

Vidya Wires Ltd.

‘SUBSCRIBE’

03-12-2025 TO 05-12-2025

Industry: Wires & Cables

Price Band: ₹48 to ₹52

Recommendation: Subscribe for long term

Post Implied Market Cap: ₹1,042 Cr – ₹1,106 Cr

Key Data

Issue Size (₹ Cr)	₹300.01
Fresh (₹ Cr)	₹274.00
OFS (₹ Cr)	₹26.01
No of shares offered (total issue)	5,76,93,307
Face Value (₹ /share)	1
Bid Lot	288 Shares

Indicative Timetable

IPO Open Date	Wed, Dec 3, 2025
IPO Close Date	Fri, Dec 5, 2025
Tentative Allotment	Mon, Dec 8, 2025
Initiation of Refunds	Tue, Dec 9, 2025
Credit of Shares to Demat	Tue, Dec 9, 2025
Tentative Listing Date	Wed, Dec 10, 2025
Cut-off time for UPI mandate confirmation	5 PM on Fri, Dec 5, 2025

Shareholding (No. of shares)

Pre-Issue	16,00,00,000
Post-Issue	21,26,92,307

Issue Breakup

QIB	50%
NII	15%
Retail	35%

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	92.16%	66.98%
Promoters Group	7.74%	5.83%
Public	0.09%	27.20%
Total	100%	100%

Other Details

BRLM: Pantomath Capital Advisors Private Limited, IDBI Capital Markets & Securities Limited
Registrar: MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)
Listing: BSE & NSE

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About the company

Vidya Wires Limited, founded in 1981, is a leading manufacturer of insulated copper and aluminium wires and strips, catering to sectors such as power generation, transmission, railways, electric vehicles, and renewable energy in India. Operating from Anand, Gujarat, the company is the fourth largest player in India's copper and aluminium wire industry by installed capacity, with a diverse portfolio of over 6,400 products ranging from enamelled and paper-covered wires to copper busbars and PV ribbons.

Investment Rationales

Electrification Theme Exposure: Core components (wires, busbars) provide direct exposure to the high-growth Indian sectors of Power, EV, and Renewables infrastructure spending.

Aggressive Capacity Expansion: Strategic capital expenditure is planned to nearly double manufacturing capacity, aiming to significantly boost volumes and market share (moving from 4th to 3rd largest in India).

Superior Financial Efficiency: Exhibits strong revenue (25%) and PAT (59%) growth (FY24-25), supported by an above-average Return on Net Worth (RoNW) of 24.57%.

Diversified and De-Risked Operations: Serves a broad customer base (450+) and offers over 8,000 SKUs across five key industries, minimizing reliance on any single sector.

Strategic Balance Sheet Deleveraging: Plans to utilize capital to reduce approximately ₹100 crore in debt, enhancing financial stability and lowering future interest expense.

Risk

Heavy reliance on suppliers from Gujarat (70% in domestic) and Japan (57% in international).

Copper based products make up to 93% of total revenues, which leads to concentrated risk in its demand and raw material procurement.

Our views

Vidya Wires Limited operates in a foundational and high-demand industry, benefiting from significant secular tailwinds driven by the massive electrification, clean energy, and EV adoption initiatives in both the Indian and global markets.

The company has demonstrated robust and scalable financial performance, with its Profit After Tax (PAT) increasing significantly, supported by a strong Return on Net Worth (RoNW) of 24.57% (FY25). Its strategic position as a critical component supplier is underscored by a diversified base of over 450 customers across key sectors like Power, Electricals, Railways, and Renewables.

The proposed capital raise is structured to fund a major capacity expansion plan, aiming to almost double capacity to 37,680 MTPA and to facilitate strategic debt reduction (approx. ₹100 Cr).

Despite commodity price risks and the cyclical nature of end-user industries, Vidya Wires' market leadership, extensive product portfolio (over 8,000 SKUs), and strategic capacity growth provides a clear path to sustainability. We recommend a 'SUBSCRIBE' rating for investors.

CONSOLIDATED FINANCIALS – BASIC FINANCIAL DETAILS

Financial Performance Indicators	Unit	Fiscal 2023	Fiscal 2024	Fiscal 2025
Revenue from Operations	₹ in Cr.	1011.44	1186.07	1486.39
EBITDA	₹ in Cr.	35.84	45.52	64.22
EBITDA Margin	%	3.54	3.84	4.32
PAT	₹ in Cr.	21.50	25.69	40.87
PAT Margin	%	2.12	2.16	2.74
ROE	%	21.48	20.47	24.57
ROCE	%	16.87	18.25	19.72
Net Worth	₹ in Cr.	100.11	125.54	166.36
Revenue CAGR (FY23 to FY25)	%	21.23		
EBITDA CAGR (FY23 to FY25)	%	33.86		
PAT CAGR (FY23 to FY25)	%	37.86		
Debt to Equity Ratio	Times	0.97	0.87	0.88
Fixed Assets Turnover Ratio	Times	26.7	29.22	36.24
Inventory Turnover Ratio	Times	16.23	16.77	17.47
Trade Receivable Days	Days	27	36	32
Inventory Days	Days	22	22	21
Trade Payable Days	Days	2	2	2
Operating Performance Indicators	Unit	Fiscal 2023	Fiscal 2024	Fiscal 2025
Number of Manufacturing Facilities	Numbers	2	2	2
Production Capacity	MT	19,380	19,380	19,680

Source: Company RHP

Vidya Wires Ltd. IPO Peer Comparison

(As on March 31, 2025)

Company Name	EPS (Basic)	NAV (per share) (Rs)	P/E (x)	RoNW (%)	P/BV Ratio	Financial statements
Vidya Wires Limited	2.55	10.4	20.39	24.57		
Precision Wires India Limited	5.04	32.25	53.45	15.63	8.41	Consolidated
Ram Ratna Wires Limited	15.04	110.74	42.19	14.39	5.76	Consolidated
Apar Industries Limited	204.47	1121.17	44.36	18.24	8.09	Consolidated

Notes:

All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports / annual results as available of the respective company for the financial year ended March 31, 2025 submitted to stock exchanges.

Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33.

Net asset value per share represents net worth divided by number of equity shares outstanding as at the end of year/period.

Price/earnings ratio for the peer group has been computed based on the closing market price of equity shares on stock exchanges as on November 14, 2025, divided by the earnings per share for financial year ended March 31, 2025.

Return on Net Worth is calculated as Net profit for the period / year as a percentage of Net worth.

P/E ratio of Vidya wires Ltd. is implied and not actual.

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CIN No U74110MH2005PLC157942 | BSE-3281 | NSE-12817 | MCX-55910 | DP:IN-DP-CDSL-490-2008 | DPID:12059100 |

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