

Bharat Wire Ropes Limited

July 06, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	98.00 (Reduced from 125.11)	CARE BBB+; Stable	Reaffirmed
Short-term bank facilities	25.00	CARE A3+	Reaffirmed

Details of instruments/facilities in Annexure-1.

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-6.

Rationale and key rating drivers

Reaffirmation of ratings reflects adequate operational and financial performances of Bharat Wire Ropes Limited (BWRL) in FY26 (refers to April 01 to March 31), despite revenue being impacted by West Asia conflict, as reflected in ~5% year-over-year (y-o-y) decline in revenue to ~₹591 crore in FY26, and CARE Ratings Limited's (CareEdge Ratings') expectations of sustained performance in the coming years aided by improving capacity utilisation and expanding distribution network. While revenue growth remained flat, BWRL's adjusted profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin (adjusting for subsidy income) remained steady at 15.5% in FY26, aided by debottlenecking capex undertaken recently and improving product mix towards high-value products. While CareEdge Ratings expects BWRL's Q1 FY27 performance to remain impacted by geopolitical headwinds in the form of disruption in demand from the Middle East, which accounts for 10-15% of overall revenue, and transient impact of the significant rise in liquified natural gas (LNG) prices during the quarter, this is likely to normalise with BWRL expected to report revenue growth of 15-20% per annum (p.a.) in the next 1-2 years and sustained profitability. Ratings also consider the Maharashtra Package Scheme of Incentives (PSI) subsidy through refund of state GST, which provides additional liquidity support.

While reaffirming ratings, CareEdge Ratings notes the receipt of a plant shutdown notice on June 10, 2026, from the Maharashtra Pollution Control Board (MPCB) citing lapses in environmental compliance, which led to shutdown of operations in the company's Chalisgaon plant for around a week. However, the plant resumed full operations on June 18, 2026. While the plant shutdown impacted the output, the impact is unlikely to be material as the company had sufficient inventory to meet committed deliveries. No financial penalties have been levied on the company. Despite this, the impact of the plant shutdown and further regulatory actions will continue to be monitored.

Ratings continue to factor in BWRL's adequate capital structure reflected by overall gearing and total outside liabilities to tangible net worth (TOL/TNW) of 0.09x and 0.14x, respectively, as on March 31, 2026 (PY: 0.18x and 0.24x, respectively) aided by steady accretion of profits and mandatory pre-payment of term debt from subsidy received, per terms of the approved resolution plan (RP). Ratings remain supported by BWRL's comfortable debt coverage indicators with adjusted PBILDT interest coverage and total debt (TD)/adjusted PBILDT at 7.65x and 0.89x, respectively, in FY26. Ratings continue to derive strength from reputed and established customer base, and experience of promoters. However, risks emanating from uncertain global demand outlook and evolving global geopolitical scenario remain monitorable. Ratings also remain constrained by working capital intensive operations, susceptibility to raw material price volatility, and foreign exchange fluctuation risks, and sizeable pledge of promoter shareholding in the company (per terms of the approved RP), which limit the company's financial flexibility.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Increase in scale of operations above ₹800 crore (excluding subsidy) led by healthy volume growth.
- Sustenance of profitability and working capital cycle, translating into comfortable liquidity position while maintaining healthy capital structure and debt coverage metrics.

Negative factors

- Deteriorating scale of operations below ₹500 crore (excluding subsidy), profitability and/or working capital cycle, leading to pressure on credit metrics on a sustained basis.
- Higher-than-anticipated debt-funded capex/acquisition impacting capital structure.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

- Deterioration in PBILDT interest cover below 5x on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

Stable outlook reflects CareEdge Ratings' expectations that BWRL will sustain its improving financial performance in the coming quarters, aided by its established customer base and experienced management.

Detailed description of key rating drivers:

Key strengths

Experienced promoters, supported by professional management

Murarilal Mittal is the key promoter and Managing Director of BWRL, with over four decades of overall corporate experience. Prior to acquiring BWRL, he was associated with large corporates for almost 23 years, in several positions, such as Executive Director on the board of several companies. His son, Mayank Mittal, is the Joint Managing Director of the company. He has a decade of overall industry experience and is involved in all strategic decisions of the company. Promoters are well-supported by diverse board of directors and professional management across all levels.

Sustained scale of operations and profitability; likely to sustain in the medium term

BWRL's scale of operations remained steady at ₹590.54 crore in FY26 (PY: ₹619 crore), with impact of marginal decline in overall sales volume mitigated to an extent by stable average realisation, considering high value-added products. The overall sales volume was impacted in FY26, due to muted demand from the Middle East, which accounts for 15-20% of overall revenue, owing to the ongoing geopolitical conflict. Its adjusted PBILDT per tonne (excluding subsidy income) stood healthy at ₹20,448/MT in FY26, up 6% y-o-y, with adjusted PBILDT margin sustaining at 15%. BWRL is expected to sustain its performance with expectations of improvement in global demand and widening of distribution network. The installation of balancing machinery from FY25-FY26 towards debottlenecking is anticipated to improve capacity utilisation, driving revenue growth in forthcoming quarters. While BWRL's performance in Q1 FY27 could remain impacted by demand disruptions from the Middle East, loss of production due to plant shutdown, and steep rise in LNG prices impacting margins, the performance is likely to improve in the coming quarters.

Comfortable capital structure and debt coverage metrics aided by subsidy receivables

The company's capital structure continues to remain comfortable with overall gearing and TOL/TNW at 0.09x and 0.14x, respectively, as on March 31, 2026 (PY: 0.18x and 0.24x, respectively) aided by accretion of profits, prepayments of term loans from the subsidy received per terms of the approved RP, and timely receipt of subsidy from the Government of Maharashtra reducing reliance on working capital borrowings. BWRL's debt coverage metrics also remain adequate with adjusted PBILDT interest cover and TD/adjusted PBILDT at 7.65x and 0.89x, respectively, in FY26 (PY: 6.34x and 1.55, respectively). Going forward, timely receipt of government subsidy and prepayment of term loans per terms of the RP is likely to benefit the company's financial risk profile. CareEdge Ratings notes that compulsorily convertible preference shares (CCPS) of ₹382.6 crore were issued to its lenders per terms of the approved RP with no contractual buyback clause on the company, and lenders had been issued 10% equity shares of the company in lieu of their right to recompense (RoR), which indicate no major payable towards RP dues.

Key weaknesses

Working capital intensive operations

BWRL's operations are working capital intensive in nature as indicated by gross current assets of 267 days in FY26 (PY: 243 days), due to the requirement of holding sizeable inventory, credit extended to customers and sizeable subsidy receivables. The company maintains an average inventory of 80-90 days and extends a credit period of 30-90 days to its customers. On the other hand, while it receives a credit period of 15-30 days from its suppliers. BWRL's operating cycle continues to remain elevated at 140 days in FY26 (PY: 128 days), largely considering the reduction in payable days while inventory and receivables moderately increased due to extended shipping lead times. CareEdge Ratings will continue to monitor further stretch in the operating cycle, impacting the company's cashflows.

Susceptibility to raw material price volatility and foreign exchange fluctuation risks

BWRL's profitability remains susceptible to raw material price volatility, as steel, the primary raw material, is exposed to volatile prices. While steel prices rose in FY23, prices declined from FY24, translating into volatility in BWRL's gross margins as the company holds a sizeable inventory. With largely order-backed procurement and an order-backed customer base, the company is able to pass on most input cost volatility to its customers; however, this occurs with a lag. Sales through deemed exports contribute over 70-75% to total revenue, which exposes profitability to variations in foreign exchange rates.

Liquidity: Adequate

BWRL's liquidity profile is marked adequate with expected gross cash accruals of ₹45-75 crore p.a. (excluding receipt of subsidy) in the next two years against scheduled debt repayment of ~₹15 crore p.a., and maintenance capex of ₹25-30 crore p.a. funded entirely through internal accruals. Average utilisation of working capital borrowings stood at 43% for 12-months ended March 2026 (PY: 42%), which provides additional buffer. As of March 31, 2026, the company has sizeable PSI subsidy receivable, which provides cushion to its liquidity.

Assumptions/Covenants: Not applicable**Environment, social, and governance (ESG) risks:** Not applicable**Applicable criteria**
[Definition of Default](#)
[Liquidity Analysis of Non-financial sector entities](#)
[Rating Outlook and Rating Watch](#)
[Manufacturing Companies](#)
[Financial Ratios – Non financial Sector](#)
[Short Term Instruments](#)
[Iron & Steel](#)
About the company and industry**Industry classification**

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital goods	Industrial products	Iron and steel products

Incorporated in 1986, BWRL is a manufacturer of metal wire ropes (used in lifting equipment such, as cranes, and elevators, among others), wire rope assemblies, and defence products. The company was acquired by current promoters in 2010. The company is listed as a supplier with government and semi-government organisations, including Indian Railways, Shipping Corporations of India, Coal India Limited, major port trusts, and electricity boards, among others. Apart from the domestic market, the company also exports (deemed exports) to countries in Europe, Middle East, the US and Asia, through its dealer. BWRL has two manufacturing plants at Atgaon (capacity of 6,000 MTA) and Chalisgaon (capacity of 66,000 MTA). The company's equity shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (Abridged)
Total operating income	619.32	590.54
PBILDT*	132.42	130.75
Profit after tax (PAT)	72.44	72.46
Overall gearing (x)	0.18	0.09
Interest coverage (x)	9.93	11.84

A: Audited; Note: These are latest available financial results.

*PBILDT: Profit before interest, lease rentals, depreciation, and tax

Status of non-cooperation with previous CRA: Not applicable**Any other information:** Not applicable**Rating history for last three years:** Annexure-2**Detailed explanation of covenants of rated instrument / facility:** Annexure-3**Complexity level of instruments rated:** Annexure-4**Lender details:** Annexure-5

Annexure 1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	55.00	CARE BBB+; Stable
Fund-based - LT-Term Loan	-	-	-	31-03-2032	43.00	CARE BBB+; Stable
Non-fund-based - ST-BG/LC	-	-	-	-	25.00	CARE A3+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	Fund-based - LT-Term Loan	LT	43.00	CARE BBB+; Stable	-	1)CARE BBB+; Stable (01-Aug-25)	1)CARE BBB+; Stable (02-Jul-24)	1)CARE BBB; Stable (21-Jun-23)
2	Fund-based - LT-Cash Credit	LT	55.00	CARE BBB+; Stable	-	1)CARE BBB+; Stable (01-Aug-25)	1)CARE BBB+; Stable (02-Jul-24)	1)CARE BBB; Stable (21-Jun-23)
3	Non-fund-based - ST-BG/LC	ST	25.00	CARE A3+	-	1)CARE A3+ (01-Aug-25)	1)CARE A3+ (02-Jul-24)	1)CARE A3 (21-Jun-23)

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-BG/LC	Simple

Annexure-5: Lender detailsTo view lender-wise details of bank facilities please [click here](#)**Annexure-6: List of facilities/instruments and FSRs**

As required by SEBI Circular dated February 10, 2026, to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments ²
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutual Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), among others. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the rating notes subsequent to issuance(s), CareEdge Ratings Limited shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned in regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026, and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

²SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.

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