Belrise Industries Ltd.

Investment Thesis

- **Belrise is steadily transforming from a traditional 2W component supplier into a diversified mobility and precision engineering player**: While 2W and 3W remain the core business, the company continues to deepen its presence in 4W and CVs, which grew 18% YoY in Q1FY27. New customer wins and increasing product penetration are strengthening the company's revenue mix and reducing dependence on a few OEMs.
- **Rising content-per-vehicle (CPV) remains a key structural growth driver:** Belrise is expanding its product basket with key OEMs, particularly across fuel tanks, exhaust systems, chassis, suspension and braking systems. With one fast-growing 2W/3W OEM, annual order wins have already reached around ₹200 Cr run-rate, with further opportunities to replicate the product portfolio across multiple models.
- **Strong order wins and diversification improve long-term growth visibility:** The company continues to add marquee customers across automotive, renewable energy, aerospace and defence. The new renewable energy order is recurring in nature, with the initial setup supporting 2.5 GW of annual supplies and potential to generate ₹150 Cr+ annual revenue at peak volumes. Aerospace & defence is targeted to reach at least 10% of consolidated revenue in the medium term, supported by acquisitions and localisation opportunities.
- **Disciplined capital allocation and stable margins strengthen execution:** Management expects mid-teens revenue growth with stable EBITDA margins for FY27. Commodity, employee and logistics cost pressures are largely behind the company, while raw-material costs are expected to be recovered through customer pass-through over the coming quarters. The ₹1,700 Cr QIP provides additional capital for selective inorganic and organic growth, particularly in aerospace, 4W and CVs.
- **Belrise appears well-positioned to outperform the auto component industry over the medium term:** Growth is increasingly supported by higher content per vehicle, new OEM penetration, 4W/CV expansion, renewable energy and aerospace & defence. The H-One technology partnership further strengthens its high-tensile steel capabilities, while the Hyva acquisition adds heavy fabrication capabilities and creates potential synergies across CV and defence applications.

Outlook:.

Belrise remains well-positioned for sustained growth, with management guiding for mid-teens revenue growth and stable EBITDA margins in FY27. Growth visibility is supported by ~₹200 Cr annual order run-rate from a key 2W/3W OEM, a ₹150 Cr+ peak annual revenue opportunity in renewable energy, and the target of 10%+ of consolidated revenue from aerospace & defence over the medium term. The increasing contribution from 4W/CV, renewable energy and aerospace & defence should further diversify the business and support long-term earnings growth. we project Revenue/EBITDA/PAT CAGR of 15%/20/33% over FY26-FY28E from earlier 13%/16%/33% estimations.

At CMP ₹233, the company is trading at a PE multiple of 23x to its FY28E EPS, we assign PE multiple of 28x and arrive at a TP of ₹278, implying an upside of 19% with an ACCUMULATE rating.

CMP: ₹ 233

Reco: ACCUMULATE

Target Price: ₹ 278

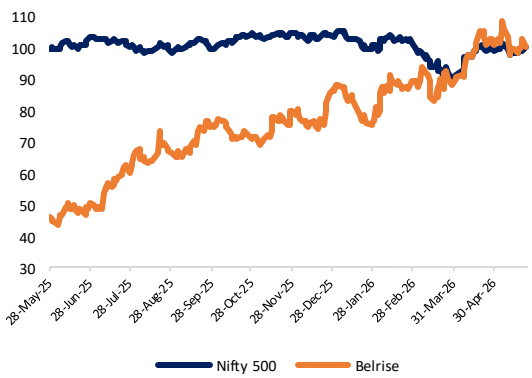
Stock Info	
BSE	544405
NSE	BELRISE
Sector	Auto Components
Face Value (₹)	5
Equity Capital (₹ Cr)	445
Mkt Cap (₹ Cr)	22,590
Avg volume (1 year)	73,44,192
Dividend yield (%)	0.23
52w H/L (₹)	268 / 135

Source: Company filings, PESB research

Shareholding Pattern (June 2026)	
Promoter	61.14%
FII	12.09%
DII	13.12%
Public	13.63%

Source: Company filings, PESB research

NIFTY500 v. Belrise



Previous report(link):

belrise Industries Q4FY26

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Concall Highlights

- **Strong order wins with a fast-growing 2W/3W OEM:** Belrise clarified that the latest ₹65 Cr annual revenue chassis order is over and above the ~₹90 Cr orders won last quarter. This takes the annual revenue run-rate from this single OEM to ~₹155 Cr, with suspension and braking orders taking the overall potential to ~₹200 Cr. Management sees significant scope to add more products and models.

- **Renewable energy order is recurring and scalable:** The ₹150 Cr peak-revenue opportunity from the solar tracker business is recurring, not a one-time order. Production is expected to start in Q4FY27, initially supporting 2.5 GW of annual supplies, with scope to scale further through both export and domestic opportunities.

- **Cost pressures are largely behind the company:** Management said the worst of the commodity, employee, energy and transportation cost pressures is behind them. Raw-material costs incurred in Q1 are expected to be recovered through customer price pass-through over the next few quarters, while advance hiring costs for new facilities have also largely peaked. Hence, EBITDA margins are expected to improve in the coming quarters and remain broadly stable for FY27 versus FY26.

- **2W/3W growth should accelerate as new orders start production:** The segment grew below industry volumes mainly because of an unfavourable customer mix. However, Belrise has recently gained meaningful business with two faster-growing OEMs. Management expects these new orders to start contributing more significantly in Q3/Q4FY27, creating a lagged boost to growth.

- **Aerospace & defence could become a major growth driver:** Management reiterated its ambition to take aerospace and defence to at least 10% of consolidated revenue in the medium term. The company is evaluating acquisitions in India, Europe and North America and is also exploring localisation of high-volume aerospace engine components in India.

- **Trading business weakness seen as temporary:** The trading business declined ~19% YoY because its major markets in Africa, Asia and the Middle East were impacted by geopolitical disruptions during Q1. Management believes the situation is normalising and expects the business to recover, although it will grow slower than the manufacturing business.

- **H-One technology strengthens EV/PV opportunity:** H-One's high-tensile steel capability allows Belrise to manufacture lighter and safer sheet-metal components, particularly relevant for EVs and passenger vehicles. The company is already using this capability for a large EV OEM's 59-assembly localisation program, while demand from EV and Japanese OEMs is increasing.

- **Hyva/defence opportunity adds another growth lever:** Management sees the Hyva acquisition's heavy-fabrication capabilities as complementary to its defence partnership with Plasan Sasa. It expects India to benefit from increasing localisation requirements, with greater engagement from Plasan and potential for further manufacturing to shift to India.

Management Guidance & Outlook

Management guides for mid-teens revenue growth in FY27 with stable EBITDA margins vs. FY26, as raw-material and other cost pressures ease. Growth should strengthen from Q3/Q4FY27, supported by ~₹200 Cr annual run-rate of orders from a fast-growing 2W/3W OEM and the renewable energy business, which can generate ₹150 Cr+ annual revenue at peak. Over the medium term, management targets aerospace & defence to contribute at least 10% of consolidated revenue, supporting diversification beyond the core automotive business.

Belrise Industries Ltd.

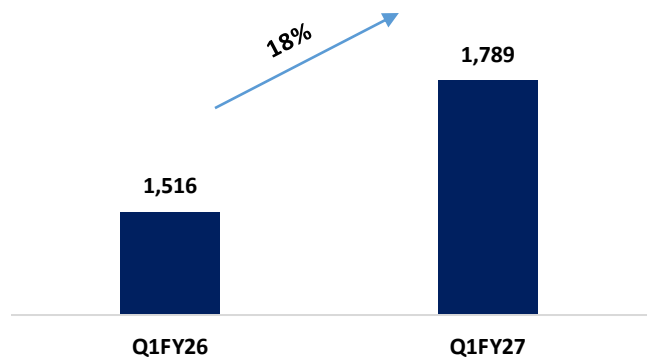
Q1FY27 Financials (Consolidated)

Particulars (₹ Cr)	Q1 FY27	Q4 FY26	Q1 FY26	YoY (%)	QoQ (%)
Revenue from Operations	2,546	2,553	2,262	*13%*	*0%*
COGS	2037	2063	1824	*12%*	*-1%*
Employee Expense	115	92	81	*42%*	*26%*
Other Expense	101	108	76	*32%*	*-7%*
EBITDA	**293**	**290**	**281**	*5%*	*1%*
EBITDA Margin	***11.52%***	***11.4%***	***12.4%***	***-88bps***	***15bps***
Depreciation and Amortization	99	92	90	*10%*	*8%*
EBIT	**194**	**199**	**191**	***2%***	***-2%***
EBIT Margin	***8%***	***8%***	***8%***	***-78bps***	***-14bps***
Finance Costs	46	46	80	*-42%*	*2%*
Other Income	18	20	29	*-37%*	*-9%*
Exceptional items	-	-1	-		
EBT	**166**	**173**	**140**	*19%*	*-4%*
EBT Margin	***6.53%***	***6.8%***	***6.2%***	***37bps***	***-25bps***
Tax Expense	45	44	28	*61%*	*1%*
PAT	**122**	**129**	**112**	*9%*	*-6%*
PAT Margin	***4.78%***	***5.1%***	***4.9%***	***-16bps***	***-27bps***

Source: Company filings, PESB research

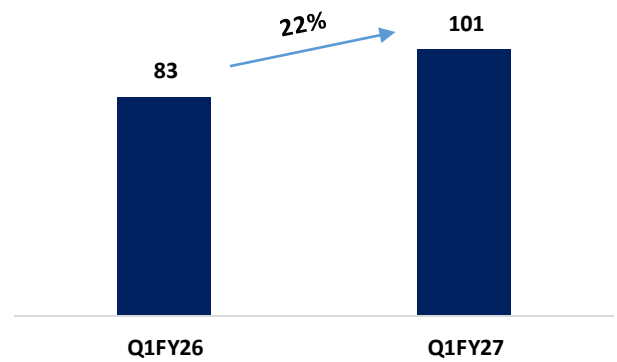
➢ Revenue mix by Vehicle type

2W+3W (₹ Cr)



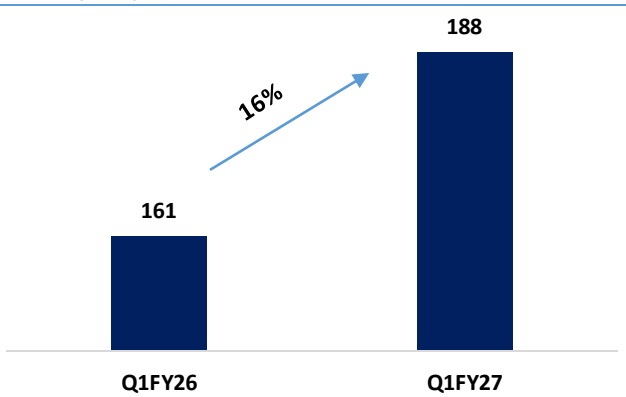
Source: Company filings, PESB Research

4W (₹ Cr)



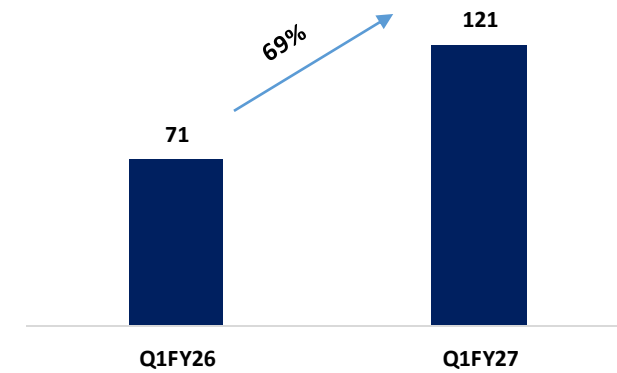
Source: Company filings, PESB Research

4W CV (₹ Cr)



Source: Company filings, PESB Research

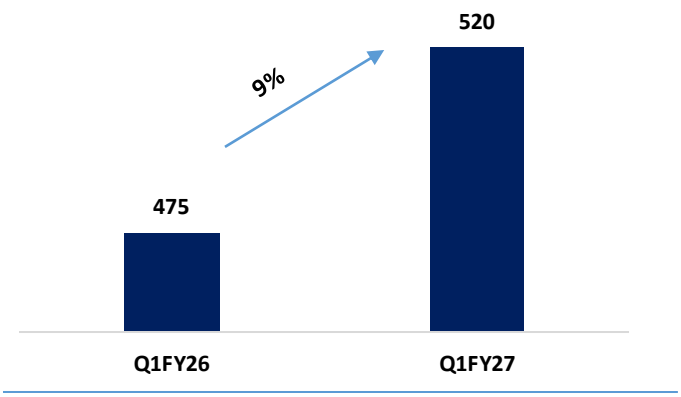
Others (₹ Cr)



Source: Company filings, PESB Research

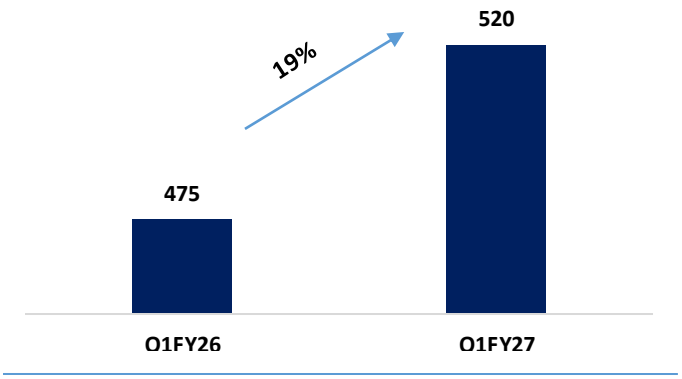
➢ Revenue mix by Powertrain

ICE (₹ Cr)



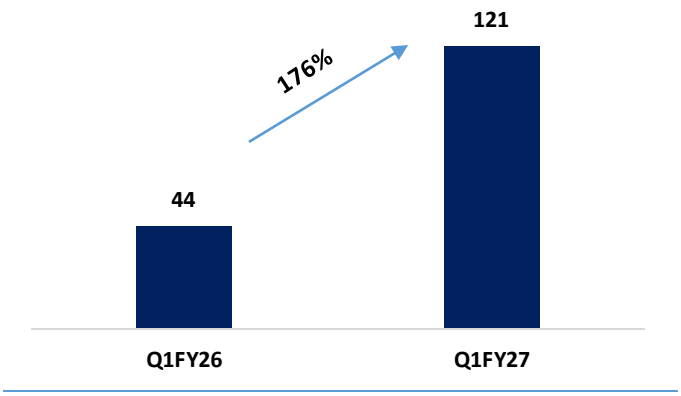
Source: Company filings, PESB Research

Power-train Agnostic (₹ Cr)



Source: Company filings, PESB Research

Others (₹ Cr)



Source: Company filings, PESB Research

➢ New Facility Update

Acquisition of Hyva India's tipper business	**3 new facility** 1. Pune 2. Jamshedpur 3. Banglore **Key Product:** Tipper for CV busienss **Expected Transaction completion:** Q3FY27
Banglore-2 (brownfield)	**Serving fast growing 2W and 3W OEM** for one of their highest selling model **Key products manufactured :** exhaust systems and fuel tanks **SOP:** Q2FY27
Bhiwadi-2 (brownfield)	Serving a large Japanese 2W OEM **Key Products:** Exhaust Systems, BIW parts **SOP:** Q4FY27

Belrise Industries Ltd.

Consolidated Financials

Income Statement (₹ Cr)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Revenue from Operations	5,397	6,582	7,484	8,291	9,509	10,935	12,576
COGS	4,220	5,253	6,025	6,712	7,680	8,733	10,043
Employee Benefit Expenses	223	236	275	294	341	393	452
Other Expenses	199	218	256	264	335	367	424
EBITDA	**755**	**875**	**928**	**1,021**	**1,154**	**1,442**	**1,656**
EBITDA Margin	***14%***	***13%***	***12%***	***12%***	***12%***	***13%***	***13%***
EBITDA Growth	***-***	***16%***	***6%***	***10%***	***13%***	***25%***	***15%***
Depreciation and Amortization	246	307	321	330	361	403	451
EBIT	**509**	**569**	**607**	**691**	**793**	**1,039**	**1,206**
EBIT Margin	***9%***	***9%***	***8%***	***8%***	***8%***	***9%***	***10%***
Other Income	14	38	59	62	110	81	93
Finance Cost	216	250	290	307	232	183	151
PBT	**307**	**357**	**376**	**446**	**666**	**937**	**1,149**
PBT Margin	***6%***	***5%***	***5%***	***5%***	***7%***	***9%***	***9%***
Tax	45	43	62	90	169	217	266
PAT	**262**	**314**	**314**	**355**	**497**	**720**	**883**
PAT Margin	***5%***	***5%***	***4%***	***4%***	***5%***	***7%***	***7%***
PAT Growth	***-***	***20%***	***0%***	***13%***	***40%***	***45%***	***23%***
EPS	2.94	3.52	3.52	3.99	5.58	8.09	9.92
					FY22-FY26		**FY26-FY28E**
Revenue					15%		15%
EBITDA					11%		20%
PAT					17%		33%

Source: Company filings, PESB Research

Balance Sheet (₹ Cr)	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Assets							
Non-Current Assets							
Property, Plant & Equipment	2,318	2,244	2,305	2,645	2,835	3,046	3,280
Right of Use of Asset	143	185	154	252	267	284	305
Other Non Current Assets	468	309	426	645	631	631	631
Total Non Current Assets	**2,929**	**2,737**	**2,886**	**3,542**	**3,732**	**3,961**	**4,216**
Current Assets							
Inventories	461	554	616	770	919	1,045	1,202
Trade Receivables	934	1,280	1,228	1,591	1,754	2,017	2,319
Cash and Cash equivalents	40	106	186	77	806	675	756
Other Bank Balances	34	35	64	72	35	35	35
Other Current Assets	798	967	1,062	1,174	1,303	1,303	1,303
Total Current Assets	**2,268**	**2,942**	**3,156**	**3,683**	**4,817**	**5,076**	**5,616**
TOTAL ASSETS	**5,196**	**5,679**	**6,042**	**7,225**	**8,550**	**9,037**	**9,832**
Equity							
Equity Share Capital	20	20	325	325	445	445	445
Other Equity	1,715	2,024	2,015	2,371	4,781	5,501	6,384
Non Controlling Interest	0	0	0	16	0	0	0
Total Equity	**1,736**	**2,045**	**2,340**	**2,713**	**5,226**	**5,947**	**6,829**
Liabilities							
Total Borrowings	2,598	2,271	2,441	2,900	1,439	1,138	937
Trade Payables	551	921	789	1,066	1,318	1,387	1,500
Other liabilities	311	442	471	547	566	566	566
Total Liabilities	**3,460**	**3,635**	**3,701**	**4,512**	**3,324**	**3,090**	**3,003**
Total Equity and Liabilities	**5,196**	**5,679**	**6,042**	**7,225**	**8,550**	**9,037**	**9,832**

Source: Company filings, PESB Research

Cash Flow Statement (₹ Cr)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Cash flow from Operations	369	756	762	704	131	850	1,102
Cash flow from Investing	-439	-198	-360	-981	-542	-632	-705
Cash flow from Financing	39	-496	-328	169	814	-348	-316

Source: Company filings, PESB Research

Ratios (₹ Cr)	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Margin Analysis							
EBITDA Margin	14%	13%	12%	12%	12%	13%	13%
PAT Margin	5%	5%	4%	4%	5%	7%	7%
Profitability							
ROCE (%)	14%	16%	15%	15%	13%	16%	16%
ROE (%)	15%	15%	13%	13%	10%	12%	13%
Liquidity and Solvency							
Current ratio (x)	1.4	1.3	1.5	1.3	2.0	2.2	2.4
Quick ratio (x)	1.1	1.1	1.2	1.1	1.6	1.7	1.9
Total Debt/ Equity (x)	1.5	1.1	1.0	1.1	0.3	0.2	0.1
Valuation Ratios							
EV/EBITDA (x)	23.5	19.8	18.8	17.6	18.5	14.7	12.6
P/E (x)	79.2	66.1	66.1	58.3	41.7	28.8	23.5

Source: Company filings, PESB Research

Disclosures and Disclaimers:

Stock Rating	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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