



Press Release

Bedmutha Industries Limited

March 13th, 2026

Ratings

Facilities	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<u>Complexity Indicator</u>
Long term Bank Facilities	86.48 (Reduced from Rs. 113.26 crore)	IVR BBB/ Stable [IVR Triple B with Stable Outlook]	IVR BBB/ Stable [IVR Triple B with Stable Outlook]	Ratings Reaffirmed	Simple
Short term Bank Facilities	73.51	IVR A3+ [IVR A Three Plus]	IVR A3+ [IVR A Three Plus]	Ratings Reaffirmed	Simple
Total	Rs.159.99 crore (Rupees One hundred and fifty-nine Crore and ninety- nine lakhs only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics has reaffirmed the rating to the bank facilities of Bedmutha Industries Limited (BIL) reflects sustained improvement in total operating income and expected to maintain same growth in FY26. The rating continues to derive comfort from efficient working capital cycle, moderate capital structure and debt protection metrics and established track record of operations and experienced management. The rating strengths are partially offset by moderation in profitability, susceptibility of operating margin to volatile input prices and competition from organized and unorganized segment though established brand provides comfort.

The Stable Outlook reflects expectation of continued improvement in revenue along with maintenance of similar credit profile in FY26.

Key Rating Sensitivities:

Upward Factors

- Significant growth in total operating income and further improvement in profitability margins thereby leading to overall improvement in cash accruals on a sustained basis.
- Improvement in capital structure on a sustained basis.



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Downward Factors

- Sustained decline in revenue and profitability and/or deterioration in working capital cycle and/or any unplanned debt fund led capex leading to deterioration in credit profile and the liquidity position.

List of Key Rating Drivers with Detailed Description

A. Key Rating Strengths

Sustained improvement in total operating income

BIL reported a revenue of Rs. 1,084.06 crore in FY25 (period refers from April 01st, 2024 to March 31st, 2025) as against Rs. 865.18 crore in FY24, reflecting sustained growth momentum supported by higher price realizations, while volumetric growth remained stable (FY24: 43,739 MT, FY25: 43,466 MT). Further the revenue growth continued to be supported by favourable price realizations as copper prices were at record high in Q3FY26 which increase the revenue to Rs.1031.11 crore till 9MFY26. Management expects, by the end of March 2026 revenue clocked in the range of Rs. 1,300–1,400 crore. Infomerics expects the revenue will remain supported over the medium term by continued orders from existing customers and improved sales realization.

Efficient working capital cycle

BIL's net operating cycle stood efficient at 6 days at the end of March 2025, (March 2024: 10 days). Receivable and creditor days stood at 43 and 62 at the end of March 2025 (March 2024: 41 and 63) respectively. BIL generally extends credit of 30-60 days to its customers and gets same credit from its suppliers. The BIL maintains an average inventory of around 20 to 40 days of various varieties and grades for smooth running of operations as the inventory days stood at 24 at the end of March 2025 (March 2024: 32). Furthermore, BIL hold a one-month inventory buffer to cater to the diverse demands of its customer base. Additionally, BIL has subsidy receivables of ~Rs. 126 crore, expected to be realized in phases through FY29 (Rs. 50 crore each in FY27 and FY28, and Rs.26 crore in FY29), which is expected to provide incremental liquidity support and cushion for working capital requirements over the medium term.



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Moderate capital structure and debt protection metrics

The capital structure of BIL's marked by overall gearing ratio & TOL/TNW has remain moderate though improve on year on year basis to 1.49x and 3.50x respectively as on March 31st, 2025 (vis-à-vis 1.94x and 3.69x respectively as on March 31, 2024) due to schedule repayment of term loan as well as lower utilisation of working capital limits as on date March 31st, 2025 also supported by healthy accretion of profits to reserves. Nevertheless, the capital structure continues to be moderated by the classification of Non-Convertible Cumulative Redeemable Preference Shares (NCCRPS) as debt. Further BIL is planning to be paid off the NCCRPS through private equity placement and expects bank approvals and completion of the redemption by June 2026.

BIL's debt protection metrics remains moderate with interest coverage stood at 1.90x at the end of FY25 (FY24: 3.27x), this marginal decline was due to lower EBITDA and increased unwinding interest on year-on-year basis. However, excluding unwinding interest cost ISCR stood at 2.92x in FY25. Further Till 9MFY26 interest coverage stood at 1.24x, however excluding unwinding interest cost ISCR stood at 1.93x in 9MFY26. Total debt / NCA has marginally improved to 4.90 years in FY25 (FY24: 5 years), due to overall reduction in total debt. As on date December 31st, 2025, total debt stood at Rs.209.85 crore which includes Rs.131.83 crore from NCCRPS followed by working capital of Rs.58 crore and remaining is long term debt of Rs.20.31 crore. The timely repayment of term loan, expected improvement in operating profitability and early redemption of NCCRPS, will support the overall debt protection metrics and maintained the capital structure at comfortable level in the future.

Established track record of operations and experienced management

BIL is spearheaded by Mr. K.R. Bedmutha and supported by Mr Vijay and Ajay Bedmutha with diversified business interest in Steel wire sector, Technical Consultancy, Chemical, Agriculture, Power and infrastructure sector. The promoters have over 4 decades of experience with strong technical and marketing expertise in wire drawing industry. The group is supported by team of professionals.



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B. Key Rating Weaknesses.

Moderation in profitability

BIL's absolute EBITDA declined to Rs. 68.27 crore in FY25 from Rs. 79.45 crore in FY24, with the EBITDA margin moderating to 6.30% in FY25 (FY24: 9.18%), mainly due to discontinuation of subsidy on accrued basis from December 2024 which leads to decline in operating profitability. Further BIL's core EBITDA excluding subsidy has increased to Rs.33.55 crore in FY25 (FY24: Rs.27.93 crore). Further BIL's EBITDA per tonne (excluding subsidy) has shown a steady improvement, increasing from Rs. 6,386 in FY24 to Rs. 7,719 in FY25 and further to Rs. 9,934 in 9MFY26. However, EBITDA margin excluding subsidy for same period is slightly declined to 3.20% in FY25 (FY24: 3.43%) due to the revenue growth was primarily led by higher realizations, while higher raw material costs outpaced the improvement in operating profitability, resulting in a marginal moderation in margins. Further BIL has gradually improved its EBITDA margin to 3.49% in 9MFY26 due to higher volume sold from value added products. Despite decline in absolute EBITDA BIL's PAT margin remains stable at 2.26% in FY25 (FY24: 2.33%), supported by reduced depreciation cost to Rs.19.50 crore in FY25 (FY24: Rs. 26.69 crore).

Susceptibility of operating margin to volatile input prices

BIL's primary raw material for its steel division is Wire Rods, which account for 84% of its raw material costs. The company sources these from reputed suppliers like TATA Steel, JSW, JSPL, RINL, and SAIL to ensure consistent quality. For Copper procurement, BIL sources from leading companies such as Vedanta and Hindalco, along with traders and scrap dealers. Due to the volatility in copper prices, BIL places orders on a back-to-back basis for future delivery contracts. The pricing for raw materials is determined on the delivery date, and BIL hedges these costs on the MCX, ensuring that all hedging expenses are incorporated into the contracts, thus prevent the company from price fluctuations.

Competition from organized and unorganized segment though established brand provides comfort

BIL faces competition from both organized and unorganized players in the market. The wire drawing process is relatively simple, leading to the presence of many mid-sized companies. While BIL benefits from its technologically advanced operations that ensure consistent



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manufacturing quality, it still competes with established organized players like Tata Steel for products such as Black Carbon Wires and fencing wires, as well as with unorganized competitors. In more complex segments like Wire Rope and Tyre Bead, BIL experiences less competition.

Analytical Approach: Standalone Approach

Applicable Criteria:

[Rating Methodology for Manufacturing Companies.](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity: Adequate

The liquidity profile of BIL is adequate with expected to generate gross cash accruals in the range of Rs. ~Rs.32 crore to Rs. ~85 crore as against the repayment obligation of Rs.10 crore to Rs.15.00 crore over FY26 and FY28. The current ratio stood at 1.51x as on March 31st, 2025 (March 31st, 2024: 1.48x); quick ratio stood at 1.25x. The average fund-based bank limit utilization in the last 12 months ended December 31st, 2025, stood at 79%, the liquidity position of the company stood adequate. DSCR of the BIL stood comfortable at 1.44x in FY25. Cash flow from operation are also positive at Rs.108.95 crore as on March 31st, 2025.

About the company

BIL is a one of the leading and broad-based producers of steel wire and wire products in Western India. Bedmutha Industries Ltd, the flagship company of Bedmutha group, was incorporated in August 1990 for manufacturing galvanized wire, both low and high carbon, for power transmission sector especially for State Electricity Boards (SEBs), automobile sector and agriculture sector. The company has two broad segments one is steel segment, and another is copper segment, and its products find applications in various industries such as Automotive, Power, Infrastructure, Agriculture, Retails etc. The manufacturing unit spread over 50 acres of land located at Nardana, Dhule (Maharashtra).



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Financials (Standalone):

(Rs. crore)

For the year ended / As On*	31-03-2024 (Audited)	31-03-2025 (Audited)
Total Operating Income	865.18	1084.06
EBITDA	79.45	68.27
PAT	20.26	24.80
Total Debt	234.57	217.31
Tangible Net Worth	120.62	145.42
EBITDA Margin (%)	9.18	6.30
PAT Margin (%)	2.33	2.26
Overall Gearing Ratio (x)	1.94	1.49
Interest Coverage (x)	3.27	1.90

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: None

Any other information: Nil

Rating History for last three years:

Sr. No	Name of Instrument/ Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
1.	Long term Bank Facilities - Term Loan, WCTL, FITL & Cash Credit	Long term	86.48	IVR BBB/ Stable	(Feb 11, 2025) IVR BBB/ Stable (Sep 06, 2024) IVR BBB-/ Positive	(Aug 18, 2023) IVR BBB-/ Stable	(May 20, 2022) IVR BBB-/ Stable
2.	Short term Bank Facilities - LC & BG	Short term	73.51	IVR A3+	(Feb 11, 2025) IVR A3+ (Sep 06, 2024) IVR A3	(Aug 18, 2023) IVR A3;	(May 20, 2022) IVR A3;

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About Infomerics:

Infomerics Valuation And Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Term Loan, WCTL and FITL	--	--	Up to March 2028	18.61	IVR BBB/ Stable
Long Term Bank Facilities – Cash Credit	--	--	Revolving	67.87	IVR BBB/ Stable
Short-term Bank Facilities – Letter of Credit	--	--	--	23.26	IVR A3+
Short-term Bank Facilities – Bank Guarantee	--	--	--	50.25	IVR A3+

Annexure 2: Facility wise lender details:

https://infomericstorage.blob.core.windows.net/uploads/LEN_Bedmutha_Indusries13_March26_a8287a78b8.pdf

Annexure 3: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.