

## RATING

Business	★★★★★
Financials	★★★★★
Valuation	★★★★★
Management	★★★★★

Ranking 1 to 5, denoting lowest and 5 highest



**FIN2RESEARCH**  
Investment Advisor Pvt. Ltd.

**BELRISE**  
INDUSTRIES

**Recommendation : Buy For Long Term (Expected Return: 20%-25%)**

# IPO : BELRISE INDUSTRIES LIMITED

22 May 2025

(Note: All the information and data in this report is from RHP)

## Issue Details

Price Band (Rs)	₹85 to ₹90
Lot Size	166 shares
Face value	₹ 5
Min. Investment	₹14,868
Issue Size	2,150
Fresh Issue	2150
Listing At	BSE, NSE
QIB	50%
NII	15%
Retail	35%
Issue Type	Book Built Issue IPO
Share holding pre issue	99.81%
BRLMs	Axis capital, HSBC, Jefferies, SBI Cap

## IPO TIMELINES

Opening date	21-May-25
Closing date	23-May-25
Listing Date	28-May-25
Basis of Allotment	26-May-25
Initiation of Refunds	27-May-25
Credit of Shares to Demat	27-May-25

## Major Shareholding Pattern (%)

<b>Promoters</b>	
Shrikant Shankar Badve	81.42
Supriya Shrikant Badve	6.66
Sumedh Shrikant Badve	2.23
<b>Promoter Group</b>	
Sumedh Tools Private Limited	8.96
Swastid Shrikant Badve	0.31
<b>Total</b>	<b>99.58</b>

Objects of the Issue	Expected Amt. (in Millions)
Repayment/pre-payment, in full or in part, of certain outstanding borrowings availed by the Company.	16,181.27
General corporate purposes	NA

## About Company

Belrise Industries Ltd., incorporated in 1988, is a leading Indian manufacturer of safety-critical automotive components and engineering solutions for two-wheelers, three-wheelers, four-wheelers, commercial, and agri-vehicles. Its product range includes sheet metal and casting parts, polymer components, suspension, mirror, chassis, exhaust, and body-in-white systems.

## KEY HIGHLIGHTS:

- The company operates 17 vertically integrated manufacturing facilities across 10 cities in 9 Indian states, with the capability to produce over 1,000 distinct components including chassis systems, exhaust systems, body-in-white parts, polymer components, battery containers, suspensions, and steering columns. These facilities are strategically located in key automotive hubs such as Pune, Bhivadi, Chennai, and Karnataka, enabling cost-effective distribution and seamless implementation of a Just-In-Time inventory model to efficiently meet OEM demands. As of December 2024, the company processed over 60,000 tons of steel annually, underscoring its robust manufacturing scale and operational agility.
- The company has built long-standing relationships with a diverse set of global OEMs, serving 29 such clients as of December 2024. Its top three OEM customers contributed 33.6% of revenue in 9MFY25 and 31.9% in FY24, reflecting strong client concentration and trust. The company's deep understanding of OEM requirements enables it to deliver complex, high-quality components with quick turnaround times. Its rigorous product testing and validation processes create high entry barriers for new competitors. Key OEM customers include Bajaj Auto, Honda Motorcycle & Scooter India, Tata Motors, Jaguar Land Rover, Hero MotoCorp, and Royal Enfield.
- The company leverages technology-driven innovation and strong process engineering capabilities to maintain high manufacturing efficiency. Its facilities are equipped with advanced features such as real-time tracking, information transparency through visual dashboards, and modular operational setups. The company uses IoT and centralized monitoring systems for key processes like surface coating and cathodic electro-deposition plating, allowing for early detection of production bottlenecks. Additionally, the company has implemented a mistake-proofing mechanism, known as 'poka-yoke,' across critical operations using sensors and automated detection tools to enhance quality control and improve fault detection.

## Valuation:

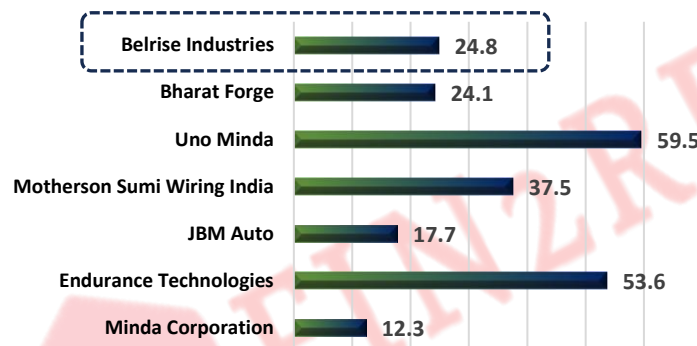
- As of FY24, the company ranks among the top three players in India's two-wheeler metal components segment, commanding a 24% market share by revenue. Backed by strong process engineering expertise and consistent technology adoption, the company maintains high manufacturing standards across its facilities. Valued at a P/E multiple of 24.8x (post-issue, upper price band), the company reported a robust financial performance with revenue, EBITDA, and PAT growing at a CAGR of 17.8%, 10.7%, and 9.0%, respectively, reaching ₹7,484 crore, ₹925 crore, and ₹323 crore during FY22–FY24. With the domestic and export 2W/3W markets projected to grow at a CAGR of 8% and 5%–7%, respectively, from FY24–FY30E/FY25E–FY30E, the company is well-positioned for future growth. Additionally, it plans to repay ₹1,618 crore in debt by FY26, which would bring its debt-to-equity ratio below 1.0x.

## SWOT ANALYSIS

### STRENGTHS:

The company holds a 24% revenue share in India's two-wheeler metal components segment (as of March 31, 2024) and offers a powertrain-agnostic product portfolio, enabling it to serve both ICE and EV OEMs. Its EV-focused offerings, such as components for Bajaj, Tata Motors, and Honda, position it well to capitalize on the growing electric vehicle market. As of March 31, 2025, the company operates 17 manufacturing facilities across 10 cities in 9 states, strategically located in key automotive hubs to support cost-efficient distribution and a just-in-time inventory model. With the capacity to produce over 1,000 products and process 60,000+ tons of steel annually, the company demonstrates strong manufacturing capability and agility in meeting complex OEM requirements.

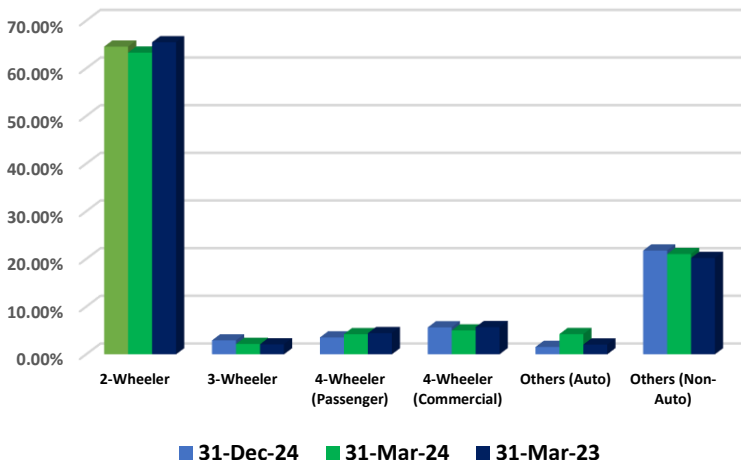
#### Cheaper Price-to-Earnings Ratio Compare to Listed Peers



### WEAKNESSES:

The company faces potential risks arising from the regional concentration of its operations, with seven out of its 17 manufacturing facilities located in Maharashtra. Any regional disruptions could adversely impact overall operations and financial performance. Additionally, a significant portion of the company's revenue is derived from its top ten customers, exposing it to revenue concentration risk. Any adverse change in these key relationships could materially affect its business. Furthermore, the company is vulnerable to fluctuations in raw material prices and supply chain disruptions, which could negatively impact its cost structure, operations, and overall financial health.

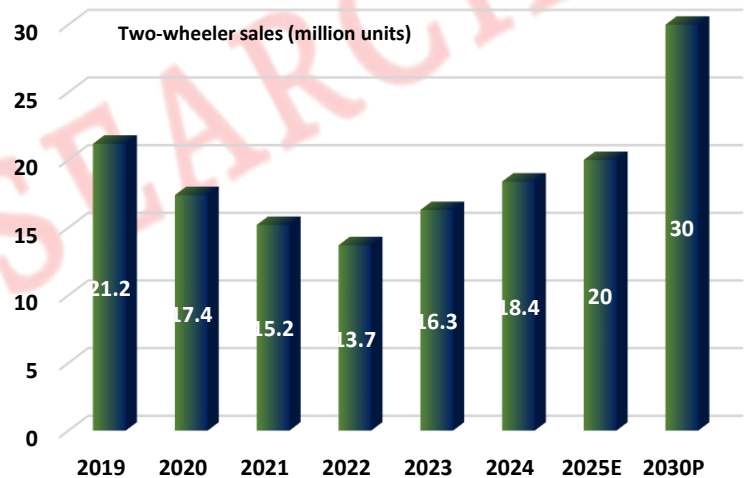
#### High Revenue Dependence on Two-Wheeler Segment



### OPPORTUNITIES:

India's two-wheeler market is entering a new phase of growth, driven by a resurgence in rural demand. With volumes poised for consistent expansion in the coming years, the sector is showing strong signs of sustained long-term momentum. Domestic manufacturers are set to gain a larger share of India's PV module market, with 55–65 GW capacity addition expected by FY2029, driven by the PLI scheme.

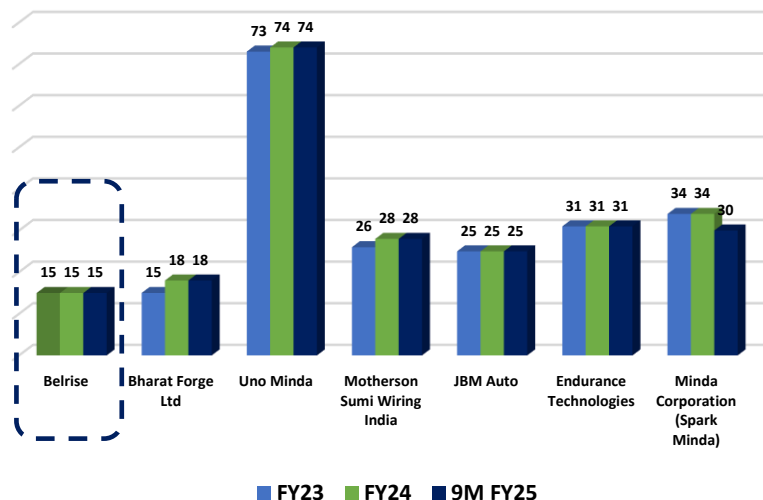
#### Robust recovery expected in two-wheeler market.



### THREATS:

While competitors have rapidly scaled operations, Belrise has seen no expansion in its manufacturing base for years, even as raw material costs have risen sharply, now accounting for a greater portion of total expenses. The cyclical nature of the two-wheeler and passenger vehicle industry, closely tied to GDP and income trends, challenges players to manage inventory efficiently and maintain profitability. Rising vehicle acquisition and operating costs, driven by regulatory changes, raw material inflation, and higher auto finance rates, pose a significant threat to affordability and overall demand.

#### Are they equipped to handle rising production requirements?



COMPANY OVERVIEW

The company is an India-based automotive component manufacturer offering a wide range of safety-critical systems and engineering solutions for two-, three-, and four-wheelers, as well as commercial and agri-vehicles. Its product portfolio includes metal chassis systems, polymer components, suspension systems, body-in-white components, and exhaust systems. With products compatible across electric and internal combustion engine vehicles, the company is well-positioned to serve the growing EV market. Specializing in precision sheet metal pressing and fabrication, it ranks among the top three in India’s two-wheeler metal components segment, holding a 24% market share by revenue as of March 31, 2024.

Vehicle Type	Number of OEMs
2-Wheeler	13
3-Wheeler	3
4-Wheeler (Passenger)	2
4-Wheeler (Commercial)	6
Agri-vehicles	2
Battery	1
White goods	1
Others (such as off-highway products)	1
Total	29

Over nearly three decades, the company has expanded its capabilities to include precision sheet metal pressing and fabrication, polymer component manufacturing, suspension system design and production, and coating and painting services. This has enabled a steady increase in the value and complexity of components supplied per vehicle.

The company’s footprint extends beyond Maharashtra to other Indian states, aligning with the geographic expansion of OEM manufacturing hubs. Its facilities are designed for scalability, supporting future growth. The adoption of a ‘just-in-time’ inventory model has enhanced operational efficiency and responsiveness, allowing for faster turnaround and greater alignment with OEM demands.

As of December 31, 2024, the company offers over 1,000 products across chassis systems, exhausts, body-in-white parts, suspensions, steering columns, battery containers, and polymer components. Its diversified portfolio supports a wide range of vehicle types, including two-, three-, and four-wheelers, commercial, and agri-vehicles. The company also serves international markets including Austria, Slovakia, the UK, Japan, and Thailand.

Polymer Products



Metal Products



### Suspension Systems



### Products Supplied for Automotive and Non-Automotive Sectors Include:

Sector/Product Line	Products Supplied
<b>Automotive - Two Wheelers</b>	
Sheet metal based	Chassis, side and main stand, brake pedal/gear clutch lever, swing arm
Polymer based	Visor front, fenders, covers, cowls
Suspension systems	Rear suspension, front forks, steering column, helical springs
<b>Braking systems</b>	
Automotive – Four Wheelers	Braking assemblies for drum and disc brakes
Sheet metal based	Chassis
Polymer based	Centre grill, fog lap cover, battery container, lids
<b>Suspension systems</b>	
Non-Automotive	Rear suspension for sports utility vehicles, front suspension for light commercial vehicle
Polymer refrigerator parts	Fruit and vegetable tray, handles, base
Renewable parts	Solar panel components

### Products Supplied for Automotive and Non-Automotive Sectors Include:

Amount as a % of revenue from operations

Particulars	31-Dec-24	31-Mar-24	31-Mar-23	31-Mar-22
Sheet Metal Division	73%	71%	70%	78%
Plastic and Polymer Division	3%	3%	6%	7%
Suspension Division	0.54%	1.03%	0.58%	0.60%
E-Mobility	0.07%	0.03%	0.00%	0.00%
Others*	23.32%	25.30%	23.54%	14.45%
Total	100.00%	100.00%	100.00%	100.00%

\*Others includes white goods, trading by our wholly-owned Material Subsidiary and other operational revenue.



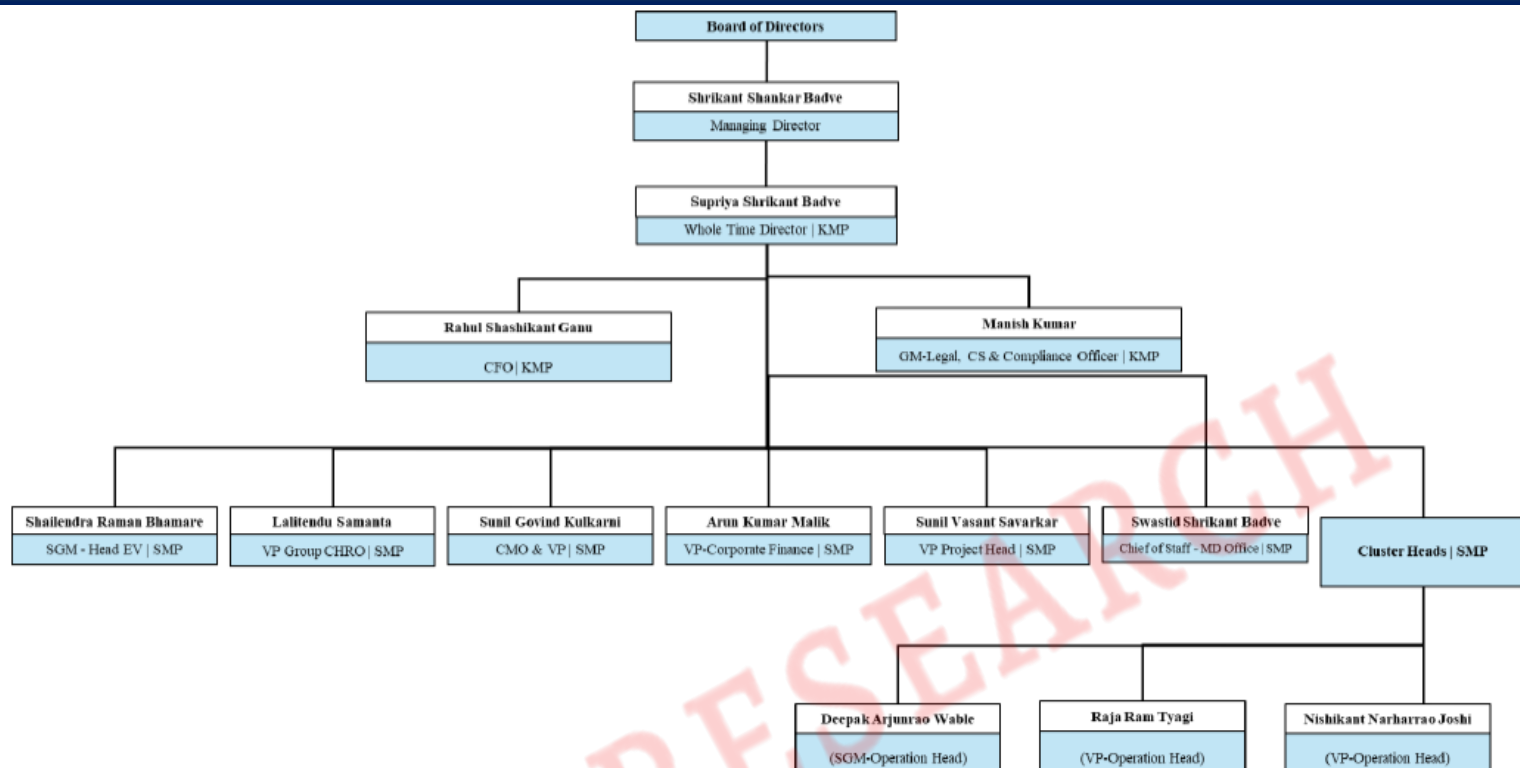
## Details of the Eight Largest Customers by Years of Association

Name of Customer	Type of Vehicle	Number of Years of Association	Key Products Supplied
Bajaj Auto Limited	2-wheeler	14	Chassis, Exhaust System, Fender, Cowl
Royal Enfield Motors Limited	2-wheeler	12	Chassis, Exhaust System
Honda Motorcycle & Scooter India Private Limited	2-wheeler	12	Chassis, Exhaust System, Swing Arm, Handle Bar, Main Stand,
VE Commercial Vehicles Limited	Light commercial vehicles	7	Cross Car Beam, Body-in-white components
Customer I*	4-wheeler	7	Chassis, Body-in-white components
Jaguar Land Rover Limited	4-wheeler	6	Automotive components
Hero MotoCorp Limited	2-wheeler	6	Chassis, Exhaust System
Customer II*	2-wheeler		Suspensions

## Key Performance Indicators:

Particulars	31-Dec-24	31-Mar-24	31-Mar-23	31-Mar-22
Revenue from Operations	60,134.26	74,842.41	65,824.96	53,968.54
Revenue Growth (%)	0.93%	13.70%	21.97%	25.54%
EBITDA	7,670.42	9,383.63	8,976.57	7,634.78
EBITDA Margin (%)	12.76%	12.54%	13.64%	14.15%
Profit After Tax	2,454.67	3,108.79	3,136.63	2,618.47
Profit After Tax Margin (%)	4.08%	4.15%	4.77%	4.85%
Return on Average Equity (RoAE) (%)	9.97%*	14.18%	16.60%	16.44%
Return on Average Capital Employed (RoACE) (%)	11.03%*	14.83%	14.04%	12.86%
Revenue – Vehicle Type-wise				
2-Wheeler	64.56%	63.30%	65.48%	73.18%
3-Wheeler	2.92%	2.17%	2.09%	2.65%
4-Wheeler (Passenger)	3.54%	4.22%	4.45%	4.73%
4-Wheeler (Commercial)	5.66%	5.01%	5.71%	4.99%
Others (Auto)	1.54%	4.25%	2.06%	2.36%
Others (Non-Auto)	21.78%	21.05%	20.21%	12.09%
Revenue – India & International				
India	75.06%	76.81%	77.92%	86.22%
International	24.94%	23.19%	22.08%	13.78%
Total	100.00%	100.00%	100.00%	100.00%
Total No. of Manufacturing Plants	15	15	15	15

## MANAGEMENT ORGANIZATION STRUCTURE:



### Shrikant Shankar Badve – Managing Director

Shrikant Shankar Badve, aged 59, is the Managing Director of the Company and has held this position since January 7, 2008. He holds a bachelor's degree in engineering from Dr. Babasaheb Ambedkar Marathwada University and is responsible for the overall business management of the Company. With over 28 years of experience in engineering, management, and finance, he has received several accolades, including *India's Impactful CEO 2023* by Times Now and recognition as an *Ambassador for Magnetic Maharashtra* by RMB Pune Business Circle. He has also served as a director at the Federation of Industries of India (TMA), a member of the AKS Trustee Circle of Rotary Foundation, and a director at Atal Incubation Centre – Rambhau Mhalgi Prabodhini (RMP) Foundation.

### Supriya Shrikant Badve – Whole-time Director

Supriya Shrikant Badve, aged 55, is the Whole-time Director of the Company and holds a master's degree in science from Amravati University. With over 16 years of experience in management and finance, she oversees the overall business operations. She has held leadership roles including Chairperson of the Women Entrepreneurship Development Council and founding member of the Women Entrepreneurs and Startups Committee of DCCIA, Pune. Her recognitions include the *Business Icons of India 2023* by Marksmen Daily and *Women Entrepreneur of the Year 2017* by SME Chamber of India.

### Rahul Shashikant Ganu – Chief Financial Officer

Rahul Shashikant Ganu is the Chief Financial Officer of the Company. He joined the Company on May 22, 2003, initially as Assistant Manager – Accounts. He holds a bachelor's degree in commerce from Marathwada University and an MBA from the Institute of Management Education, Pune. With over 21 years of experience, he is responsible for the Company's accounts, banking, and finance functions.

### Manish Kumar – Head Legal and Company Secretary

Manish Kumar is the Head Legal and Company Secretary at General Manager grade, appointed on August 12, 2023. He holds a bachelor's degree in science from Indira Gandhi National Open University and a law degree from Chaudhary Charan Singh University, Meerut, and is a fellow member of the Institute of Company Secretaries of India. With over 11 years of experience, he oversees all legal and secretarial matters of the Company. Prior to joining, he worked with Windlas Biotech, GRM Overseas, Hella India Automotive, Best Foods, and Hero Motors.

### Swastid Shrikant Badve – Chief of Staff, MD Office

Swastid Shrikant Badve has served as Chief of Staff in the MD Office since May 2, 2023. He holds bachelor's degrees in engineering and economics from the University of Pennsylvania. With over 1.5 years of experience, he manages strategy and operations for the Company. Prior to joining, he worked with McKinsey & Company.

## PEERS ANALYSIS :

### Number of Manufacturing plants

Company	FY22	FY23	FY24	9M FY24	9M FY25
Belrise	15	15	15	15	15
Bharat Forge Ltd	15	15	18	15	18
Uno Minda	72	73	74	73	74
Motherson Sumi Wiring India	23	26	28	26	28
JBM Auto	na	25	25	25	25
Endurance Technologies	28	31	31	31	31
Minda Corporation (Spark Minda)	33	34	34	29	30

### Revenue share - Domestic vs International (%)

Company	FY23		FY24	
	India	Outside India	India	Outside India
Belrise	77.92	22.08	76.81	23.19
Bharat Forge Ltd	41.23	58.77	45.05	54.95
Uno Minda	85.07	14.93	85.99	14.01
Motherson Sumi Wiring India	100	-	100	-
JBM Auto	99.52	0.48	99.6	0.39
Endurance Technologies	74.61	25.39	75.2	24.8
Minda Corporation (Spark Minda)	83.25	16.75	87.19	12.81

Particulars	Belrise Industries	Bharat Forge	Uno Minda	Motherson Sumi Wiring India	JBM Auto	Endurance Technologies	Minda Corporation
Sales	7,484	15,682	14,031	8,328	5,009	10,241	4,651
EBITDA	924	2,562	1,585	1,013	584	1,328	517
Net Profit	323	910	925	638	194	680	227
Mkt Cap.	8,009	60,378	56,859	25,642	17,174	30,901	12,019
Enterprise Value	8,500	65,785	58,754	25,674	19,610	30,826	13,379
EBITDA Margin (%)	12.4	16.3	11.3	12.2	11.7	13	11.1
Net Profit Margin	4.3	5.8	6.6	7.7	3.9	6.6	4.9
P/E (x)	24.8	24.1	59.5	37.5	17.7	53.6	12.3
EV/EBITDA (x)	8.7	25.7	37.1	25.3	33.6	23.2	23.9
RoE (%)	13.8	12.3	18.9	35.9	16.2	15.5	15.2
RoCE (%)	14.1	13.1	19.9	42.5	14.2	18.2	15.2
EV/Sales (x)	1.1	4.2	4.2	3.1	3.9	3	2.7

The data is based on FY24 financial data

For Belrise Industries Ltd. the Market cap, Enterprise value, P/E (x), EV/EBITDA (x), EV/Sales (x) are calculated on post-issue equity share capital based on the upper price band.

## **DISCLAIMER:**

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