

IPO Note

August 26, 2026

Lumino Industries Limited



Issue Snapshot:

Issue Open: August 27 – August 31, 2026

Price Band: Rs. 78-82

*Issue Size: Up to Rs 700 crore (Fresh Issue of upto Rs 500 crore + offer for sale of upto Rs. 200 crore)

Reservation for:

QIB	upto	50% eq sh
Non-Institutional	atleast	15% eq sh
((including 1/3 rd for applications between Rs.2 lakhs to Rs.10 lakhs))		

Retail atleast 35% eq sh

Face Value: Rs 5

Book value: Rs 29.95 (March 31, 2026)

Bid size: - 182 equity shares and in multiples thereof

100% Book built Issue

Capital Structure:

Pre Issue Equity: Rs. 121.79 cr

*Post issue Equity: Rs. 155.28 cr

Listing: BSE & NSE

Book Running Lead Manager: Motilal Oswal
Investment Advisors Limited, JM Financial
Limited, Monarch Network Capital Limited

Sponsor Bank: HDFC Bank Ltd and Axis Bank Ltd

Registrar to issue: Bigshare Services Private Limited

Shareholding Pattern

Shareholding Pattern	Pre issue %	Post issue %
Promoter and Promoter Group	100	71.97
Public	-	28.03
Total	100.0	100.0

*=assuming issue subscribed at higher band
Source for this Note: BHP

Background & Operations:

Lumino Industries Limited is a product-driven, integrated engineering, procurement and construction (EPC) company serving India's growing power transmission and distribution sector. With more than three decades of industry experience, the company designs, engineers, manufactures and supplies conductors, power cables, electrical wires and other specialised products. Its products are used across power transmission and distribution, industrial applications, electrical wiring, renewable energy, communication systems, electrical panels and railway networks. Lumino also supplies to large EPC companies, power utilities and government-owned electricity entities in India and overseas markets, including the United States, Africa and South Asia.

The company follows an integrated model, combining manufacturing with EPC project execution. Its in-house products are also used for captive consumption in the EPC projects undertaken by Lumino, with specialised products manufactured internally accounting for 23.08% of products used in EPC projects in Fiscal 2026. This integration reduces dependence on external suppliers, improves control over product quality and delivery timelines, and helps mitigate procurement delays and input-cost volatility. Captive consumption also provides a degree of demand visibility, while the ability to manufacture critical components internally strengthens bidding flexibility, project execution and overall profitability.

Conductors		Power Cables		Electrical Wires
				
<i>HTLS Aluminium Conductors Steel Supported ("ACSS") conductors</i>	<i>Aluminium Conductor Fibre Reinforced ("ACFR")</i>	<i>LV Aerial Bunch Cable</i>	<i>Railway Signalling Cable</i>	<i>Single-Core Service Wire</i>

(Source: Company RHP, HDFC Sec.)

Lumino's Manufacturing segment comprises aluminium conductors, power cables and electrical wires. Aluminium conductors are used in overhead transmission and distribution lines, while power cables serve substations, industrial applications, communication systems, electrical panels and machine tools. The company entered the electrical-wire business under the Lumicon brand in Fiscal 2023 and currently manufactures thermoset-insulated wires, earth wires and house wires. Its electrical-wire products are distributed across four Indian states through approximately 104 distributors. The **EPC** segment comprises power transmission and distribution, EHV substations, HTLS re-conductoring, railway electrification, solar power and water-management projects.

Lumino operates two manufacturing facilities in Howrah, West Bengal, with combined aluminium-consumption capacity of 40,000 MT per annum, supported by four warehouses covering approximately 156,600 sq. ft. The facilities are certified under ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and 5S Workplace Organizing Management Systems, while the in-house testing laboratory is NABL-accredited. The company is expanding its manufacturing footprint through a proposed 250,000 sq. ft. facility at Ranihati, Howrah, for which it has acquired approximately 650,000 sq. ft. of land. The new facility is expected to manufacture a wider range of cables and conductors, including LV and HV cables, solar cables, railway signalling cables, flexible wires, overhead conductors and HTLS conductors. As of March 31, 2026, Lumino had 890 permanent employees and had also secured UL certification to support access to the US and European markets.

**Objects of Issue:**

The Offer comprises a Fresh Issue of face value of Rs 5 each, aggregating up to Rs 5,000.00 million by the company and an Offer for Sale of face value of Rs 5 each, aggregating up to Rs 2,000.00 million by the Promoter Selling Shareholders.

Offer for Sale

The Company will not receive any proceeds from the Offer for Sale. The proceeds of the Offer for Sale shall be received by the Promoter Selling Shareholders and will not form part of the Net Proceeds. Each of the Promoter Selling Shareholders will be entitled to its respective portion of the proceeds of the Offer for Sale after deducting its respective proportion of the Offer expenses and relevant taxes thereon.

Fresh Issue

The Company proposes to utilize the Net Proceeds towards funding the following objects (collectively, referred to as the "Objects"):

- Prepayment or re-payment, in full or in part, of certain outstanding borrowings availed by the company
- Capital expenditure for purchase of equipment and machinery, civil works and interior development of an existing manufacturing facility
- General corporate purposes.

In addition, AEL expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges which will result in the enhancement of its brand name and creation of a public market for its Equity Shares in India.

Requirement of Funds

Particulars (Rs.in million)	Estimated Amount	Deployment of the Net Proceeds	
		FY27	FY28
Prepayment or re-payment, in full or in part, of certain outstanding borrowings availed by the company	3,370.00	3,370.00	-
Capital expenditure for purchase of equipment and machinery, civil works and interior development of an existing manufacturing facility	150.13	74.83	75.30
General corporate purposes	*		
Net Proceeds	*		

Competitive Strengths**Growing power EPC player with in-house manufacturing capabilities**

Lumino Industries operates a cost-efficient, unique business model defined by the seamless integration of its Manufacturing and EPC segments through a product-driven strategy. This synergy allows the company to streamline processes, reduce costs, and optimize resource utilization. By ensuring captive consumption, Lumino Industries utilizes a substantial portion of its specialized products in-house (such as 23.08% in Fiscal 2026), significantly reducing external dependence and driving revenue stability. Aligning production with project requirements minimizes excess inventory, builds supply chain resilience, and achieves economies of scale. Furthermore, in-house manufacturing serves as a primary enabler for the EPC segment by securing a reliable supply of critical components, avoiding procurement delays, and mitigating price volatility. This integration grants Lumino Industries stringent quality control, accelerates project timelines, maximizes operational flexibility, and strengthens overall competitive advantages within the EPC market.

Lumino Industries' robust Revenue from Operations, which grew at a CAGR of 20.43% from Fiscal 2024 to 2026, stems directly from its customer-centric approach, careful project identification, and rigorous cost optimization. During the pre-bidding stage, the company deploys a strategic framework that includes comprehensive walkover surveys and pre-tender evaluations to meticulously analyze technical parameters, design specifications, and project costs. This detailed groundwork empowers Lumino Industries to bid competitively and secure high-value projects successfully. Once a bid is won, the operational focus shifts entirely toward maintaining exceptional construction quality and efficient execution. Ultimately, this integrated operational model maximizes overall efficiency, drives expanding profit margins, and ensures the sustained, long-term growth of the company.

Cost-efficient and complementary integrated business model

Lumino Industries' manufacturing facilities are critical to its product-driven business model, enabling the company to produce high-quality products efficiently for captive consumption in its EPC projects. Operating two manufacturing facilities in India supported by four warehouses, Lumino Industries delivers a diversified product range accredited to Indian and international standards. These products cater to power transmission and distribution, renewable energy, railway electrification, communication systems, and other infrastructure



projects. By utilizing fungible machinery, the company maintains the flexibility to adjust its product mix, optimize resource utilization, and minimize downtime to meet evolving market trends.

The company serves a broad client base of Indian central and state power utilities, public sector entities, and private players—such as Kalpataru Projects International Limited and Monte Carlo Limited—alongside international government-owned electricity companies across the United States, Africa, and South Asia. To maintain its competitive advantage, Lumino Industries implements stringent quality control systems from raw material procurement to final product testing. Its in-house testing laboratory is NABL-accredited, and the company holds key certifications including ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, and 5S Workplace Organizing Management Systems. Furthermore, the company has been recognized as a two-star export house by the Government of India and secured the UL certification in 2024 to accelerate its expansion into the U.S. and European markets.

To support future growth, Lumino Industries scales its production capacity periodically, including the ongoing development of a new manufacturing facility on approximately 650,000 square feet of acquired land in Ranihati, Howrah, West Bengal. This expansion will allow the company to manufacture an extended portfolio of products, including low and high-voltage power cables, solar cables, railway signalling cables, flexible electrical wires, and HTLS conductors.

Well-developed manufacturing facilities with an extensive product range

Lumino has established manufacturing infrastructure in Howrah, West Bengal, comprising two manufacturing facilities with combined aluminium-consumption capacity of 40,000 MT per annum. The facilities manufacture a broad range of products, including aluminium conductors, HTLS conductors, power cables, thermoset-insulated wires, earth wires and house wires. This product diversity enables the company to serve several segments of the electrical and power-infrastructure market.

The company's products are used across transmission and distribution, industrial applications, renewable energy, communication and railway-related projects. Its manufacturing facilities are supported by ISO 9001, ISO 14001 and ISO 45001 certifications, along with 5S certification, while its testing laboratory is NABL-accredited. These systems indicate that quality control is embedded across the manufacturing process, from raw-material procurement and production to testing and delivery of the finished product.

Strategic alliances and partnerships with international companies

Lumino Industries maintains robust strategic alliances with prominent global and domestic entities as a core pillar of its long-term growth. By combining advanced partner technologies with its own engineering and project management expertise, the company delivers specialized solutions for diverse utility clients. A key highlight is its strategic collaboration with CTC Global Corporation for manufacturing and distributing ACCC conductors. These advanced conductors offer higher current-carrying capacity, lower line losses, and reduced sag, enabling utilities to boost transmission capacity on existing corridors without building new infrastructure.

Beyond technology partnerships, Lumino Industries drives expansion through targeted joint ventures across vital infrastructure domains. The company partnered with Shyam Indus Power Solutions and Zetwerk Manufacturing to execute complex railway electrification works for the Northeast Frontier Railways under an EPC mode for Ircon International. Additionally, a joint venture with SMC Infrastructure enables the collaborative execution of comprehensive water-related EPC projects under the Lumino SMC JV banner, further enhancing its technical credentials and market reach.

Business Strategy:

Leveraging market opportunities and core competencies for growth in EPC of power transmission and distribution sector: Lumino Industries leverages its core competencies and robust market opportunities to drive substantial growth within the power transmission and distribution EPC sector. The company maintains a strong order book comprising diverse domestic and international projects, aiming to expand further by capitalizing on its competitive strengths, integrated approach, and strategic partnerships. Backed by expanding global power sector investments—projected to reach USD 1,600 to 1,800 billion by Fiscal 2030—and the anticipated 1.9x to 2.2x growth of the Indian power sector between Fiscals 2027 and 2031, Lumino Industries is exceptionally well-positioned to target high-potential infrastructure segments.

A primary driver of future growth for Lumino Industries is the rising demand for the reconductoring of High-Temperature Low-Sag (HTLS) conductors, supported by increasing investments from entities like Power Grid Corporation of India Limited. As urban electricity consumption surges, utilities increasingly require higher ampacity transmission lines and reconducting turnkey solutions to manage limited

rights-of-way efficiently. To capture these opportunities, Lumino Industries plans to expand its product portfolio by introducing aluminium rods via a new furnace or rolling mill and advanced power cables, thereby strengthening its market presence and revenue stability.

Expand manufacturing capabilities and product development

Lumino Industries' integrated manufacturing facilities, operating with an aluminium consumption capacity of 40,000 MT in Fiscal 2026, produce a diverse range of aluminium conductors, power cables, and essential raw materials like copper, steel, and insulating compounds. This robust manufacturing setup enables the company to achieve significant economies of scale and decrease per-unit production costs. Backed by industry momentum—where the conductors and cables markets registered impressive CAGRs of 14% and 13% respectively up to Fiscal 2026—the company is well-positioned to capitalize on surging demand driven by railway electrification, transmission line additions, and government power schemes projected to drive further market expansion through Fiscal 2031.

To deepen its pan-India and global presence, Lumino Industries is actively developing a new manufacturing facility on approximately 650,000 square feet of land in Ranihati, Howrah, West Bengal, slated for commercial operations in H2FY27. This expansion will broaden its product portfolio to include low and high-voltage power cables, solar cables, railway signaling cables, and HTLS conductors. Furthermore, the planned investment in an e-beam cable curing facility will elevate product quality, position the company among select advanced technology users, and empower it to capture higher margins by directly supplying in-house manufactured high-performance conductors for turnkey reconductoring projects.

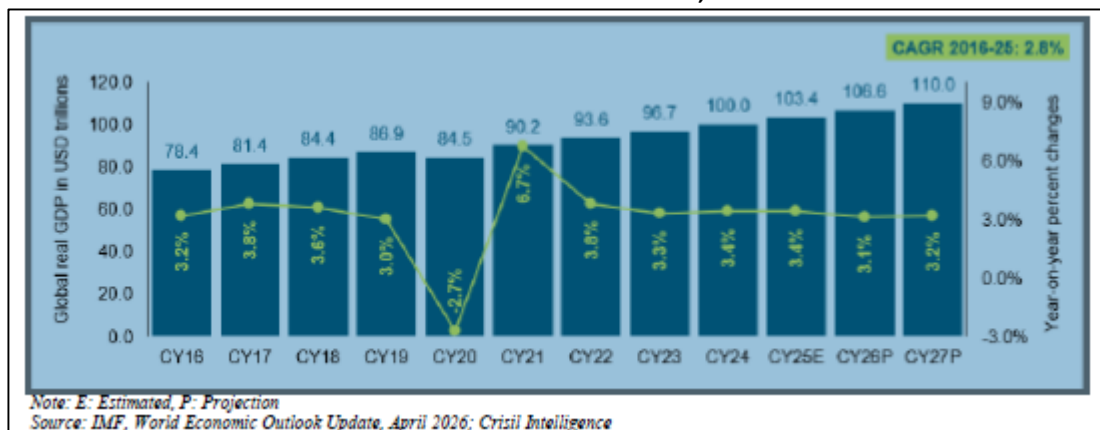
Industry Overview

Global Macroeconomic Outlook

The global economy is navigating a period of uncertainty, with real GDP growth projected at 3.1% in 2026 and 3.2% in 2027. The International Monetary Fund (IMF) employs a scenario-based forecasting method driven heavily by the duration and intensity of the Middle East conflict. While the reference forecast remains positive, current geopolitical developments suggest that a severe scenario—characterized by protracted energy infrastructure disruptions, prolonged inflation (projected at 5.8% in 2026), and tighter financial conditions—is highly likely to play out.

Downside risks include escalating trade disputes, potential abrupt corrections in financial markets following a reevaluation of AI profit expectations, and ballooning public debt that pressures long-term interest rates. Conversely, widespread AI infrastructure investments and structural trade reforms offer upside possibilities. Emerging and Developing Asia remains the fastest-growing region globally, with projections reaching 4.8% by 2027.

Global real GDP trend and outlook, CY15-27



Regional Performance: Advanced vs. Emerging Economies

Advanced economies, representing 43 of the 197 global economies, are projected to expand modestly at 1.6% in 2026 and 1.7% in 2027. The United States is expected to outpace this average, growing by 2.3% in 2026 and 2.1% in 2027, supported by its energy-exporter status and monetary policy easing, despite rising trade barriers. The Euro area remains sluggish (1.1% in 2026) as manufacturing continues to be dragged down by structural energy price inflation originating from regional conflicts.

Among Emerging Market and Developing Economies (154 nations), growth is slated to hit 3.9% in 2026 before recovering to 4.2% in 2027. China faces structural headwinds from a declining labor force and a housing sector slowdown, cooling its growth from 4.4% in 2026 down

to 4.0% in 2027. India leads all major global economies, with the IMF projecting sustained expansion of 6.5% for both 2026 and 2027, driven by a reduction in US tariffs on Indian goods from 50% to 10%.

Year-on-year real GDP growth of regional economies, 2016-27P

	Real GDP growth (year-on-year percent changes) as per IMF*										Projections	
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
World	3.2%	3.8%	3.6%	3.0%	-2.7%	6.7%	3.8%	3.3%	3.4%	3.4%	3.1%	3.2%
Advanced Economies	1.8%	2.6%	2.3%	1.9%	-3.9%	6.1%	3.1%	1.7%	1.8%	1.9%	1.8%	1.7%
Emerging Market & Developing Economies	4.3%	4.8%	4.6%	3.8%	-1.8%	7.0%	4.3%	4.4%	4.5%	4.4%	3.9%	4.2%
Emerging & Developing Asia	6.8%	6.6%	6.4%	5.4%	-0.5%	7.8%	4.7%	5.6%	5.4%	5.5%	4.9%	4.8%
Europe	1.7%	4.3%	3.7%	2.6%	-1.7%	7.2%	0.5%	3.6%	3.8%	2.0%	2.0%	2.1%
Latin America & the Caribbean	-0.8%	1.4%	1.1%	0.2%	-6.9%	7.5%	4.3%	2.3%	2.4%	2.4%	2.3%	2.7%
Middle East & Central Asia	4.1%	2.6%	2.5%	2.1%	-2.2%	4.7%	6.4%	2.6%	2.8%	3.6%	1.9%	4.6%
Sub-Saharan Africa	1.2%	2.8%	3.2%	3.0%	-3.1%	3.9%	4.4%	3.8%	4.2%	4.5%	4.3%	4.4%

Note: *The IMF data is based on calendar year
Source: IMF's World Economic Outlook – April 2026 Update, Crisil Intelligence

India's Economic Momentum and West Asian Linkages

Following a national accounts base-year revision to FY2022-23 to better capture modern structural data, India's real GDP clocked a strong compound annual growth rate (CAGR) of 7.4% between FY23 and FY26, reaching Rs.323.1 trillion. Provisional estimates place growth at 7.7% for FY26, anchored heavily by double-digit jumps in the secondary and tertiary sectors, specifically manufacturing, trade, and financial services. CRISIL forecasts a real GDP growth rate of 6.6% for FY27, balancing strong domestic indicators against West Asian geopolitical vulnerabilities.

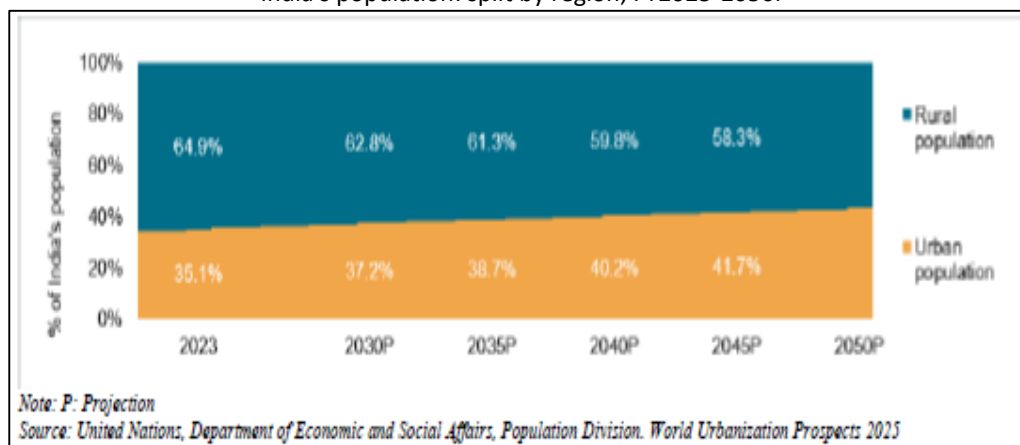
India maintains profound economic linkages with West Asia: the region supplies 45–50% of India's crude oil, 65% of its LNG, and accounts for 13% of India's total goods exports and 8% of foreign direct investment (FDI) inflows. Over 9.3 million Indian nationals live in the Gulf Cooperation Council (GCC) region, contributing approximately 38% of India's total global remittances.

Consumption, Demographics, and Urbanization Drivers

Private Final Consumption Expenditure (PFCE) continues to anchor domestic growth, expanding by 7.7% between FY25 and FY26. This structural consumption rise is backed by stable employment, direct/indirect tax rationalizations, and strong agricultural performance bolstering rural purchasing power.

Demographically, India possesses a highly vital, time-bound window of opportunity. According to the United Nations' World Population Prospects 2024, India's working-age population (ages 20–64) stood at 849.9 million (59.1% share) in 2023 and is projected to peak at 967.7 million (69.2% share) by 2034. This ensures a multi-decade pathway for accelerated economic output. Simultaneously, internal migration is shifting the demographic landscape from rural to urban environments; India's urban population is projected to swell to 567.7 million by 2030, making up 37.2% of the national population and emphasizing an urgent requirement for modernized infrastructure.

India's population: split by region, FY2023-2050P



Industrial and Construction Infrastructure Trends

GVA Shifts and Manufacturing Expansion

India's Gross Value Added (GVA) expanded to Rs.184.5 trillion in FY26, logging a steady long-term CAGR of 6.1% since FY14. Structurally, the service sector has increased its dominance, expanding from a 51% share in FY14 to 56% in FY26. Conversely, the agricultural economy dropped from an 18% to a 14% share, while the industrial sector stabilized at approximately 30%.

The Index of Industrial Production (IIP) for manufacturing—which holds a commanding 78% weightage in the overall index—rose to 152.5 in FY25 from 108.6 in FY14. This long-term industrial recovery is backed heavily by aggressive sovereign support mechanisms.

Make in India: Transformed the subcontinent into an integrated global design and manufacturing hub.

NICDP: The National Industrial Corridor Development Programme approved 12 new industrial areas across 10 states in late 2024 with a Rs.286.02 billion capital deployment.

PM Gati Shakti: Evaluated over 115 cross-ministerial road and highway projects valued at Rs.6.38 trillion to drive multimodal connectivity.

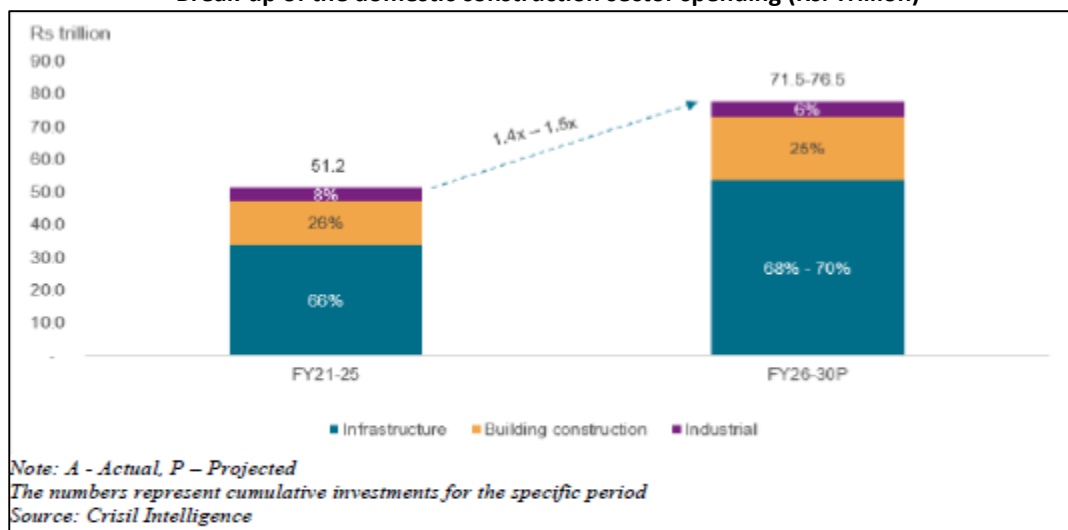
PLI Schemes: Outlaid Rs.1.97 trillion across 14 critical sectors, generating over Rs.1.5 trillion in direct investments and driving exponential electronic and pharmaceutical export volumes.

Construction Sector Capital Expenditure

The Indian construction industry is projected to scale at an annual growth rate of 6–8% between FY26 and FY30, directly multiplying opportunities for power generation and transmission infrastructure. In FY25 alone, construction capital expenditure expanded by 7% to reach Rs.12.7 trillion. Central and state spending is shifting heavily into logistics, roads, and railways via the National Infrastructure Pipeline (NIP).

Cumulatively, infrastructure project spending is projected to stabilize at 68–70% of total construction outlays (aggregating Rs.51–54 trillion over the FY26–30 period), substantially outpacing the real estate building sector (Rs.19–20 trillion) and industrial segments (Rs.4.8–5.5 trillion). Total projected infrastructure capex for FY27–31 is slated at Rs.105.2 trillion, representing a massive 52.7% leap over the preceding five-year block.

Break-up of the domestic construction sector spending (Rs. Trillion)



Power Sector Demand and Investment Dynamics

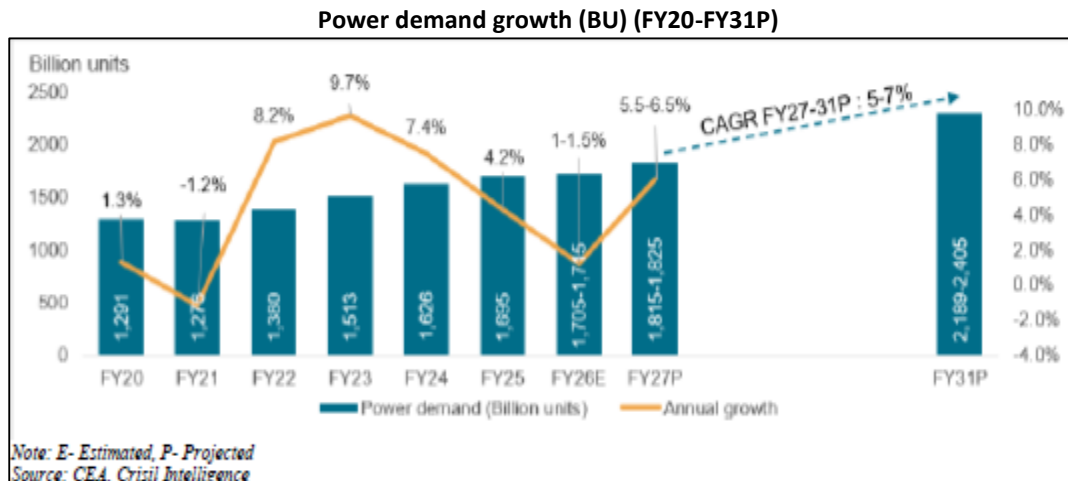
Surging Electricity Consumption and Peak Load Capacity

India's power demand is experiencing a prolonged upswing, driven by macroeconomic scaling, the Production-Linked Incentive (PLI) industrial pipeline, and recurring weather anomalies. Total electricity demand reached 1,705–1,715 billion units (BU) in FY26 and is forecast to climb at a 5–7% CAGR over the FY27–31 window to reach a peak of 2,189–2,405 BU.

Structurally, industrial operations absorb the largest allocation of electricity at 40%, followed closely by residential domestic consumption at 25%. Universal household electrification via the Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya scheme)—which electrified 28.6 million homes—has fundamentally elevated baseline residential loads.

Concurrently, peak power requirements skyrocketed to 250 GW in May 2024 and touched 245 GW during an intense northern winter cold wave in January 2026. Driven by urbanization and higher ambient temperatures, peak demand is projected to scale at an average annual

pace of 6–8%, culminating in an estimated 335–345 GW requirement by FY31. Despite this rapid expansion, India's per capita electricity consumption (1,395 kWh in FY24) remains far below the global baseline (3,486 kWh) and advanced benchmarks like the United States (12,716 kWh), leaving massive headroom for structural vertical growth.



Key Sectors Accelerating Power Grids Demand

Railway Electrification: Indian Railways—operating a vast Broad-Gauge network that is already 99% electrified as of March 2025—is targeting a 100% electrified footprint by FY26. Backed by an expanded Rs.6,150 crore sovereign allocation, track expansion and line conversions are projected to generate an incremental power requirement of 27 BU annually between FY26 and FY30.

Metro Rail Expansion: Mass rapid transit networks expanded across 18 domestic cities to reach 943 km of operational infrastructure as of March 2025. With an additional 732 km currently under construction and 1,888 km proposed, traction and station requirements will demand an extra 6–7 BU annually over the FY26–30 period.

Electric Vehicle (EV) Integration: The sovereign target to transition 30% of total automotive populations to electricity by 2030 is rolling forward rapidly. Backed by public charging rollouts—which reached 25,202 public stations by late 2024—EV grids are estimated to layer on an incremental 35 BU of total power demand between FY26 and FY30

Systemic Challenges Altering Utility Demand

The primary headwind restricting gross utilities grid demand is the systematic compression of Transmission and Distribution (T&D) and Aggregate Technical and Commercial (AT&C) friction losses. Driven by the federal Revamped Distribution Sector Scheme, states are integrating smart metering grids, which are successfully lowering aggregate technical leakages, a trend projected to offset grid utilities demand by 8–9 BU annually between FY26 and FY30.

Furthermore, industrial open-access market transactions are projected to expand to 13.5–14.5% of total generation by FY30, redirecting an average of 19–20 BU away from traditional utility systems. Finally, decentralized rooftop solar adoption is projected to grow to 49–50 GW by FY30, bypassing centralized distribution networks to satisfy 2–3% of domestic consumption directly at end-user locations.

Global Investment Trends in Energy, Grid, and Transport Infrastructure

Worldwide Capital Expenditure Across Regulatory Scenarios

The International Energy Agency (IEA) tracks global power investments utilizing three core structural frameworks: Stated Policies (STEPS), Announced Pledges (APS), and Net Zero Emissions by 2050 (NZE). Global power investments surged at a 12.6% CAGR between CY20 and CY23 to reach USD 1,309 billion.

Under the base-level STEPS path, global power capex is anticipated to rise to USD 1,600–1,800 billion by CY30. However, under the policy-driven APS pipeline, low-emission deployments and modern storage rollouts will scale investments to USD 2,000–2,200 billion by CY30, while an NZE compliance track will demand an extraordinary USD 2,500–2,700 billion annual deployment. Geographically, the Asia-Pacific territory commands the global landscape, scaling its investments from USD 462 billion in CY20 to an estimated USD 770 billion by CY25.

**Grids, Distribution Storage, and Renewables Record Scaling**

Global capital deployed directly into power grids and energy storage systems is scaling at a 3.7% CAGR, projected to reach USD 479 billion by CY25. Europe represents the highest regional acceleration zone, with grid investments jumping from USD 35 billion in CY15 to USD 92 billion by CY25, closely followed by expansion curves in the US (8.3% CAGR) and China.

This massive grid overhaul is required to safely integrate variable renewable energy systems. Worldwide renewable generation capacity additions broke historical records for 22 consecutive years, hitting 507 GW in CY23. Driven by plummeting equipment costs and rapid permitting, global renewable generation capacity is projected to expand by a massive 5,520 GW over the CY24–30 pipeline. Total investments in renewable power scaled past USD 760 billion in CY24, with advanced economies and China maintaining a 39% and 45% market share, respectively, alongside massive acceleration across emerging nodes like India and the Middle East.

Cross-Sector Infrastructure: Telecommunications and Transport Networks

According to the G20 Global Infrastructure Outlook, average annual telecommunications infrastructure investments are climbing to USD 314 billion over the current long-term cycle. This global digital acceleration is driven by skyrocketing cellular density: global average mobile data usage is projected to scale from 21 GB/month in CY25 to 39 GB/month by 2031, with 5G subscriptions projected to hit 5.6 billion by CY29. Within India, internet penetration hit 69% in FY25 and is projected to reach 71% (990–1010 million subscribers) by FY26, necessitating a high-volume rollout of telecom hardware and optical signal cabling.

Simultaneously, global transport infrastructure capital deployment is on track to hit USD 330 billion by CY25. G20 economies assign the single largest share of public infrastructure spending to transport at 42%.

Crucially, roughly 60% of all global transport expenditure is now directed exclusively into electrification pathways, such as rail corridors and electric cars, which surged past 16.8 million units globally in CY24. Multilateral agencies are backing this transition aggressively: the World Bank recently deployed a USD 245 million modernizing freight logistics credit line to India, alongside a USD 660 million clean rail electrification investment in Turkey.

Indian Wires, Cables, and Conductors Industry Assessment**Market Scaling and Structural Shift to Organized Players**

The Indian electrical wires and cables market reached a total valuation of Rs.1,408 billion in FY25, up from Rs.787 billion in FY20, exhibiting an impressive CAGR of 12.3%. This expansion is driven by a massive surge in High Voltage (HV) and Extra-High Voltage (EHV) underground cabling projects, alongside a post-pandemic rebound in commercial building wires and elastomeric rubber cables. CRISIL Intelligence projects the domestic wire and cable market to grow at an annual pace of 11–13% between FY25 and FY30, targeting a total market scale of Rs.2,350–2,550 billion by FY30.

Concurrently, a major structural shift is occurring: the market share of organised corporate players expanded from 72–74% in FY20 to 76–78% in FY25, forcing unorganised manufacturers down to 22–24%. Organised consolidation is particularly dominant within technically demanding infrastructure sub-segments like industrial power transmission cables.

Global Export Performance and HSN Distributions

Indian wire and cable exports surged over the past five years, climbing from Rs.49 billion in FY20 to Rs.145 billion in FY25, displaying a strong CAGR of 24.4%. This export momentum is backed by heavy international grid deployments funded by the International Development Association (IDA) and the International Bank for Reconstruction and Development (IBRD). Primary global trade destinations include the United States, Saudi Arabia, the United Arab Emirates, the United Kingdom, and Australia, alongside rapid sub-Saharan expansion led by Nigeria, South Africa, Liberia, Tanzania, and Kenya.

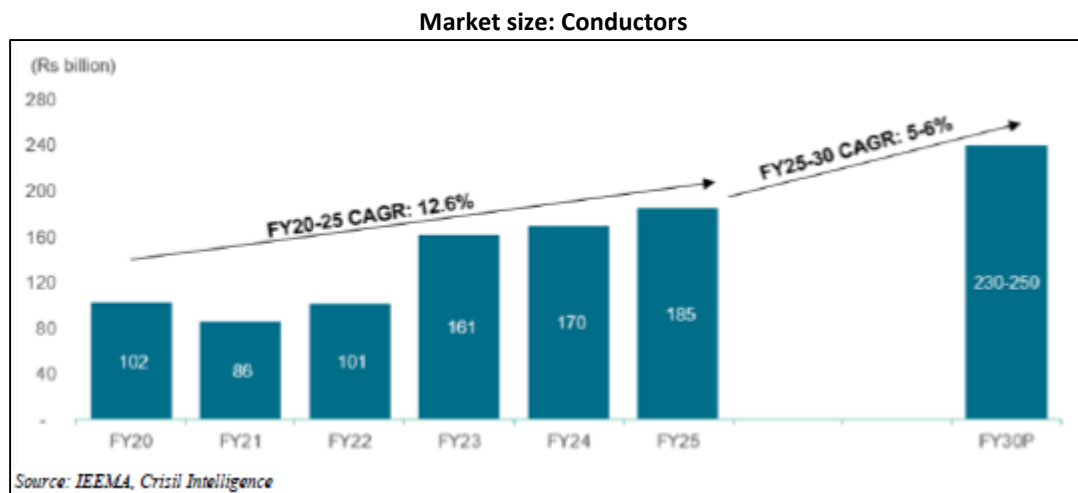
CRISIL expects long-term export growth to normalize to a steady 10–11% CAGR, reaching Rs.230–250 billion by FY30. Statistically, the export product mix is led by plastic-insulated conductors below 1,000V (32% HSN share), rubber-insulated high-voltage conductors above 1,000V (25% share), and advanced copper wire profiles (17% share).

Renewables Sector and Conductor Industry Assessment

The rapid scaling of India's green energy generation represents a vital driver for specialized wire and cable designs. Clean energy additions are projected to jump significantly over the FY26–30 cycle: utility solar additions are forecast at 140–160 GW (compared to 78 GW over the previous five years), alongside 25–27 GW of wind capacity. This expansion requires highly specialized, weatherproof solar and wind cables designed to withstand extreme thermal conditions, UV exposure, and heavy mechanical stress.

Simultaneously, the domestic overhead conductor market—critical for high-voltage long-distance transmission grids operating above 220 kV—grew from Rs.102 billion in FY20 to Rs.185 billion in FY25, achieving a 12.6% CAGR. This growth is driven by heavy domestic rail electrification, line upgrades, and global grid integrations.

The industry is rapidly shifting away from legacy All Aluminium Conductors (AAC) and Aluminium Conductors Steel Reinforced (ACSR) toward high-performance alternatives. These include High-Temperature Low-Sag (HTLS) lines operating up to 250°C, and Aluminium Encapsulated Carbon Core (AECC) options, which double transmission capacity while cutting electrical losses in half. Driven by these technological upgrades, the domestic conductor market is projected to grow at a 5–6% CAGR, reaching Rs.230–250 billion by FY30.



Key Concerns

- The company's business model relies heavily on the integration of its manufacturing and EPC segments, meaning any disruption or inefficiency in one function can negatively impact overall operational performance and profitability.
- The company is dependent on the power transmission, distribution, and railway sectors, making its business and financial condition vulnerable to fluctuations, policy shifts, or economic slowdowns in these specific industries.
- Project execution delays and cost overruns in ongoing or future EPC contracts can lead to liquidated damages, reduced profit margins, and reputational damage.
- The company relies heavily on timely and uninterrupted procurement of raw materials like aluminum, copper, and steel; significant price volatility or supply chain bottlenecks can adversely affect production costs.
- The company faces intense competition in the cables, conductors, and EPC markets from both organized and unorganized players, which may exert downward pressure on margins and limit market share growth.
- The success of the company's growth strategy depends on the timely commissioning and operationalization of its new manufacturing facility in Ranihati, Howrah, without unexpected delays or capital cost overruns.
- The company derives a significant portion of its revenues from bidding for and winning public sector, government, and utility tenders, and any failure to qualify or win bids could affect its revenue visibility.
- A portion of the company's business involves international operations and exports to developing and developed jurisdictions, exposing it to geopolitical risks, foreign exchange fluctuations, and regulatory hurdles.
- Any failure to maintain required product and system quality certifications (such as ISO standards and UL Certification) could restrict the company's ability to market or export its products to heavily regulated jurisdictions.
- The company is subject to stringent environmental, health, safety, and labor laws and regulations, and any non-compliance could result in substantial fines, penalties, or temporary suspension of operations.
- The company's working capital requirements are substantial, and any failure to secure adequate financing or timely collections from customers, particularly government utilities, could strain cash flows.
- The company relies heavily on key managerial personnel and skilled technical labor, and the loss of such personnel or an inability to attract and retain talent could disrupt business operations.



- Certain raw materials and specialized components are sourced from limited suppliers, creating a risk of vendor concentration and vulnerability to procurement disruptions.
- The company is involved in certain legal and regulatory proceedings, including tax matters and civil cases, and unfavorable outcomes could have an adverse impact on its financial condition and reputation.
- Joint ventures and strategic collaborations (such as those with CTC Global Corporation or consortium partners) involve operational risks, and disagreements or termination of these partnerships could impact project execution.
- Rapid technological changes in the power transmission and renewable energy sectors require continuous product innovation, and failure to adapt could render existing product offerings obsolete.
- The company's insurance coverage may not be adequate to cover all potential risks, losses, or liabilities associated with its manufacturing operations and large-scale EPC execution sites.
- Any negative publicity or failure to maintain high standards of construction and product quality could harm the company's brand equity and reduce future contract awards.
- The company's contingent liabilities could adversely affect its financial health if a significant portion of these liabilities materializes unexpectedly.
- Macroeconomic factors, inflation, rising interest rates, and broader economic downturns in India or globally could dampen infrastructure spending and reduce demand for the company's products and services.

Profit & Loss

Particulars (Rs in million)	FY24	FY25	FY26
INCOME			
Revenue from Operations	14073.15	19179.68	20410.73
EXPENSES			
Cost of materials consumed	7706.66	10520.3	11433.55
Erection, sub-contracting and other project expenses	3643.39	5030.25	4708.51
(Increase)/ decrease in inventories	-435.23	-898.32	-363.71
Employee benefits expense	614.22	763.49	907.31
Other expenses	1093.19	1534.59	1335.6
PBIDT	1450.92	2229.37	2389.47
<i>Margin %</i>	<i>10.3%</i>	<i>11.6%</i>	<i>11.7%</i>
Depreciation and amortization expenses	102.14	163.26	164.17
PBIT	1348.78	2066.11	2225.3
<i>Margin %</i>	<i>9.6%</i>	<i>10.8%</i>	<i>10.9%</i>
Other Income	173.12	287.13	482.4
Finance costs	362.35	660.14	660
Share in Profit/(Loss) of JV	-0.27	-5.42	0.33
Profit before tax	1159.28	1687.68	2048.03
<i>Margin %</i>	<i>8.2%</i>	<i>8.8%</i>	<i>10.0%</i>
Tax Expense:			
(1) Current tax	315.54	595.18	640.6
(2) Income tax for earlier years	-0.33	1.32	-44.78
(3) Deferred tax	-22	-154.68	-147.78
Total Tax Expenses (VI)	293.21	441.82	448.04
Restated Profit for the year after tax (V-VI)	866.07	1245.68	1599.99
<i>Margin %</i>	<i>6.2%</i>	<i>6.5%</i>	<i>7.8%</i>
EPS - Basic and diluted (in Rs)	3.56	5.11	6.57

Balance Sheet

Particulars (in Rs Million)	FY24	FY25	FY26
ASSETS			
Non-Current assets			
Property, Plant and Equipment	452.13	590.05	653.36
Capital work-in-progress	46.8	109.45	478.32
Intangible Assets	1.13	1.58	1.3
Right-of-use assets	127.13	155.42	141.87
Financial Assets			
i. Investments	24.54	33.91	37.2
ii. Loan	102.45		
iii. Other Financial assets	149.69	226.45	357.53
Deferred Tax Assets (Net)	39.25	194.44	294.04
Other non-current assets	67.98	218.42	233.4
Total non-current assets	1011.1	1529.72	2197.02
Current assets			
Inventories	1788.52	2590.96	3640.73
Financial Assets			
i. Investments	846.6	322.86	201.6
ii. Trade receivables	4595.23	7211.64	8948.58
iii. Cash and cash equivalents	179.57	780.67	918.3
iv. Bank balances other than cash and cash equivalents	1145.01	1491.28	1589.34
v. Other Financial assets	1556.03	2506.36	3181.04
Current Tax Assets (Net)	56.66	45.36	28.68
Other current assets	575.69	707.75	1043.46
Total current assets	10743.31	15656.88	19551.73
Total Assets	11754.41	17186.6	21748.75
EQUITY AND LIABILITIES			
Equity Share Capital	304.47	1217.89	1217.89
Other Equity	4155.21	4486.57	6079.22
Total equity	4459.68	5704.46	7297.11
Liabilities			
Non-current liabilities			
<i>Financial Liabilities</i>			
i. Borrowings	200.09	104.49	277.44
ii. Lease Liabilities	145.18	169.42	150.29
iii. Other Financial Liabilities	28.37	28.37	29.37
Provisions (Net)	6.31	10.11	10.34
Total non-current liabilities	379.95	312.39	467.44
Current liabilities			
Financial Liabilities			
i. Borrowings	208.96	4083.79	3564.17
ii. Lease Liabilities	7.79	17.83	21.57
iii. Trade Payables			
- Total outstanding dues of micro and small enterprises	383.02	355.6	639.18
- Total outstanding dues of creditors other than micro	979.59	645.78	1915.54
iv. Trade Acceptance	4013.64	4441.58	5954.66
v. Other Financial Liabilities	47.69	92.64	70.8
Other Current Liabilities	1172.22	1286.52	1788.45
Provisions (Net)	3.78	5.46	8.36
Current Tax Liabilities (Net)	98.09	240.55	21.47
Total current liabilities	6914.78	11169.75	13984.2
Total liabilities	7294.73	11482.14	14451.64
Total Equity and Liabilities	11754.41	17186.6	21748.75

(Source: Company DRHP, HDFC Sec)

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