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BLS POLYMERS LIMITED

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IPO Report

27th Oct 26

Snapshot

Company is a manufacturer of multiple grades of custom formulated polymer compounds, catering to diversified critical industries such as telecommunication, power, railways, water, oil and gas distribution, among others. As per CRISIL Report, polymer compounds are used as an essential raw material for sheathing, jacketing and insulation of wires and cables used in power, telecommunication and railway industries as well as coating of underground oil, gas and water pipelines, in order to provide a protective infrastructure from corrosion and external environmental factors.

VALUATION

Company is bringing the issue at price band of Rs 142-150 per share at p/b multiple of 17x on post issue annualized Q1FY27 basis.

Company is enlisted with prominent government agencies with pre-approved product portfolio has diversified industry applications and differentiated product portfolio. Also, company has long-standing relationships with its customers along with PAN-India market presence & integrated quality control infrastructure.Hence, we recommend "Subscribe" to issue.

Price Band (Rs./Share)	**142-150**
Opening date of the issue	**27th Oct '2026**
Closing Date of the issue	**29th Oct '2026**
No of shares pre issue	4,50,31,834 Eq Shares
Issue Size	Rs 255 Cr
Offer For Sale	Rs 2182 Cr
Fresh issue	Rs 255 Cr
Face Value (Rs/ share)	Rs 10/share
Bid Lot	100
BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer
Non-Institutional	15% of the offer
Retail	35% of the offer
Lead managers	Unistone Capital Private Limited
Registrar to the issue	Kfin Technologies Limited

WHAT WE LIKE

Enlisted with prominent government agencies with pre-approved product portfolio

Company is engaged in the manufacturing of multiple grades of polymer compounds, serving a wide range of critical industries including telecommunications, power, railways, water supply, and oil and gas distribution. As per CRISIL Report, Polymer compounds are used as an essential raw material for sheathing, jacketing and insulation of wires and cables used in power, telecommunication and railway industries as well as coating of underground oil, gas and water pipelines, in order to provide a protective infrastructure from corrosion and external environmental factors

Diversified industry applications with differentiated product portfolio

Company's business model is diversified by a mix of products, end use industries and customer base. As on August 31, 2026, Company has manufactured 06 products in 127 grades across company's product segments. The bouquet of products offered by company serve various end-user industries including but not limited to railways, telecommunication, among others. In addition to company's diversified product categories, company have also developed multiple grades depending on application and customer requirements. Company's constant efforts are focused towards continuously identifying market demands and introducing relevant products with high quality.

Long-standing relationships with company's customers

Company have, through its 3 decades of business operations, established long-standing relationships with several customers engaged in various industries. Company have a diversified customer base and have served 107 customers in the three months period ended June 30, 2026. Company has established a direct relationship with its customers, which has helped company build a long-standing relationship directly with its customers along with lowering of costs and improvement in company's returns. In the three months period ended June 30, 2026 and the last five Fiscals, company catered to more than 190 customers, of which around 93.92% number of customers were repeat customers year on year basis.

COMPANY BACKGROUND

Company's product portfolio is well diversified to offer varied solutions in the wire and cables and infrastructure industry, and included products such as, high density polyethylene compounds ("HDPE"), medium-density polyethylene compounds ("MDPE") and linear low-density polyethylene compounds ("LLDPE"), cross-linked polyethylene compounds ("XLPE"), halogen free flame retardant compounds ("HFFR"), polyvinyl chloride compounds ("PVC"), cable filling compounds ("CFC") and adhesive coating compounds. As per CRISIL Report, HDPE, MDPE and LLDPE compounds are used in the wire and cable industry which offer insulation, sheathing and jacketing based on the indicative requirement of the customer. While, XLPE, HFFR, PVC and CFC compounds add qualities such as strength, high voltage insulation and resistance, fire resistance and moisture resistance, as per the application of the end use product. In the wire and cable industry, polymers serve crucial functions in electrical insulation, mechanical protection, and overall cable performance. HDPE and adhesive coating compounds are key layers of 3LPE (three layer polyethylene) system ("3LPE Coating" i.e. Pipe Coating) used for coating of oil, gas and water distribution pipelines. 3LPE Coating is an effective solution for protecting high-capital-intensive pipelines from corrosion, chemicals and moisture, thereby ensuring long-term durability.

Company's Manufacturing Facility is located at Goa which is spread across an aggregate parcel of land admeasuring about 24,220 sq. mt. ("**Manufacturing Facility**"). The facility is equipped with eleven machines dedicated for manufacturing each of its products, viz., Polyethylene ("**PE**") compounds, XLPE compounds, PVC compounds, HDPE and adhesive coating compounds and masterbatches. Additionally, company use compounding processes to mix polymers, fillers, and additives. This includes feeding systems for accurate raw material dosing, and cooling and pelletizing systems to form the mixture into uniform pellets. Company's manufacturing Facility has obtained ISO 9001:2015 certification for quality management systems. Company's manufacturing Facility which is strategically situated in close proximity to Goa Port (Mormugao) from where company receive company supply of imported raw materials as well as export out finished goods to the international market. Company's Manufacturing Facility also has connectivity to national highways such as, NH-66, NH-748 and NH-4 which connect Goa to Mumbai, Mangalore and Kerala. The strategic location of its manufacturing Facility in close proximity to the ports enables company to reduce its logistic costs and enables company to offer its products at cost effective and competitive prices.
In order to sell its products in such industries, company is required to enlist its products with government agencies, which subject company's products, manufacturing processes and standard operating procedures, to rigorous testing parameters and approves their specific usage. For instance, company made an application on January 27, 2020 with a Navratna CPSE engineering consultancy company for enlisting its Adhesive Compound and PE Compound for 3LPE Coating, and received the approval for enlistment on October 23, 2024. Accordingly, company have enlisted company's products with a Maharatna CPSE power transmission company, a Navratna CPSE engineering consultancy company, a Miniratna CPSE telecommunication company and Government of Gujarat. Company believe that enlistment with such agencies provides company with the technical competence to sell its products in diverse projects and industries, and constitutes a significant barrier-to-entry for new players in the polymer compound industry. Additionally, in case of government customers who are onboarded through tender process, company is required to qualify a pre-determined financial and technical criteria to participate in tenders and onboard such customers. Despite such arduous customer onboarding and retention parameters, during the three months period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, company served 80, 138, 113 and 109 repeat customers, and added 27, 52, 53 and 66 new customers. The bid to win ratio on the basis of bids placed at GEM Portal (Government E-marketing place - Public Procurement Portal)/ Kerala Government Portal during the Fiscals 2024, 2025 and 2026 was 30%, 0% and 20% respectively.

OBJECTS OF OFFER

Company proposes to utilize the Net Proceeds from the Issue towards funding the following objects:

1. Financing the capital expenditure requirement towards expansion of company's existing manufacturing facility at Goa ("Manufacturing Facility") by increasing the manufacturing capacity of certain of company's existing products;
2. Funding working capital requirements of Company; and
3. General Corporate Purposes.

RISKS

During the three months period ended June 30, 2026 and the Fiscals 2026, 2025 and 2024, company derived 73.20%, 80.93%, 81.59% and 80.49% of its revenue from the sale of wire and cable polymer compounds. Any loss of sales due to reduction in demand for such products would have a material adverse effect on company's business, financial condition, results of operations and cash flows.

Source:RHP

Consolidated Financials

(Rs in Lakhs)

Financials	FY24	FY25	FY26	Q1FY27
Total Revenue (A)	29635.83	32843.59	34942.83	10702.55
Total Expenditure (B)	27995.06	29666.94	30753	9155.15
EBIDTA	1640.77	3176.65	4189.80	1547.40
EBIDTA Margin	5.54	9.67	11.99	14.46
Other Income	514.61	826.23	498.29	78.42
Depreciation	270.82	307.46	287.92	76.41
EBIT	1884.56	3695.42	4400.17	1549.41
Interest	915.23	868.37	801.92	181.08
PBT	969.33	2827.05	3598.25	1368.33
Share of profit in Asso	0.00	0.00	0.00	0.00
PBIT	969.33	2827.05	3598.25	1368.33
Exceptional	0.00	0.00	0.00	0.00
PBT	969.33	2827.05	3598.25	1368.33
Tax	217.13	713.45	897.61	345.35
PAT	752.20	2113.60	2700.64	1022.98
NPM	2.54	6.44	7.73	9.56
ROE%	16.06	31.11	28.45	
EPS	1.67	4.69	5.99	2.27
Eq Cap	960.17	960.17	4,503.19	4,503.19
Net Worth	4,682.72	6,794.19	9,493.40	10,517.41

(Source: RHP)

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