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Vidya Wires

Leading manufacturer of winding wires

Fourth largest manufacturer of winding and conductivity products in India, with 5.7% of installed capacity

Vidya Wires is a manufacturer of winding and conductivity products for a range of critical industries and applications. Products of the company are used in applications such as power generation & transmission, electrical systems, electric motors, clean energy systems, electric mobility and railways.

The product portfolio includes precision-engineered Enameled Wires, Enameled Copper Rectangular Strips, Paper Insulated Copper Conductors, Copper Busbar and Bare Copper Conductors, Specialized Winding Wires, PV Ribbon and Aluminum Paper Covered Strips, among others. It manufactures over 8,000 SKUs of winding and conductivity products, with sizes ranging from as thin as 0.07 mm to as thick as 25 mm.

Copper based products accounted for 93.18% [enameled copper winding wires/strips 22.04%; paper insulated copper conductors 27.70%; bare copper wire/bare copper rod 41.35%; PV ribbon copper 2.10%] and aluminum products, i.e., aluminum paper covered strips accounted for 3.65% of sales in FY2025. Balance 3.17% of sales came from sales of scraps.

End use industry-wise, revenue composition was 48.06% from power T&D, 10.20% from general engineering, 28.88% from electrical, 9.51% from renewable/EV/automotive, 2.92% from consumer durables and balance 0.44% from other operating revenue in FY2025.

Products are sold to over 318 customers, including over 19 international customers in more than 18 countries across 5 continents including the United States of America, Saudi Arabia, UAE, Australia, Canada, Egypt, and Singapore. Export revenue accounted for 13.57% of operation revenue in FY2025 and 11.20% in Q1FY2026.

The company generates most of its revenue from Gujarat and Maharashtra, constituting 68.66%, 69.88%, 69.45%, 65.54% of its revenue from operations in the three months period ending June 30, 2025, and Fiscal2025, 2024 and 2023, respectively.

Over the years, the company has developed strong relationships with customers including Adani Wilmar Limited, Atlanta Electricals Limited, Schneider Electric Infrastructure Limited, Transformers & Rectifiers (India) Limited, Electrotherm India Limited, Hammond Power Solution Private Limited, Lubi Industries LLP, Suzlon Energy Limited, TMEIC Industrial Systems India Private Limited and Transfix India Private Limited. Many have been associated with the company for over decades. Revenue from repeat customers as a percentage of total revenue from operations stood at 94.28% in FY 2025 and 88.90% in FY2024.

The manufacturing facility is at Anand, Gujarat, and has logistics convenience to various major seaports in the state including Hazira and Mundra, used for exporting products as well as importing raw materials. The current installed capacity is 19,680 tpa.

To maintain consistency and control over the quality and supply of copper rods (the main raw material, made from copper cathodes), it has undertaken backward integration in its manufacturing facility to produce oxygen free copper rods from copper cathodes, which are used to manufacture its final products. Out of its total requirement of copper rods, about 35%-40% was manufactured in-house from copper cathodes and remaining was purchased from its suppliers in the three months ending June 30, 2025, and the last three fiscals.

ALCU, the subsidiary, is in the process of setting up a new manufacturing unit at Village Narsanda (Nadiad Taluk of Gujarat). Through its proposed project, it intends to add new products like Copper Foils, Copper Components, Continuously Transposed Copper Conductors, PV Round Ribbon, Solar Cables, Multi Paper Covered Copper Conductors, Enameled Aluminum Winding Wires, and Enameled Aluminum Rectangular Strips to its current product portfolio.

The new plant at Narsanda will have a facility to manufacture copper busbar and bare copper conductors (copper busbar, copper foils, copper components), continuously transposed copper conductors, PV round rippon, solar cables, enameled copper rectangular strips for EV motors, multi paper covered copper conductors, aluminum products, enameled aluminum winding wires, enameled aluminum rectangular strips and enameled aluminum paper covered strips. The project will have installed capacity of 18,000 tpa and post execution of this project, the combined installed capacity would become 37,680 tpa.

The company had a 5.7% market share of installed capacity in the winding and conductivity products industry in India in FY2025, as per CareEdge Report. It is expected to go up to 11% post-proposed capacity expansion.

The company sourced an average 25% of its total power requirements from renewable sources like solar and windmills in the three months period ended June 30, 2025, and in the last threefiscals.

The issue and objects of the offer

The offer comprises a fresh issue of equity shares aggregating upto Rs 274 crore and the offer for sale of up to 5,001,000 equity shares by the promoter selling shareholders [2,500,500 equity shares each by Shyamsundar Rathi and Shailesh Rathi].

Of the net proceeds from the fresh issue, the company proposes to utilize Rs 140 crore for funding capital expenditure requirements of its subsidiary for setting up a new project; Rs 100 crore towards repayment/prepayment, in full or part, of all or certain outstanding borrowings; and balance for general corporate purposes.

Outstanding borrowings on a consolidated basis as of November 14, 2025, stood at Rs 206.14 crore.

Strengths

Fourth largest manufacturer in the winding and conductivity products industry, with a 5.7% market share of installed capacity in Indian in FY2025.

Broad customer base with none of its customer contributing over 9 % of its annual revenue.

Pre-approved supplier with Power Grid Corporation of India Limited. The company is also a UL-approved company, enabling it to export enameled copper/aluminum wire (also known as magnet wire) to the United States of America.

Backward integration for quality control as well as sustainability initiatives.

Weaknesses

Operates in an industry that is competitive with low entry barrier and mid-single-digit operating margin.

Significant increases or fluctuations in prices of, or shortages of, or delays or disruptions in the supply of primary raw materials (copper, aluminum, insulation material, and wire enamel) could affect its costs and profits, timeline of delivery of order.

Shilpa Rathi, one of its promoters, and some other members of the promoter group had received notices under the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

Promoters Shyamsundar Rathi and Shailesh Rathi formed a partnership firm Bhagwat Wires Industries in 2003. It carries similar line of business but is currently not operational.

Has negative cash flows from operating activities, investing activities and financing activities in the three months period ended June 30, 2025, and in the preceding three fiscals.

Valuations

Consolidated re-stated sales stood higher by 25% to Rs 1486.39 crore in FY 2025. With the OPM expanding by 50 bps to 4.3%, the growth of OP was 41% to Rs 64.22 crore. After accounting for higher OI as well as lower interest and depreciation cost as proportion to sales, PBT was up by 61% to Rs 55.09 crore. Finally, profit after MI was up 59% to Rs 40.87 crore.

Sales were Rs 411.76 crore and net profit after MI was Rs 12.06 crore in the quarter ended June 2025.

On an expanded equity (at the upper price band) the EPS for FY2025 was Rs 1.9. The P/E at the upper price band works out to 27.4 times the FY2025 EPS. The company quotes at a P/BV of 3.8 times. The company trades at EV/sales 0.9 times on FY2025 sales.

In comparison, Precision Wires and Ram Ratna Wires quote at a PE of 40.3 times and 37.3 times, respectively, of their EPS of TTM period ended September 2025. Though not an apple-to-apple comparison, Apar Industries quotes a PE of 38.4 times of its EPS for TTM period ended September 2025.

Vidya Wires : Re-stated Consolidated Financials				
	2303 (12)	2403 (12)	2503 (12)	2506 (3)
Sales	1011.44	1186.07	1486.39	411.76
OPM (%)	3.5	3.8	4.3	4.5
OP	35.84	45.52	64.22	18.67
Other income	4.28	2.42	5.06	1.33
PBIDT	40.12	47.93	69.28	20.00
Interest	8.34	10.92	11.35	3.19
PBDT	31.78	37.02	57.92	16.81
Depreciation	2.73	2.70	2.83	0.87
PBT	29.05	34.32	55.09	15.95
EO Exp	0.00	0.00	0.00	0.00
PBT after EO	29.05	34.32	55.09	15.95
Tax	7.55	8.63	14.22	3.89
PAT	21.50	25.69	40.87	12.06
Share of Profit from Associates	0.00	0.00	0.00	0.00
Minority Interest	0.00	0.00	0.00	0.00
Net profit after MI	21.50	25.69	40.87	12.06
EPS (Rs)*	1.0	1.2	1.9	2.3
* on post IPO fully diluted equity (on upper price band) of Rs 21.27 crore. Face Value: Rs 1				
EPS is calculated after excluding EO and relevant tax				
Figures in Rs crore				
Source: Capitaline Corporate database				

Vidya Wires : Issue Highlights	
Fresh Issue (Rs crore)	274
Offer for sale (in nos.)	10000000
Price band (Rs.) **	
Upper	52

Lower	48
Post-issue equity (Rs crore)	
in Upper price band	21.27
in Lower Price Band	21.71
Post-issue promoter (including promoter group) stake (%)	72.80
Minimum Bid (in nos.)	288
Issue Open Date	03-12-2025
Issue Close Date	05-12-2025
Listing	BSE, NSE
Rating	46/100