that we are shifting there are already low margin businesses. So, the margin in Balaji and Bansal High Carbon in a percentage base is already lower than Bansal Wire average. So, we are not looking in percentage increase in margin, but yes, in absolute figures, we are definitely looking at some good increase, which will come from Quarter 3.

**Deep Mehta:** Understood, sir and secondly, if you can help us with your progress in your backward integration in stainless-steel rods, how much is the progress and where can we expect that?

**Pranav Bansal:** So, sir, in the last quarter, we have formed a new subsidiary, a volume subsidiary for this particular project that is Bansal BWI Steels and we are actively looking for land parcels in the area of Rajasthan as well as Ahmedabad. We have identified four or five different parcels, which we are yet to finalize. We are looking to finalize somewhere between November and December. Apart from that, we are also in the middle of talking to various different vendors and trying to finalize some of the long lead items. For example, a rolling mill which will take about 12 to 15 months to deliver. So, we are trying to finalize that as well. We are trying our best to speed up the whole process as much as we can.

**Deep Mehta:** Just one question regarding our Speciality Wire, Steel Cord business. How has been the response vis-à-vis clients and how should we look at it? Are they looking at approval and how much time will it take? Because now from Q3, we will start the production.

**Pranav Bansal:** Yes, sir. So, as far as approval goes, once we are able to start our production, only then can we start the approval process. So, our line is set to commission next month. Hopefully, in the first half of next month, we will have something operational. After that, we will start inviting customers for the approval process, which will take another one, one and a half years to get us an approval in steel cord. But the by-product of steel cord, which is hose wire, is what we will start off with in the last quarter of this year. For that, the approval process in some customers is maybe a month. In others,



not even that. So, we will start off with that and within a year and a half, we are looking at getting some approval to start that product.

**Moderator:** Thank you. We will take the next question from the line of Rahil Shah from Crown Capital. Please go ahead.

**Rahil Shah:** I believe in the last call, you had mentioned that every year, you will look at growing at the rate of 25-30%, correct? But having seen that you have done more than 42% growth in H1 itself, do you expect this momentum can continue in H2 as well?

**Pranav Bansal:** So, sir, as I said, most of this growth has come from margin expansion, whereas volume expansion has not really contributed here in the first half of this year. Second half of this year, we are looking at major volume expansion. Therefore, you will see a good growth in top line. As far as EBITDA and profitability goes, it depends on the market scenario, but we are looking at some improvement here as well.

**Rahil Shah:** When you say good growth, can you put a number to it?

**Pranav Bansal:** Sir, right now, it will be difficult for me to quantify or give you a number, but I would say we will try and continue to have the same pattern of growth every quarter that we have till now.

**Rahil Shah:** With regards to this growth, where is exactly the demand coming from? Which particular sectors are contributing the most?

**Pranav Bansal:** The demand is honestly coming from all sectors. Our business model has always been to not be dependent on one particular sector. That is why we have diversified ourselves in terms of the industries that we serve and even in terms of the customers that we serve. Therefore, we are not really dependent on one particular product. However, we are growing today is only because we are able to increase our volume and we are able to service each and every sector that we already have.

**Rahil Shah:** Okay and lastly, in the last call again, I believe you had made a statement that you expect to see or you will see an 80% increase in absolute EBITDA in FY'25 or FY'24 numbers. Can you please explain what makes you say that and how it will happen?

**Pranav Bansal:** Sure, sir. So, if you look at our balance sheet for last year, the numbers were only of Bansal Wire and there was a little bit of consolidation between Bansal Steel and Power and Bansal Wire. Whereas, for this year, there is a 100% consolidation. Therefore, the numbers of Bansal Steel and Power, which were about 60 crore of EBITDA last year, will come up straight here in Bansal Wire. Other than that, the consolidation initiative that we have taken between Balaji and Bansal High Carbon will also add to that volume and will also add to that EBITDA. The third initiative is the Dadri facility, which we are trying to fully operationalize by the end of this year. From this facility, our

capacity will go from about 3.5 lakh tons combined today to about 6 lakh tons. Therefore, all of these three factors combined, we are looking at a good growth.

**Rahil Shah:** Okay, and hence you say that 80% increase in EBITDA, you expect that to happen?

**Pranav Bansal:** Yeah, I will have to get back to you on the 80%, but yes, we see a good growth.

**Moderator:** Thank you. The next question is from the line of Deepak Lalwani from Unifi Capital. Please go ahead.

**Deepak Lalwani:** Hi Pranav, thank you for the opportunity. See, my first question was on your volume. So, you mentioned 80,000. Can you break it up into high carbon, low carbon and stainless-steel?

**Pranav Bansal:** Yeah, sure. So, out of 80,000 tons, 30,000 tons was high carbon. About 27,000 tons was mild steel and 21,000-22,000 tons was stainless-steel.

**Deepak Lalwani:** And Pranav, if you could give us a sense of what were the numbers last year as well, in Q2 of last year?

**Pranav Bansal:** Sir, I do not have the numbers right now with me, but we can give that to you later.

**Deepak Lalwani:** Sure, and secondly, my question was on the EBITDA per ton that we make on each of these segments. So, if you can broadly spell out what is the per ton EBITDA that we make in high carbon, low carbon and stainless?

**Pranav Bansal:** Sir, for the particular Quarter 2, we do not have those numbers.

**Deepak Lalwani:** Okay, let me reframe. Just the broad range that you make on your products. I just wanted to know that range.

**Pranav Bansal:** Sir, in general, we look at high carbon to be about Rs. 10 per kg EBITDA business. Mild steel and stainless-steel to range between Rs. 4-7 per kg EBITDA.

**Deepak Lalwani:** And stainless?

**Pranav Bansal:** Stainless also ranging between Rs. 7-8 per kg EBITDA

**Deepak Lalwani:** Okay and sir, you have done about 1,56,000 volume in the first half. So, in this, our capacity was just the existing 2,50,000, right? We did not have Dadri in the volume that we have done, right?

**Pranav Bansal:** Sir, even in the first quarter, we had a little bit of volume coming from Dadri, which was 2,000 tons. In this quarter also, we had about 6-7,000 tons coming from Dadri.

**Deepak Lalwani:** Okay. 6-7,000 this quarter and the first quarter you said was how much?

**Pranav Bansal:** 2,000 tons.

**Deepak Lalwani:** 2,000. Okay. So, 8,000 from Dadri. Okay and sir, the Dadri capacity is how big and how much should we expect to commercialize by December and March?

**Pranav Bansal:** Sir, Dadri as a whole is 3.5 lakh tons, out of which till about last month of last quarter, we were already at close to 20% capacity utilization and we are looking at bringing this whole capacity or at least being able to operationalize this whole capacity within this financial year. So, by end of this year, we will have 100% of capacity available for us to sell.

**Deepak Lalwani:** Okay. Got it and when we speak about the other private companies getting consolidated here, and you also mentioned that Dadri goes to 100%, so should we expect these volumes to come in Q3 and Q4 completely or will it spill to the next year as well?

**Pranav Bansal:** Sir, it will definitely spill to the next year because Dadri ramp up will not be 100% within this year, actually. It is only the capacity that will be available. Whereas, Balaji and Bansal High Carbon are the 2 companies that we are consolidating, we are looking at those numbers coming in 100% within this year. So, there will be no spillover for that quantity, on that number.

**Deepak Lalwani:** Okay. So, Bansal High Carbon and Balaji comes in the next 2 quarters and Dadri ramp up will keep happening. That is an organic thing.

**Moderator:** Thank you. We will take the next question from the line of Depesh Kashyap from Invesco. Please go ahead.

**Depesh Kashyap:** There was some confusion regarding the volume numbers. I think the last participant was also asking about the last year volume. So, you can share whenever it is possible. But just want to understand, in the last year, was the BSPL integrated in the numbers or not?

**Pranav Bansal:** Sir, in the last year, Bansal Steel and Power was only integrated from December. Therefore, the number of Bansal Steel and Power is only from December. For the first 8 months, there was only Bansal Wire standalone.

**Depesh Kashyap:** Okay. So, this year and this quarter, basically, we have extra volume from BSPL plus the integration, the job work that you have given to other two companies like Balaji Wire and **Bansal High Carbon** So, the volume numbers are not comparable, right? That is how to look at it.

**Pranav Bansal:** Yes, absolutely right. Although, Ghanshyamji, can you give us the volume numbers that we did last year as a whole?

**Ghanshyam Das Gujrati:** It was 2.08 lakhs.

**Depesh Kashyap:** 2.08 lakhs for the entire year FY'24 and you say from December BSPL was integrated. So, this was having only one quarter of BSPL.

**Ghanshyam Das Gujrati:** Yes.

**Depesh Kashyap:** Okay, understood and moving on, if so, quarter-on-quarter comparison is a good metric to look at. So, if I look at these two numbers, right? So, there is around 5% kind of a volume growth maybe that you have seen in this quarter. But when I look at your EBITDA per ton, right? It is slightly flattish whereas the number that you gave the high carbon volume has increased. So, just want to understand, despite high carbon volume increasing by 10-11%, your EBITDA per ton is still flattish. So, anything to read in this?

**Pranav Bansal:** So, sir, our EBITDA on the quarter basis has increased by about 10% whereas our volume has only increased by about 5%. So, there is definitely an increase in per ton EBITDA overall also.

**Depesh Kashyap:** Okay. So, the volume number that I have, sorry, volume number going around, 80,000 is the number that you gave for this quarter. So, last quarter it was 76,000, right?

**Pranav Bansal:** Yes.

**Depesh Kashyap:** Okay. So, 5% increase in volume and basically 5% increase in EBITDA. So, that means your EBITDA per ton...

**Pranav Bansal:** 10% increase in EBITDA.

**Depesh Kashyap:** 10% increase in EBITDA. Okay, sure. I will check my numbers again. Anyway, so understood and then your specialty steel that you talked about, sir, obviously steel cord wire will commercialize in a month or so you have told. But apart from that, your other bead wire and your hose wire thing, has that started contributing or not?

**Pranav Bansal:** Sir, within this month we are looking at commercialization. So, we are looking at some quantity being produced and sold in bead wire.

**Depesh Kashyap:** Okay and that will be how much capacity, sir? Bead wire is a separate commodity?

**Pranav Bansal:** Bead wire we are adding about 30,000 tons annual capacity which will be completely operationalized within this month.

**Depesh Kashyap:** Understood and after all this expansion, by the end of the year, the total capacity that you will be having is 7 lakh tons, right?

**Pranav Bansal:** 6 lakh tons. So, the starting of this year we started with 2.5 lakh tons and we will end with 6 lakh tons.

**Moderator:** Thank you. We will take the next question from the line of Manoj Rajani from Rajani family Office. Please go ahead

**Manoj Rajani:** Sir, I just wanted to ask what would be the investment in Dadri from our internal accruals?

**Pranav Bansal:** Sir, the total CAPEX that we are doing in Dadri was about Rs. 500-550 crores. Out of that from internal accruals, I would ask Mr. Ghanshyam to answer this.

**Manoj Rajani:** Okay, sir and sir, what is the international I mean, how many percentage of the raw materials are taken from international states?

**Pranav Bansal:** Almost zero, sir. All our raw material is sourced locally. So, we don't import.

**Manoj Rajani:** Okay, sir. Even domestically the prices are stable or I mean, is there any volatility?

**Pranav Bansal:** In the last quarter itself the prices decreased. So, even though in the last quarter it was a little tough for us because we booked some losses in stock, we were able to maintain our EBITDA. Therefore, you do not see a good revenue number.

**Manoj Rajani:** So, sir, is there any contract that we sign for the same? Like, you know, just to safeguard ourselves from the volatility?

**Pranav Bansal:** So, sir, we have what we would like to call a kind of a natural hedge in our business model. Because whatever orders or whatever raw material we buy, we also book orders with that simultaneously. So, our prices of raw material as well as finished orders are always there. The issue is only bookkeeping because whatever stock we have at one particular given time, if you look at when the prices of raw material was at an all-time high or at a lower rate, only for bookkeeping purpose the valuation will differ. But money and all stock that we have is booked with orders on a fixed price.

**Manoj Rajani:** Understood and that really helps. And lastly, just wanted to ask, sir, what would be our role like, how would we facilitate our customers in the agriculture sector?

**Pranav Bansal:** We have various different applications in agriculture. The 2 or 3 main applications that we have is, first, of course, fencing, which you will see in all your agricultural land for protection and the second would be barbed wire and the third would be wires which are used for grape farming. So, these are

the 3 main applications that we have in agriculture. We have a good set of distributors and good set of retailers, especially in the state of Gujarat, where we are doing a kind of a B2C model, which is the only product that we sell in a B2C segment.

**Moderator:** Thank you. The next question is from the line of Praveen Jadhav, an individual investor. Please go ahead.

**Praveen Jadhav:** I wanted to know, like, what is your export percentage of the sales you have and are you trying to increase your sales for exports?

**Pranav Bansal:** Sir, our percentage for export in the last quarter was about 10% and this is a number that has not grown as much as our regular sales because of the geopolitical situation that we faced in the last 2 years. But from this quarter itself, we are seeing good momentum here. Although our business model is not dependent on export, it is a business model where we focus more on domestic. But export as a segment, if you leave the last 2 years, has grown at about 100% every year before that. So we see a good traction for us in export. But it is not somewhere – something that we are dependent on.

**Moderator:** As there are no further questions, I would now like to hand the conference over to Mr. Pranav Bansal for closing comments. Over to you, sir.

**Pranav Bansal:** Thank you, everyone, for attending this investor call. I hope we have answered all your questions. For those that we did not have the numbers, we will send it to you later. Thank you again for joining us. Looking forward to your continued support in the future as well.

**Moderator:** Thank you, members of the management. 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.