



IPO INSIGHTS

Popular Vehicles
& Services

Popular Vehicles & Services Limited

Issue Dates - Opens: 12-03-2024 | Closes: 14-03-2024

IPO Note	<ol style="list-style-type: none"> Popular Vehicles and Services Limited is engaged in the business of automobile dealerships in India. Popular Vehicles provides complete services throughout the life cycle of vehicle ownership, including sales of new and preowned vehicles, servicing, spare parts distribution, driving schools, and third-party financial and insurance product sales.
Rating	★★ (Average)

IPO SNAPSHOT

Issue Size	₹ 601.55 Crores
Issue Type	Book Built Issue IPO
Fresh Issue	₹ 250 Crores
Offer for Sale	₹ 351.55 Crores
Face Value Per Share	₹ 2
Price Band Per Share	₹280 to ₹295
Minimum Lot Size	50 shares
Listing On	BSE, NSE
Registrar to the Issue	Link Intime India Private Ltd

IPO SNAPSHOT – Popular Vehicles & Services Limited

About the Company	<ul style="list-style-type: none"> ▪ Incorporated in 1983 ▪ The Company cater to the complete life cycle of vehicle ownership, right from the sale of new vehicles, servicing and repairing vehicles, distributing spare parts and accessories, to facilitating sale and exchange of pre-owned vehicles, operating driving schools and facilitating the sale of third-party financial and insurance products. ▪ They categorise their automobile dealership business into three key segments, namely, (a) passenger vehicles including luxury vehicles, (b) commercial vehicles and (c) electric two-wheeler and three-wheeler vehicles. ▪ Popular Vehicles provides complete services throughout the life cycle of vehicle ownership, including sales of new and preowned vehicles, servicing, spare parts distribution, driving schools, and third-party financial and insurance product sales. ▪ The Company currently operates through a vast network consisting of 59 showrooms, 126 sales outlets, and booking offices, 31 pre-owned vehicle showrooms and outlets, 134 authorized service centers, 40 retail outlets, and 24 warehouses across 14 districts of Kerala, 8 districts in Karnataka, 12 districts in Tamil Nadu, and 7 districts in Maharashtra. ▪ The Company is a diversified automobile dealership in India in terms of revenue as of Fiscal 2023, having a fully integrated business model. ▪ Popular Vehicles and Services Limited is engaged in the business of automobile dealerships in India. 																														
Competitive Strengths	<ul style="list-style-type: none"> ▪ Long standing presence in the automobile industry and well-established relationships with leading OEMs ▪ Penetration in markets in which we operate complemented by innovative marketing strategies ▪ Fully integrated business model leading to business stability and higher margin ▪ Proven ability to identify and capture inorganic as well as organic growth opportunities ▪ Consistent track record of profitable financial performance and increasing growth ▪ Experienced promoters and management team 																														
Financials (₹ in Crores)	<table border="1"> <thead> <tr> <th>Particulars</th> <th>31-3-2021</th> <th>31-3-2022</th> <th>31-03-2023</th> <th>Y-o-Y</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>2893.53</td> <td>3468.58</td> <td>4875</td> <td>41%</td> </tr> <tr> <td>EBITDA</td> <td>149.13</td> <td>160.34</td> <td>217.22</td> <td>35%</td> </tr> <tr> <td>EBITDA Margin</td> <td>5.2%</td> <td>4.6%</td> <td>4.5%</td> <td></td> </tr> <tr> <td>PAT</td> <td>32.46</td> <td>33.67</td> <td>64.07</td> <td>90%</td> </tr> <tr> <td>PAT Margin</td> <td>1.1%</td> <td>1.0%</td> <td>1.3%</td> <td></td> </tr> </tbody> </table>	Particulars	31-3-2021	31-3-2022	31-03-2023	Y-o-Y	Revenue	2893.53	3468.58	4875	41%	EBITDA	149.13	160.34	217.22	35%	EBITDA Margin	5.2%	4.6%	4.5%		PAT	32.46	33.67	64.07	90%	PAT Margin	1.1%	1.0%	1.3%	
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Valuation	<ul style="list-style-type: none"> ▪ Attributing Annualized FY23 Earnings asking P/E = 28.86 																														
Peers	<table border="1"> <thead> <tr> <th>Company Name</th> <th>P/E ratio</th> </tr> </thead> <tbody> <tr> <td>Landmark Cars Limited</td> <td>32.05</td> </tr> </tbody> </table> <p>Note : P/E ratio is calculated as closing share price as on 07th March,2024.</p>	Company Name	P/E ratio	Landmark Cars Limited	32.05																										
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Promoters	<ul style="list-style-type: none"> ▪ John K. Paul ▪ Francis K. Paul ▪ Naveen Philip 																														
Objects of the issue	<ul style="list-style-type: none"> ▪ Repayment or pre-payment, in full or part, of certain borrowings, availed by the company and certain of the subsidiaries, namely, VMPL, PAWL, PMMIL, KGPL, KCPL and PMPL. ▪ General Corporate purposes 																														

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