



IPO DETAILS

#IPOlogy

PACE DIGITEK LIMITED



 **ISSUE OPEN**

26/09/2025

 **ISSUE CLOSE**

30/09/2025

Min. Lot Size

68 Shares

Issue Price Band

₹208 - ₹219

Issue Size

Fresh Issue:

3.74 Cr Eq Shares
(₹819.15 Cr)

OFS:

NIL

Face Value

₹2

Industry

Telecommunications

Listing at

NSE, BSE

Rating

Subscribe

APPLY NOW

Marwadi Shares and Finance Limited

Corporate Office: Marwadi Financial Plaza, Nana Mava Main Road, Off 150ft Ring Road, Rajkot - 360001, Gujarat.

Registered Office: X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. - 53E, Zone - 5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat.

0281 7174 100/0281 6192 100 **CIN of MSFL:** U65910GJ1992PLC017544

SEBI Reg. No. of MSFL for NSE, BSE, MCX, NCDEX: INZ000174730 | Membership No.: NSE:08760, BSE:0910, MCX:56410, NCDEX:1280 | SEBI Regn.No. of DP: IN-DP-476-2020 (NSDL DPID:IN300974) (CDSL DPID:12035100) | Research Analyst: INH 000002186 AMFI: ARN-42506 | PFRDA: POP07082018

Disclaimer: 'Investment in securities market are subject to market risks, read all the related documents carefully before investing'.

For Facts & Figures



PACE DIGITEK LIMITED

Rationale

Considering the FY 25 EPS of Rs 12.93 on a post issue basis, the company is set to list at a P/E of approximately ~17x with a market cap of Rs 4,727 Cr whereas its peers namely HFCL Ltd, Ltd and Bondada Engineering Ltd are trading at P/E ratios of approximately ~321x, and ~40x respectively.

We assign a 'Subscribe' rating to this IPO as they are end-to-end solutions provider with integrated operations in the telecom tower sector along with diversified business segments with strong order book. Also, it is available at a reasonable valuation as compared to its peers.

Objectives of the issue

Funding capital expenditure requirement for investment in their subsidiary, pace renewable energies private ltd, for setting up battery energy storage systems (BESS) for a project awarded by the Maharashtra State Electricity Distribution Company Limited (MSEDCL) (Capital Expenditure); and

General corporate purposes

Company Overview

Pace Digitek Ltd is a telecom infrastructure solution provider with a significant focus on the telecom infrastructure industry including telecom towers and optical fibre cables

They generate their revenue from operations from 3 verticals i.e., telecommunications, energy, and information and communication technology (ICT).

The company derives 94% of its revenue from telecommunications, 6% from energy, with the balance contributed by ICT and other segments.

They also undertake turnkey projects for renewable energy sector through their Subsidiary, Pace Renewable Energies Private Limited. They also undertake BESS projects in either standalone mode or coupled with solar PV plants, floated through both 'build, own, and operate' and 'engineering, procurement, and construction' models.

Through Lineage, the company operates two manufacturing facilities in Bengaluru, Karnataka – one for telecom infrastructure equipment and the other for lithium-ion battery systems.

The company entered end-to-end DC system manufacturing for telecom in 2014 with GE Power Electronics India's acquisition and the 'Lineage Power' brand, and since 2023 has backward integrated telecom infra supply via its subsidiary, Lineage Power Pvt. Ltd.

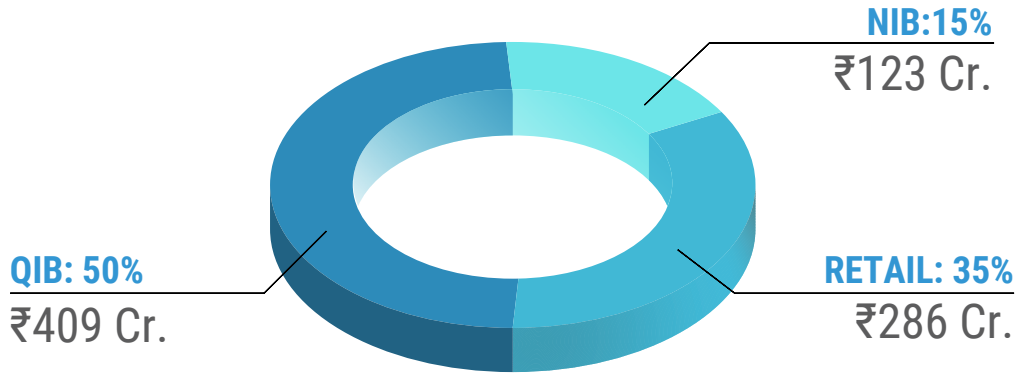
Strong operations in India and overseas

They have established operational presence in Maharashtra, Gujarat, Karnataka, Andhra Pradesh, Jammu and Kashmir, Uttarakhand, Assam, Manipur, Arunachal Pradesh, Mizoram, Nagaland, Sikkim among others along with operations in Myanmar and Africa.

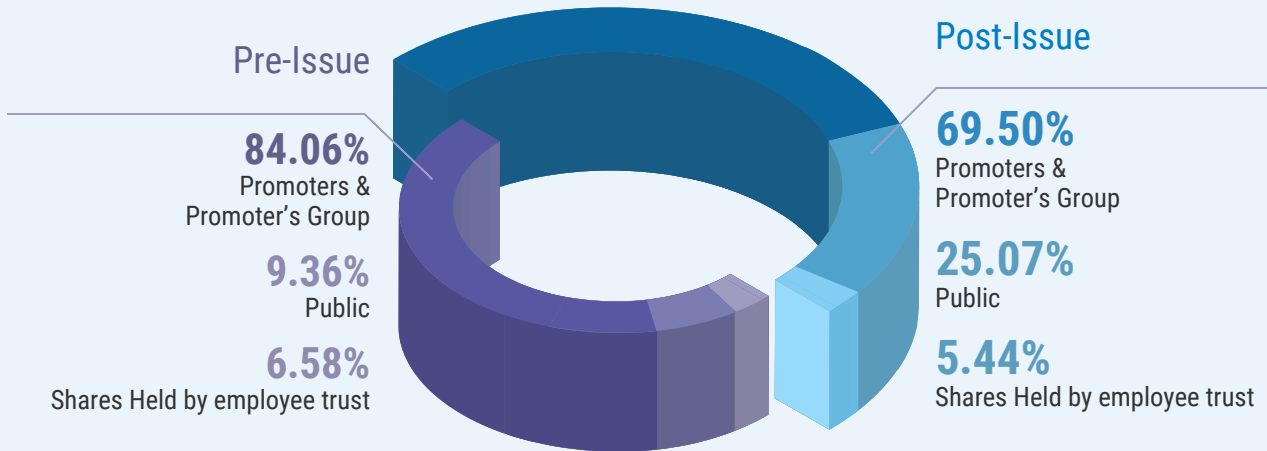


PACE DIGITEK LIMITED
Issue Details

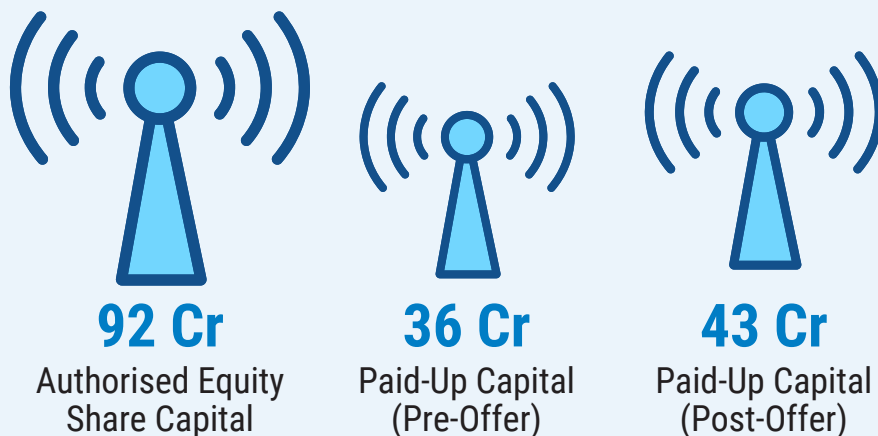
Issue Break-Up



Shareholding Pattern



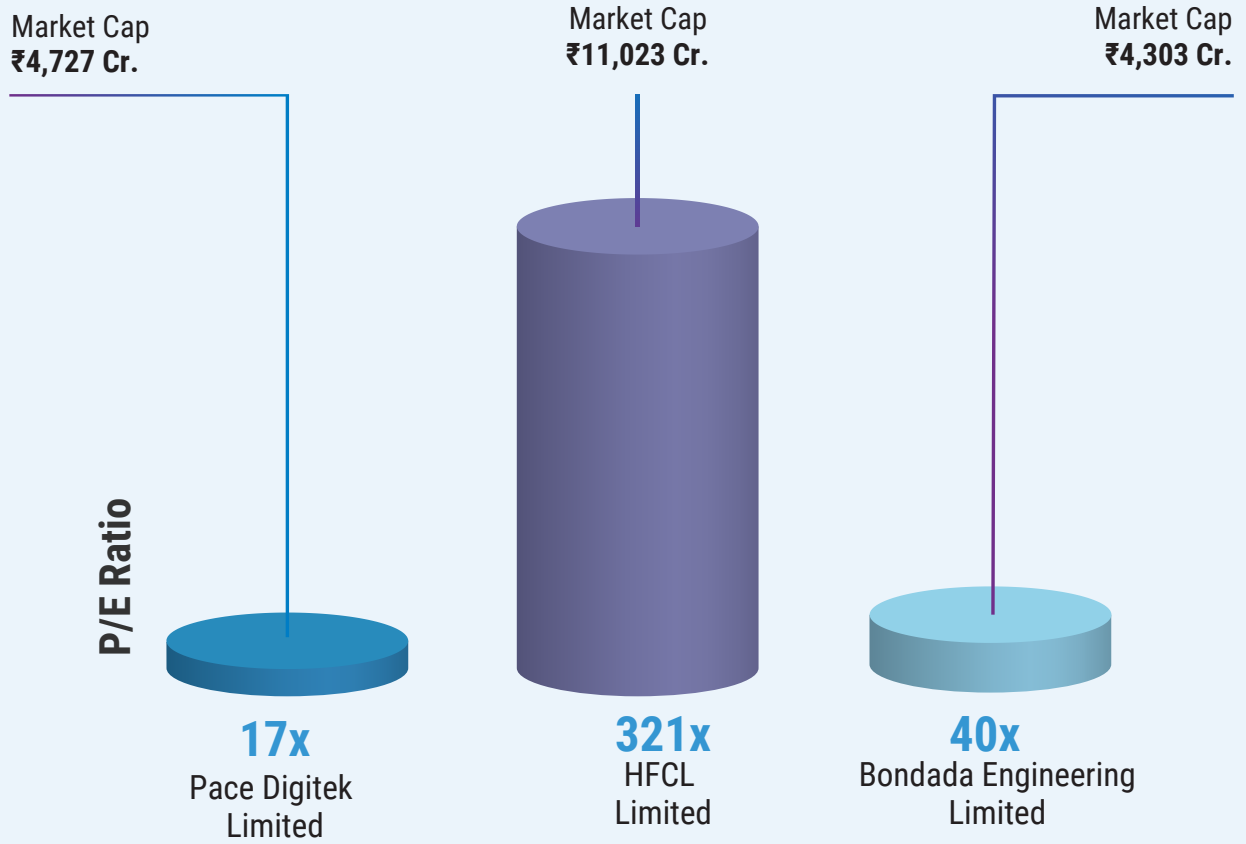
Capital Structure (in ₹ Cr.)





PACE DIGITEK LIMITED

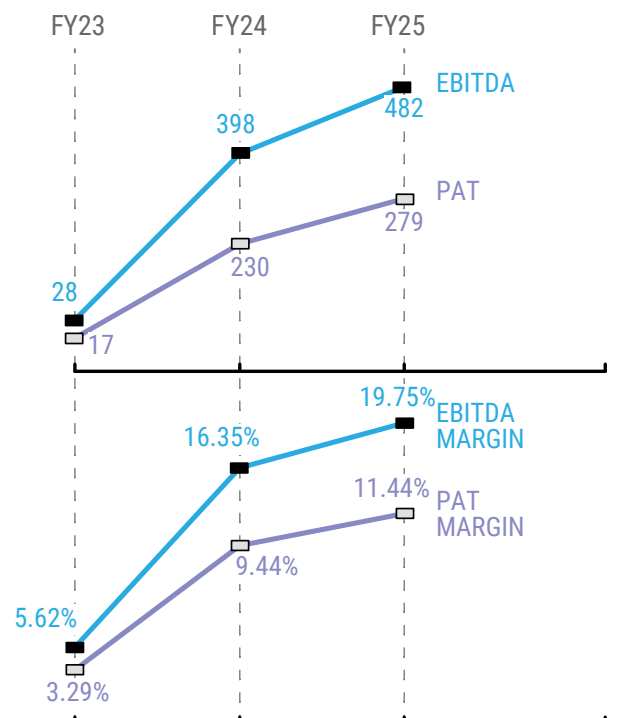
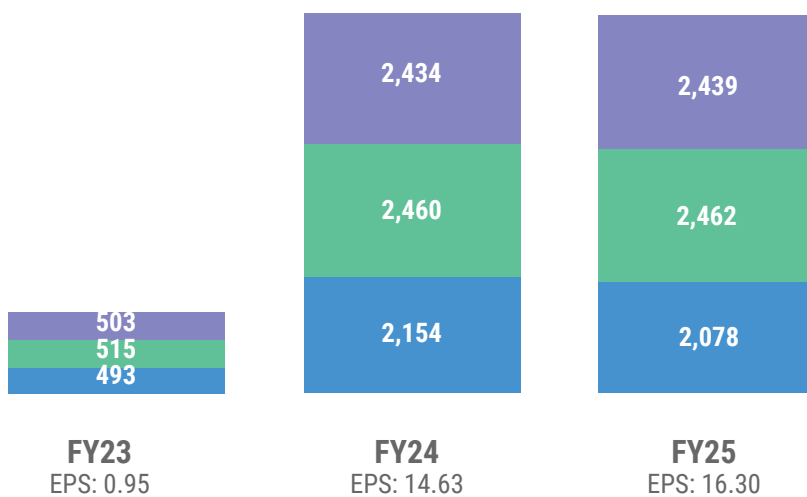
Valuations and Peer Comparison



Market Cap data of listed securities as on September 25, 2025

Financial Snapshot (in ₹ Cr.)

- Revenue
- Total Income
- Total Expenses





PACE DIGITEK LIMITED

Business Insights



Competitive Strengths

- They are an end-to-end solutions provider with integrated operations in the telecom tower sector.
- Diversified business segments with strong order book.
- Experienced Board of Directors buttressed by technically proficient and qualified senior management personnel and employees.
- Advanced manufacturing facilities with production efficiency.
- Track record of financial and operational performance with profitable growth.



Business Strategy

- They, through lineage, have recently commenced manufacturing battery energy storage system (BESS) and undertake projects and intend to grow these operations.
- Deepen their existing products and services offerings and expand geographical reach



Risks

- Their business is significantly reliant on certain key customers, and they derived 96.25%, 99.45% and 92.16% of their revenue from operations during the Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively, from our top 10 customers. Further, their business, results from operations, and financial condition are dependent on maintaining relationship with their customers. Further, our business, results from operations, and financial condition are dependent on maintaining relationship with our customers. Loss of any of these customers or loss of revenue from any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows. They have significant working capital requirements and their inability to meet such working capital requirements may have an adverse effect on their results of operations.
- They have a high working capital requirement. Their net working capital requirement constituted ₹ 9,692.74 million, ₹ 4,037.05 million and ₹ 2,071.84 million, for Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. If they are unable to raise sufficient working capital, their operations will be adversely affected.
- They are significantly reliant on a few vendors. Their expense towards procurement of raw materials during Fiscal 2025, Fiscal 2024 and Fiscal 2023 was 34.55%, 72.39% and 19.54% respectively. Any loss of vendors will have a material adverse impact on their business and revenue.

Promoters and Management Details

Maddisetty Venugopal Rao - Chairman and Managing Director

Padma Venugopal Maddisetty - Whole Time Director

Rajiv Maddisetty - Whole Time Director

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