



IPO INSIGHTS



Plaza Wires Limited

Issue Dates - Opens: 29-09-2023 | Closes: 05-10-2023

IPO Note	<ol style="list-style-type: none"> Plaza Wires Limited is involved in the business of manufacturing and selling wires, and selling and marketing LT aluminium cables and fastmoving electrical goods (FMEG) under its primary brand "PLAZA CABLES" and home brands such as "Action Wires" and "PCG". The Company is one of the growing manufacturers in the wires and cables industry in northern region in India, and provide extensive range of wires and cables.
Rating	★ ★ ★ (Good)

IPO SNAPSHOT

Issue Size	₹ 71.28 Crores
Issue Type	Book Built Issue IPO
Fresh Issue	₹ 71.28 Crores
Offer for Sale	-
Face Value Per Share	₹ 10
Price Band Per Share	₹51 to ₹54
Minimum Lot Size	277 shares
Listing On	BSE, NSE
Registrar to the Issue	Kfin Technologies Ltd

IPO SNAPSHOT – Plaza Wires Limited

About the Company

- Incorporated in 2006
- Plaza Wires, initially known as Navratna Wires, primarily focuses on manufacturing various wire and cable products. These include house wires, single and multicore round flexible industrial cables, as well as industrial cables designed for submersible pumps and motors up to 1.1kv grade.
- The Company's main products are building wires, flexible industrial cables, and special cables for submersible pumps and motors.
- The Company also provides other wires and cable products such as LT power control cables, TV dish antenna co-axial cables, telephone & switchboard industrial cables, computer & LAN networking cables, close circuit television cables and solar cables, PVC insulated tape, and PVC conduit pipe & accessories, through third-party manufacturers.
- Plaza Wires expanded its product portfolio by launching miniature circuit breakers and distribution boards (DB) in the north and south Indian regions in 2021.
- As of March 31, 2023, the company has over 1249 authorized dealers and distributors, 3 branch offices in Rajasthan, Uttarakhand, and Uttar Pradesh, 1 branch office cum godown at Maharashtra, 4 warehouses in Uttar Pradesh, Assam, Kerala and Delhi.
- Their product mix comprises different type of wires and cables, and FMEG such as electric fans, water heaters, switches and switchgears, PVC insulated electrical tape and PVC conduit pipe & accessories.

Competitive Strengths

- Product portfolio focused on various customer segments and markets.
- Distribution network
- Management and dedicated employee base

Financials (₹ in Crores)

Particulars	31-3-2021	31-3-2022	31-03-2023	Y-o-Y
Revenue	145.38	176.78	182.49	3%
EBITDA	10.86	13.19	15.70	19%
EBITDA Margin	7.5%	7.5%	8.6%	
PAT	4.24	5.95	7.51	26%
PAT Margin	2.9%	3.4%	4.1%	

Valuation

- Attributing Annualized FY23 Earnings asking P/E = 21.95

Peers

Company Name	P/E ratio
Cords Cable Industries Ltd	16.65
Ultracab (India) Ltd	24.18
V-Marc India Limited	25.55
Dynamic Cables Limited	32.22
Paramount Communications Limited	23.75

Promoters

- Sanjay Gupta
- Sonia Gupta

Objects of the issue

- Funding the capital expenditure towards setting up a new manufacturing unit for house wires, fire-resistant wires & cables, aluminum cables, and solar cables to expand the product portfolio.
- Funding the working capital requirements of the company.
- General Corporate purposes

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