

Shivam Gupta
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Issue Details

Issue Details	
Issue Size (Value in ₹ million, Upper Band)	4,000.0
Fresh Issue (No. of Shares in Lakhs)	71.3
Offer for Sale (No. of Shares in Lakhs)	-
Bid/Issue opens on	20-Aug-25
Bid/Issue closes on	22-Aug-25
Face Value	Rs. 10
Price Band	533-561
Minimum Lot	26

Objects of the Issue:

- **Fresh Issue: ₹4,000 million**
- Repayment/prepayment, in full or part, of certain borrowings availed by the company.
 - Capital expenditure including civil works for the company.
 - Funding of working capital requirements of the company.
 - General corporate purposes.

Book Running Lead Managers	
Systematix Corporate Services Limited	
Registrar to the Offer	
Bigshare Services Private Limited	

Capital Structure (₹ million)	Aggregate Value
Authorized share capital	300.0
Subscribed paid up capital (Pre-Offer)	205.0
Paid up capital (post-Offer)	276.3

Share Holding Pattern %	Pre Issue	Post Issue
Promoters & Promoter group	100.0%	74.2%
Public	0.0%	25.8%
Total	100.0%	100.0%

Financials

Particulars (Rs. In Million)	FY25	FY24	FY23
Revenue from operations	5,494	4,495	3,543
Operating expenses	4,676	4,069	3,099
EBITDA	818	426	444
Other Income	20	26	35
Depreciation	49	41	37
EBIT	789	412	442
Finance cost	152	131	113
PBT	637	281	329
Tax	164	72	81
Consolidated PAT	473	209	247
EPS	17.1	7.6	8.9
Ratio	FY25	FY24	FY23
EBITDAM	14.9%	9.5%	12.5%
PATM	8.6%	4.7%	7.0%
Sales growth	22.2%	26.9%	

Company Description

Mangal Electrical Industries Limited specialize in processing transformer components, including transformer laminations, CRGO slit coils, amorphous cores, coil and core assemblies, wound and toroidal cores, and oil-immersed circuit breakers. They also trade CRGO and CRNO coils, as well as amorphous ribbons. Additionally, they manufacture transformers and customized products for the power infrastructure industry. Their transformer range spans from single-phase 5 KVA to three-phase 10 MVA units. They also offer EPC services for setting up electrical substations, serving the power sector. They have five production facilities in Rajasthan with an aggregate production capacity of (i) 16,200 MT for CRGO, (ii) 10,22,500 KVA for transformers, (iii) 75,000 units for ICB, and (iv) 2,400 MT for amorphous units per annum.

Their Company is both NABL and PGCIL lab approved, underscoring their adherence to stringent quality standards. They have also procured PGCIL approval for processing transformers/reactors from up to 132 kV to up to 400 kV class and are ISO 9001:2015 and ISO 14001:2015 certified, with a global customer base. Their Company has also obtained NTPC approval for CRGO processing. Further, they possess Brockhaus Messtechnik, a Germany-based machinery, used for process and quality control checks, which enables them to achieve high-efficiency outputs. Their customer mix primarily includes governmental and municipal utilities such as Ajmer Vidyut Vitran Nigam Limited and Jaipur Vidyut Vitran Nigam Limited, along with private sector energy producers such as Voltamp Transformers Limited and Western Electrotrans Private Limited. They have a pan-India presence. For the last three fiscals—2025, 2024, and 2023—they exported transformer components to the Netherlands, United Arab Emirates, Oman, United States of America, Italy, and Nepal.

They market and sell their products under the brand name ‘Mangal Electrical’, which enjoys a strong reputation and brand recall. Further, they were awarded the Best Employer Brand Award – Rajasthan by the Employer Branding Awards in 2022.

Valuation & Outlook:

Mangal Electrical Industries Limited is an integrated power infrastructure company engaged in manufacturing transformers and processing transformer components such as CRGO slit coils, laminations, amorphous cores, and oil-immersed circuit breakers. With five state-of-the-art facilities in Rajasthan and certifications from NABL, PGCIL, and NTPC, the Company serves a diversified customer base across government utilities, PSUs, private energy producers, and international markets. Operating under the trusted brand “Mangal Electrical”, the Company is positioned as a leading player in high-capacity transformer solutions, including up to the 765 kV class.

Their Board plans to expand manufacturing capacity through technology and infrastructure upgrades to meet rising demand for transformer components across key sectors. They are enhancing operational capacity by securing 765 kV class approval from PGCIL, which strengthens their technical capabilities, boosts competitiveness, and positions them to meet the growing demand for high-capacity transmission solutions.

At the upper price band, the company is valued at a FY25 P/E of 32.8x, with a post-issue market capitalization of ₹15,500 million. In recent years, India’s substation capacity has grown significantly, driven by rising electricity demand, creating a favorable environment for transformer manufacturing with consistent demand supporting production planning and operational efficiency. Based on these factors, the IPO appears fully priced, with a “**SUBSCRIBE – LONG TERM**” recommendation.

Description of Business

The following table sets forth a breakdown of their revenue distribution within India (region wise) for the stated period:

Particulars	Fiscal 2025 (₹ in Lakhs)	% of total revenue of operations domestically	Fiscal 2025 (₹ in Lakhs)	% of total revenue of operations domestically	Fiscal 2025 (₹ in Lakhs)	% of total revenue of operations domestically
East	634	1.2%	460	1.1%	14	0.0%
North	12,505	23.5%	7,063	16.3%	9,969	31.7%
South	7,422	13.9%	8,602	19.9%	5,356	17.1%
West	32,704	61.4%	27,185	62.8%	16,068	51.2%
Total	53,265	100.0%	43,310	100.0%	31,407	100.0%

➤ **Order book across their business segments:**

Their order book is an important indicator of the future revenue potential of their business, comprising the estimated revenues from the unexecuted portions of all their existing contracts as of a particular date. As on June 30, 2025, the order book for all their business segments stood at ₹29,419.8 lakhs. Further, their order book as of a particular date is calculated on the basis of the aggregate contract value of their ongoing projects as of such date, reduced by the value of work executed by them until such date, as certified by the relevant client. It is important to note that the order book value does not account for any potential escalation or changes in the scope of work for ongoing projects or any additional work arising from such changes up to the relevant date. The projects in their order book are subject to changes in the scope of undertakings as well as adjustments to the costs relating to the contracts. Additionally, their EPC projects are limited to government and public sector undertakings. They have successfully completed four major projects on a turnkey basis and handed them over to the respective utilities. These projects demonstrate their track record and expertise in providing power infrastructure solutions in India.

➤ **Key Financial Performance Indicators:**

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Return on Net Worth (in %)	34.1%	20.1%	30.3%
Return on Capital Employed (in %)	25.4%	19.9%	23.2%
Debt – Equity Ratio (in times)	92.0%	80.0%	103.0%
Day Working Capital	131	120	147

During Fiscal 2024, their Company secured substantial orders for power transformers, particularly in the 10 MVA class, each with a capacity of 10,000 kVA. The manufacturing cycle for a 10 MVA transformer typically spans 10 to 15 days, compared to 3 to 5 days for a 10 KVA unit. This shift in product mix toward higher-capacity transformers led to an increase in overall production value, even though the number of production cycles remained relatively consistent. Consequently, the rise in revenue during Fiscal 2024, as compared to prior and subsequent years, was primarily driven by the execution and delivery of these larger-capacity transformers.

➤ **Key Strengths:**

• **Promoters exhibit strong leadership and are supported by experienced senior management**

They have witnessed business growth under the vision, leadership, and guidance of their Promoters, who have more than 35 years of experience in the power infrastructure industry. Their Promoter, Rahul Mangal, an experienced professional in the Indian power infrastructure industry, has been at the helm of the Company since its inception. He holds a bachelor's degree in science from University Maharaja College, University of Rajasthan, Jaipur. Further, Aniketa Mangal, Promoter of the Company, has been associated with the Company since 2016 in the capacity of Manager – Business Development. He holds a Post Graduate Programme degree in Family Managed Business from Bharatiya Vidya Bhavan's S.P. Jain Institute of Management & Research. He has played a significant role in evolving the business from transformer manufacturing to transformer component processing and in streamlining business processes. They also benefit significantly from qualified and experienced employees and workforce who possess the technical capability to expand the Company's business and operations. In addition, they have a qualified senior management team with considerable industry experience. The experience of their Key Managerial Personnel enables them to provide deep insight and strategic guidance to operations. The quality of their management team is strengthened by specific and extensive industry expertise. They believe that the experience, depth, and diversity of their Directors and management team have enabled the Company to grow. Their industry experience allows them to anticipate and address market trends, manage and expand operations, maintain and nurture customer relationships, and respond effectively to changing market dynamics. This alignment between leadership vision and workforce capability positions them for sustained operational efficiency and long-term financial growth. They attribute their business success to the quality of their management team, whose wealth of experience enables them to navigate evolving market conditions and make strategic, timely decisions.

Exhibition of certain approvals available to selected market players

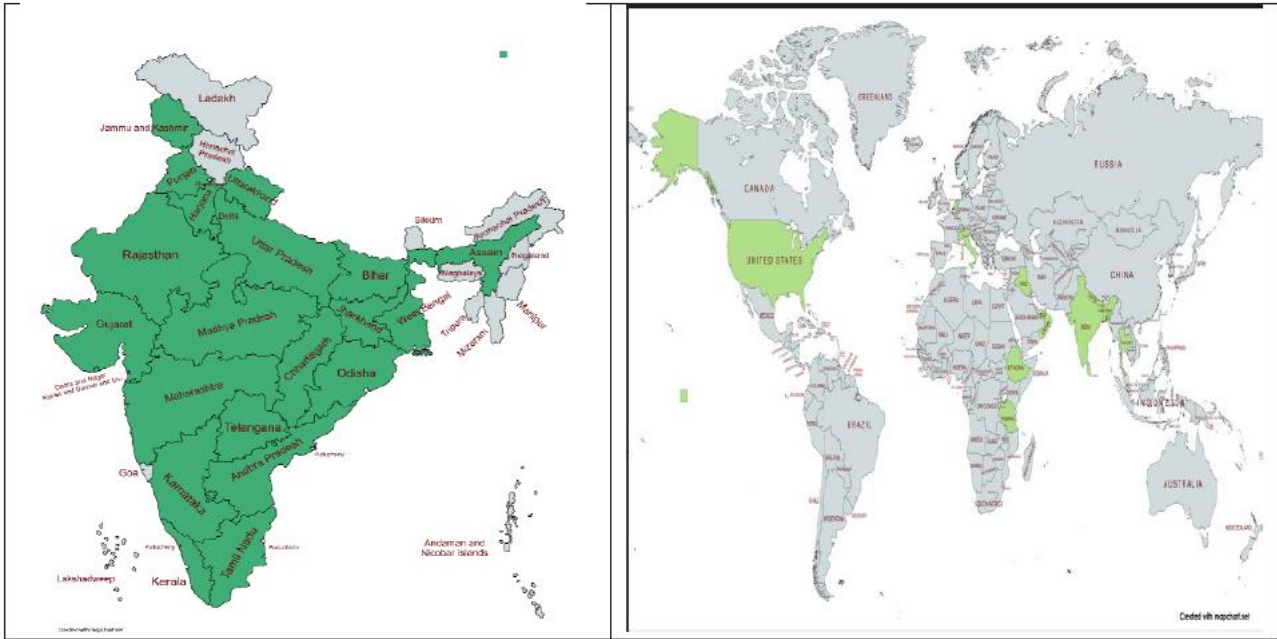
Over the past several years, India’s substation capacity has experienced robust growth, reflecting the expansion of the country’s power infrastructure to meet increasing electricity demand. From a manufacturing standpoint, the consistent demand for transformers presents a favourable environment for production planning and operational efficiency. To capitalize on such opportunities, they have consistently endeavored to procure the necessary licenses and certifications to service their customers. Set forth below is a list of some of their domestic and global customers:

Category	Customer Type	Customers
Industrial Project Utility	Domestic Customers	Transformer and Rectifiers India Limited, Shirdi Sai Electrical Limited, SIEMENS, Indotech, Venkateshwarao Electricals
	Global Customers	Voltamp Oman Ltd, MTM Malaysia
Infrastructure Developers	Domestic Customers	Transformer and Rectifiers India Limited, TBEA, Hammond, Shirdi Sai Electrical Limited, Crompton Greaves
Public Sectors	Domestic Customers	BHEL, Transformers and Electricals Kerala Limited, Andrew Yule & Co. Ltd., Karnataka Vidyuth Karkhane Limited
	Global Customers	Arab Trans Egypt

Their Unit IV facility has obtained NABL certification and has also procured PGCIL approval for processing of transformers/reactors up to the 765 kV class. Additionally, they are an ISO 9001:2015 and ISO 14001:2015 certified Company with a global customer base and are NTPC approved for CRGO processing. During Fiscal 2025, their Company obtained PGCIL approval to manufacture transformers with a capacity of 765 kV class. This positions them among the leading players in the power infrastructure sector in both transformer component processing and transformer manufacturing.

Diversified base of customers

The strength of their business lies in their highly diversified customer base, which includes customers across India and globally. They cater to a variety of clients, including power utilities, industrial conglomerates, infrastructure developers, and public sector enterprises, enabling them to tap into varied revenue streams and mitigate sector-specific risks. The diversity of their customer base not only enhances market resilience but also empowers them to leverage growth opportunities across different geographies and industries. By engaging with such a wide array of clients, they are able to quickly adapt to changing market conditions, ensuring a stable foundation for operations. This strategic diversification serves as a strong indicator of their future revenue stability and operational scalability, providing clear visibility into long-term growth prospects.



Ultimately, their diverse customer relationships are a critical asset, enabling them to build a sustainable competitive advantage and drive consistent value creation for their stakeholders.

Strong backward and forward integration ensures operational efficiency

A core strength of their business lies in their backward and forward integration, which significantly enhances operational efficiency and competitive advantage. On the backward integration front, they have developed in-house capabilities for procuring and processing critical raw materials such as CRGO, Amorphous, and ICB, ensuring consistent quality, cost control, and reduced dependency on external suppliers. This enables them to maintain a stable supply chain, mitigate price volatility risks, and achieve greater economies of scale in production. They also leverage their transformer manufacturing capabilities and transformer components in their EPC vertical to achieve forward integration. From timely delivery and installation to ongoing maintenance and performance monitoring, they ensure that their products are fully supported throughout their lifecycle. This seamless integration across the value chain not only optimizes production and delivery timelines but also strengthens customer satisfaction and loyalty. By controlling key aspects of the supply and service chain, they are able to minimize costs, enhance margins, and maintain agility in responding to evolving market demands, positioning themselves as a key player in operational excellence and sustainable growth.

Proven track record of consistent growth

Their Company has a proven track record of consistent growth, reflecting their strong market presence and operational excellence in the power infrastructure industry. Over the years, they have achieved sustained revenue growth, even in the face of market volatility, by strategically capitalizing on both domestic and global opportunities. This growth demonstrates their adaptability, enabling them to continuously evolve in line with industry trends and technological advancements while expanding their product portfolio to meet the diverse needs of sectors such as power, industrial, infrastructure, and renewable energy. Additionally, their Company has been profitable since its inception, underscoring their strategic vision and operational excellence in the power infrastructure sector. Their commitment to profitability not only highlights financial stability but also positions them for long-term growth and resilience.

➤ **Key Strategies:**

• **Expand manufacturing capacity at their existing facilities**

Their Board is committed to expanding manufacturing capacity at their existing facilities to meet the growing demand for transformer components across various sectors, including energy, industrial, and infrastructure. The expansion will be undertaken through targeted investments in advanced production technology and infrastructure upgrades, enabling greater output and improved operational efficiency. By optimizing the use of available space, reconfiguring plant layouts, and introducing additional production lines, they aim to significantly increase output at their current facilities. Their Unit IV has ample land available for setting up additional manufacturing facilities. To expand production capabilities, they intend to invest in new plants and machinery at this location. This will not only enhance operational efficiency but also position them for sustainable growth and provide greater flexibility to adapt to future market demands.

They aim to invest in upskilling their workforce by providing the necessary training to operate new technologies and maintain high production standards. The expansion will be implemented in a phased manner to minimize operational disruption while ensuring a steady increase in capacity. This approach will enable them to scale operations efficiently, respond to market demand, and maintain their competitive edge in the transformer manufacturing industry.

• **Enhancement of their capacity by qualifying for 765 kV class approval issued by PGCIL**

As part of their ongoing commitment to growth and innovation, they are strategically enhancing operational capacity by qualifying for the 765 kV class approval issued by PGCIL. This positions them at the forefront of the power infrastructure sector, enabling them to meet the increasing demand for high-capacity transmission solutions. The approval will not only expand their technical capabilities but also enhance their competitive edge in the market. It will allow them to undertake larger and more complex projects, thereby increasing service offerings and driving revenue growth. By aligning operations with the highest industry standards, they reinforce their reputation for quality and reliability. Furthermore, this strategic move enables them to better serve a diverse clientele, including power utilities and infrastructure developers, positioning them as a preferred partner for high-capacity transmission projects. Ultimately, qualifying for the 765 kV class approval represents a significant milestone in their growth strategy, ensuring they remain well-equipped to meet the evolving needs of the power sector and capitalize on emerging opportunities.

• **Establishing collaboration with CRGO mill suppliers**

To enhance their competitive edge and ensure quality in power infrastructure projects, they are focused on establishing strategic collaborations with CRGO mill suppliers. They aim to secure a reliable source of high-performance electrical steel, which is critical for manufacturing transformers and other essential components. By partnering with leading CRGO mills, they would gain access to advanced materials that improve efficiency and performance in their products. Such collaborations are expected to bolster supply chain resilience while enabling innovation and optimization in manufacturing processes. The Company does not have any arrangements or agreements in place with its suppliers and procures raw materials, including CRGO, solely on the basis of purchase orders. Looking ahead, working closely with CRGO suppliers is expected to facilitate knowledge sharing and technological advancements, allowing them to stay ahead of industry trends and enhance their product offerings. This approach would further strengthen their market position, drive sustainable growth, and support their long-term objectives in the power infrastructure sector.

• **Expanding their existing product portfolios**

They are committed to diversifying their existing product portfolio by introducing a broader range of innovative transformer solutions tailored to meet the diverse needs of customers across sectors such as renewable energy, infrastructure, and industrial applications. This strategic expansion is expected to position them as a one-stop solution provider, enabling them to better serve clients and address the growing demand for high-efficiency transformers. By leveraging technological advancements, they aim to significantly enhance energy efficiency, reduce operational costs, and extend the lifecycle of their products. Their focus on innovation will ensure that transformers not only meet but exceed industry standards, delivering higher performance and reliability. Furthermore, an expanded portfolio is expected to open doors to new markets, strengthening relationships with existing clients while attracting new customers. By aligning product development efforts with emerging market trends and incorporating customer feedback, they intend to ensure their offerings remain competitive. This strategic initiative is designed to drive substantial revenue growth, reinforce market leadership, and create long-term value for stakeholders, positioning them at the forefront of the power infrastructure sector.

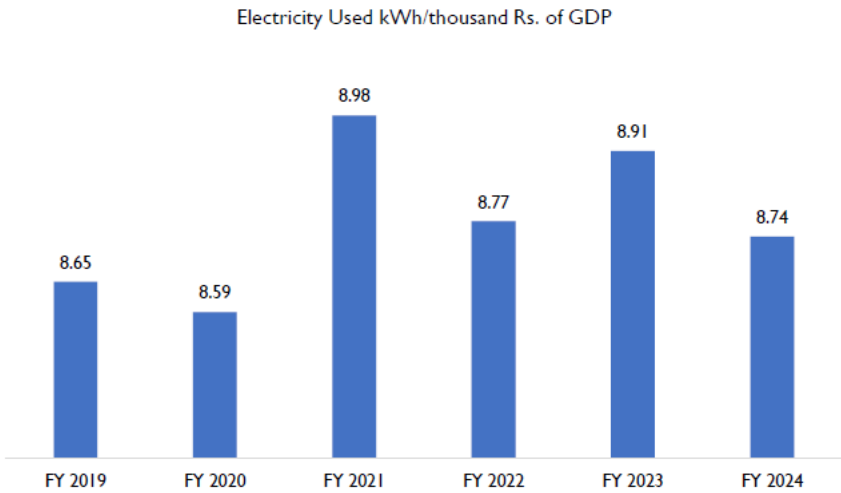
• **Grow their customer base by diversifying into new geographies and maintain relationships with the key customers and other stakeholders**

To drive sustained growth in the power infrastructure sector, they are implementing a strategic initiative aimed at expanding their customer base by diversifying into new geographies. This approach is expected to enhance their market presence and allow them to tap into emerging opportunities in regions with increasing demand for power infrastructure solutions. For instance, they have recently entered the United States market by supplying transformer components. At the same time, they remain committed to maintaining and deepening relationships with key customers and stakeholders. Regular engagement, feedback mechanisms, and personalized support will enable them to effectively meet evolving customer needs. Establishing strategic partnerships with local firms will further enhance their ability to navigate new markets by facilitating knowledge transfer, regulatory compliance,

and quicker market entry. In addition, investing in local teams with industry expertise will allow them to better understand regional dynamics and customer preferences, enabling swift responses to market changes. By aligning product offerings with the specific demands of each new market, they intend to ensure relevance and competitiveness, while driving innovation and adaptation. Through this multifaceted strategy, they aim to significantly broaden their customer base, enhance their competitive edge, and drive revenue growth, thereby positioning themselves as a trusted partner in the power infrastructure sector for long-term success.

➤ **Industry Snapshot:**

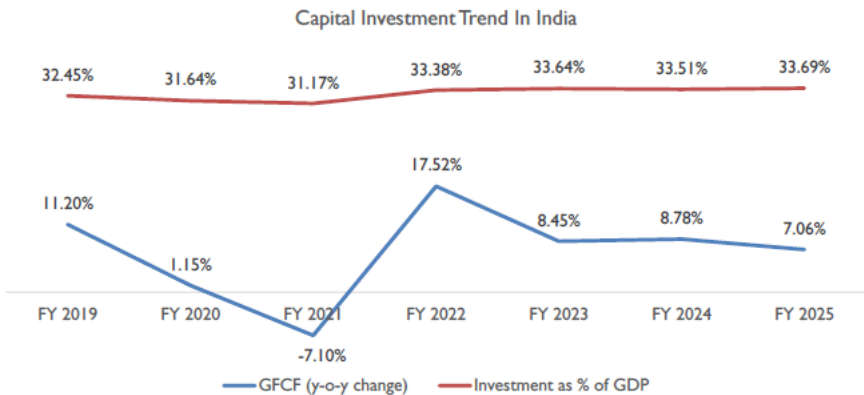
• **Electricity Efficiency in Economic Production:**



India’s electricity intensity measured as electricity used (kWh) per thousand rupees of GDP has remained relatively stable over the period from FY 2019 to FY 2024, fluctuating within a narrow range of 8.59 to 8.98. In FY 2020, the ratio dipped slightly to 8.59, primarily due to reduced industrial and commercial activity during the COVID-19 lockdown. However, it rose again to 8.98 in FY 2021 as electricity demand rebounded faster than economic output. In recent years, the intensity has moderated slightly, reaching 8.74 in FY 2024, indicating marginal improvements in energy efficiency. This trend shows that while India has made progress in increasing renewable energy adoption and deploying efficient technologies, significant gains in energy efficiency are still needed. Reducing electricity intensity further will require a focused push on energy-efficient infrastructure, clean technology deployment, and a shift toward less energy-intensive sectors such as digital services and low-carbon industries.

• **Annual and Quarterly: Investment & Consumption Scenario**

Other major indicators such as Gross fixed capital formation (GFCF), a measure of investments, have shown fluctuation during FY 2025 as it registered 7.06% year-on-year growth against 8.78% yearly growth in FY 2024, taking the GFCF to GDP ratio measured to 33.69%.

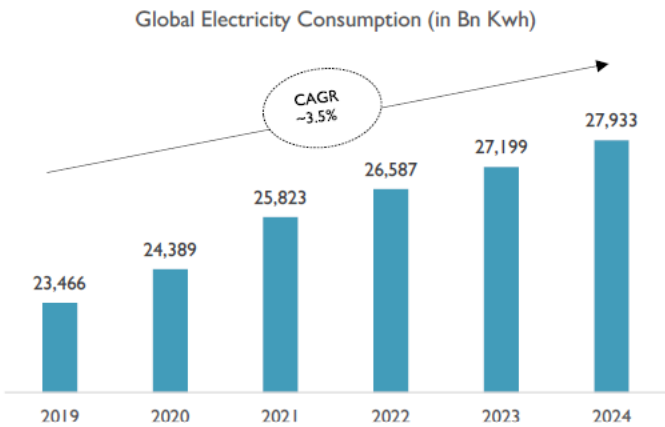


On quarterly basis, GFCF exhibited a fluctuating trend in quarterly growth over the previous year’s same quarter. In FY 2024, the growth rate moderated to 6.05% in March quarter against the previous two quarters as government went slow on capital spending amidst the 2024 general election while it observed an improvement in Q1 FY 2025 by growing at 6.65% against 6.05% in the previous quarter and moderated in the subsequent two quarters. On yearly basis, the growth rate remained lower compared to the same quarter in the previous year during FY 2025. The GFCF to GDP ratio measured 33.91% in Q4 FY 2025.

• **Electricity Landscape**

○ **Per Capita Electricity Consumption**

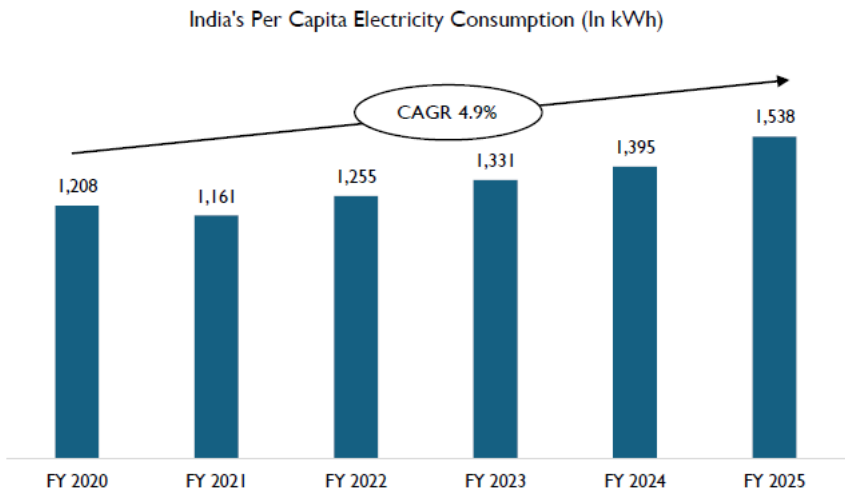
Global Electricity Consumption Landscape - Globally, electricity consumption per person varies widely across regions, with developed economies consuming significantly more than developing ones. The disparity reflects differences in economic development, industrialization, and access to energy. In developed economies such as the U.S. and Canada, high per capita electricity consumption is driven by energy-intensive lifestyles, industrial activities, and the increasing adoption of electric vehicles. Emerging economies like China have experienced a significant rise in consumption due to rapid industrialization, urbanization, and technological advancements. Meanwhile, several European countries, despite having high consumption levels, are prioritizing renewable energy sources and energy efficiency to minimize the environmental impact of their electricity usage.



The global electricity consumption has shown consistent growth from 2019 to 2024. In 2019, total consumption stood at 23,466 billion kilowatt-hours (kWh), which increased to 24,389 billion kWh in 2020, reflecting a slight rise despite the global slowdown due to the pandemic. The recovery in 2021 is more pronounced, with consumption jumping to 25,823 billion kWh, driven by renewed economic activities and industrial demand. By 2022, the global electricity consumption further climbed to 26,587 billion kWh, indicating steady growth at a Compound Annual Growth Rate (CAGR) of approximately 3.5% over the period. This upward trend is expected to continue, with consumption forecasted to reach 27,199 billion kWh in 2023 and 27,933 billion kWh by 2024. This growth is primarily attributed to rising energy demand from both developed and emerging economies, increased electrification, and industrial expansion. Moreover, the increasing integration of electric vehicles, technological advancements, and growing urbanization contribute significantly to the surge in electricity consumption. However, this steady rise also underscores the need for greater adoption of renewable energy sources and energy-efficient technologies to ensure sustainable energy usage globally.

○ **India’s Per Capita Electricity Consumption**

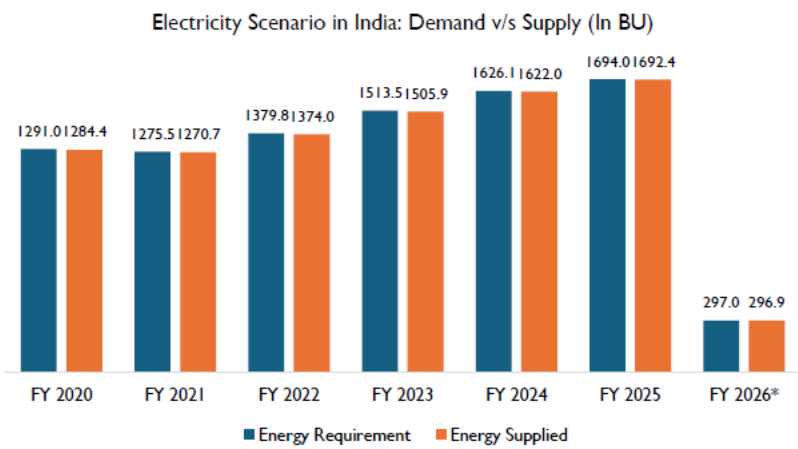
India's per capita electricity consumption has been steadily increasing over the years, reflecting its rapid industrialization, urbanization, and efforts to electrify rural areas. Despite this growth, India's consumption remains lower than the global average, reflecting the vast population and ongoing energy access challenges. Electricity consumption growth in India includes extensive rural electrification efforts through initiatives such as Saubhagya and the Deen Dayal Upadhyaya Gram Jyoti Yojana, which have provided electricity access to millions of rural households. Additionally, the expansion of industries, particularly in manufacturing, cement, steel, and textiles, has significantly fuelled industrial demand. The rapid pace of urbanization, along with increasing appliance ownership and evolving consumption patterns, has further driven higher electricity usage in residential sectors. Despite these advancements, India's per capita electricity consumption remains considerably lower than that of many developed nations, largely due to its vast population and diverse socioeconomic conditions.



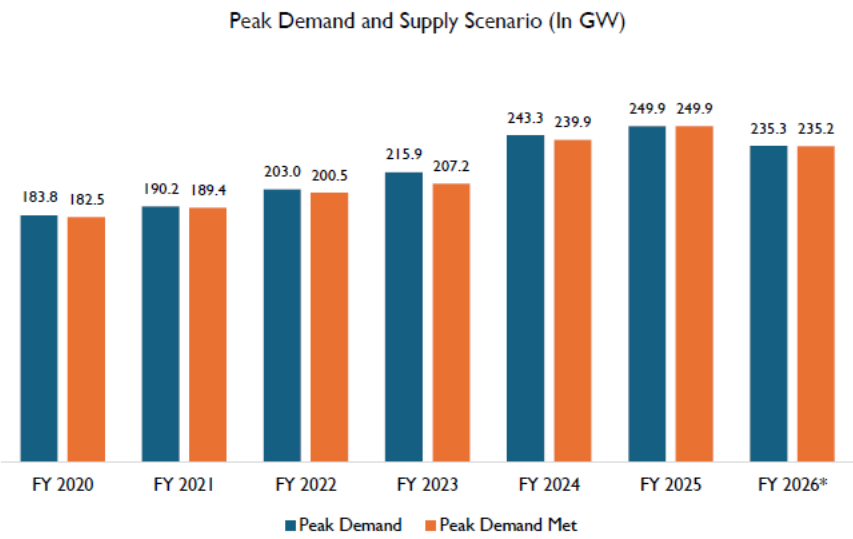
India has demonstrated a notable upward trend in per capita electricity consumption over recent fiscal years, reflecting a broader expansion in energy use among its population. The per capita consumption, measured in kilowatt-hours kWh, exhibited a consistent increase from FY 2020 to FY 2025, with an overall CAGR of 4.9%. This growth trajectory signifies an ongoing rise in electricity demand, likely driven by economic development, increased industrial activity, and improving access to electricity across various regions. In FY 2020, per capita consumption was 1,208 kWh, which dipped slightly to 1,161 kWh in FY 2021, likely due to pandemic-related disruptions. However, consumption rebounded in FY 2022 to 1,255 kWh, followed by continued growth to 1,331 kWh in FY 2023. The positive trajectory persisted in FY 2024, with consumption rising to 1,395 kWh, and further to 1,538 kWh in FY 2025. This consistent increase underscores India's ongoing efforts to improve electricity access, support industrial growth, and enhance living standards across urban and rural areas. This steady increase in per capita consumption underscores India's expanding energy needs. The CAGR of 4.9% suggests a sustained growth in electricity consumption, which can be attributed to several factors. These include a growing population, urbanization, industrialization, and improvements in living standards. The rise in consumption also reflects the ongoing efforts to enhance electricity access and infrastructure across the country.

○ **Electricity Demand**

India’s electricity demand has grown steadily over recent years, reflecting increased industrial activity, urbanization, and rural electrification. Between FY 2020 and FY 2025, the total energy requirement rose from 1,291 BU to 1,694 BU, registering a CAGR of 5.6%. This consistent rise highlights the expanding energy needs of the country’s growing economy. In parallel, electricity supply has kept pace, improving significantly in both volume and reliability. For instance, while the supply in FY 2020 was 1,284.4 BU, it increased to 1,692.4 BU by FY 2025, resulting in a sharp decline in the power deficit from 6.6 BU to just 1.6 BU over the same period.



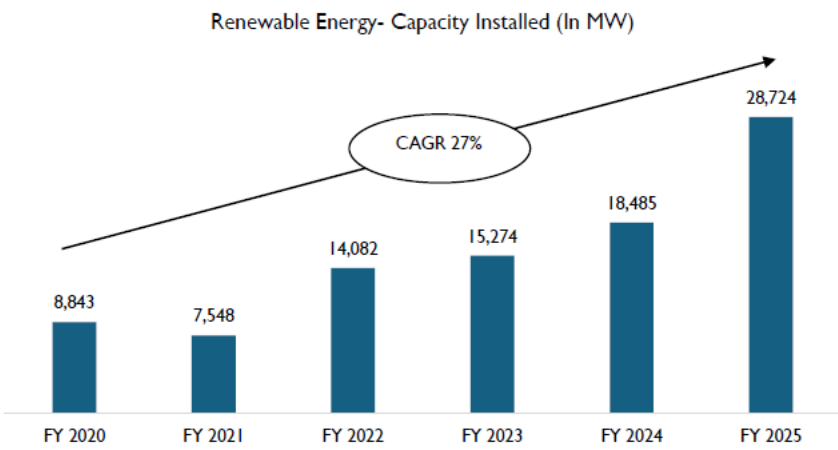
The narrowing gap between demand and supply over these years indicates improvements in generation capacity, grid infrastructure, and operational efficiency. Even as demand surged year after year, the shortfall remained marginal and continued to shrink. Notably, in FY 2026 (up to May), the deficit stood at just 0.1 BU, pointing to a near-balanced power scenario. This performance underscores India’s progress toward achieving energy adequacy, ensuring uninterrupted supply, and reducing regional and seasonal shortages. It reflects the success of sustained investments in power generation, particularly in renewables, along with better demand forecasting and grid management. India’s peak electricity demand has seen a steady upward trajectory in recent years, driven by rising consumption across residential, industrial, and commercial sectors. From 183.8 GW in FY 2020, the country's peak demand increased to 249.9 GW in FY 2025, reflecting a CAGR of 6.3% over the five-year period. This robust growth mirrors the country’s broader economic expansion, increased electrification, and higher appliance and cooling loads, especially during summer months.



Alongside rising demand, the country has significantly improved its ability to meet peak load requirements. While in earlier years there were minor gaps, such as a shortfall of 1.3 GW in FY 2020 and 8.7 GW in FY 2023, India achieved full demand met in FY 2025, with supply matching peak demand at 249.9 GW. This milestone highlights improvements in power system reliability, better grid resilience, and enhanced coordination between generation and transmission infrastructure. For FY 2026, provisional figures up to May 2025 indicate a peak demand of 235.3 GW, with a marginal shortfall of 0.1 GW. While these values may increase as the year progresses, especially during peak summer, early data suggests continued strength in India’s ability to handle peak load situations. Overall, the trend points to a power sector that is becoming more responsive and resilient, capable of keeping pace with rising demand while maintaining grid stability and supply adequacy.

○ **Renewable Energy**

Installed Capacity in India - India has made remarkable strides in expanding its renewable energy installed capacity, demonstrating a clear commitment to sustainability and a greener energy future. Over recent years, the country has aggressively pursued the development of clean energy sources, such as solar, wind, and biomass, leading to a significant transformation in its power sector. This push toward renewable energy reflects not only environmental concerns but also strategic goals of enhancing energy security and diversifying the electricity mix.



The installed renewable energy capacity in India has shown exceptional growth between FY 2020 and FY 2025, increasing from 8,843 megawatts (MW) to 28,724 MW, reflecting a robust CAGR of approximately 27%. After a temporary dip in FY 2021, where additions declined to 7,548 MW likely due to

COVID-19- related disruptions and logistical constraints, the sector rebounded strongly. Capacity additions rose sharply to 14,082 MW in FY 2022, followed by 15,274 MW in FY 2023, and a further increase to 18,485 MW in FY 2024. The latest figures for FY 2025 reflect an impressive jump, underscoring renewed momentum driven by strong policy support, investor confidence, and advancements in renewable technology. This growth trajectory highlights the effectiveness of India’s renewable energy strategies, such as competitive bidding, viability gap funding, production-linked incentives, and state-specific targets. Solar power has been at the forefront of this expansion, with large-scale solar parks, rooftop systems, and hybrid models contributing significantly. Wind energy has also retained its relevance, especially in high-potential coastal and inland regions. Meanwhile, biomass, small hydro, and emerging technologies such as green hydrogen and storage backed renewables are increasingly gaining ground.

➤ **Comparison with listed entity**

Name of Company	Face Value Per Share (₹)	EPS	P/E	RONW (%) for FY25	NAV per equity share (₹)
Mangal Electrical Industries Limited	10	17.1	32.8	34.1%	79.1
Listed Peers					
Vilas Transcore Limited	10	14.6	35.6	15.3%	117.7
Jay Bee Lamination Limited	10	12.3	17.9	24.1%	65.4

*Note –: 1) P/E Ratio has been computed based on the closing market price of equity shares on NSE on Aug 18, 2025.
2) * P/E of company is calculated on EPS of FY25, and post issue no. of equity shares issued.

➤ **Key Risk:**

- The costs of raw materials used in their manufacturing process are subject to volatility due to factors beyond their control. Any increase or fluctuation in raw material prices may have a material adverse effect on their business, financial condition, results of operations, and cash flows.
- They are heavily dependent on the performance of CRGO products and transformer product components. Any adverse changes in the conditions affecting the CRGO products and transformer products market may adversely impact their business, financial condition, results of operations, cash flows, and prospects.
- Any disruption, breakdown, or shutdown of their manufacturing facilities or their original equipment manufacturer suppliers may have a material adverse effect on their business, financial condition, results of operations, and cash flows.
- They do not have any direct hedging policy in place for mitigating raw material price fluctuations, particularly for CRGO and CRNO coils, which may adversely impact their business, financial condition, results of operations, and cash flows.
- Their dependence on a limited customer base and any change in customer composition may adversely impact on their business, financial condition, results of operations, and cash flows.
- They depend significantly on contract labor, and any inability to access contract labor at reasonable costs at their project sites may adversely affect their business.
- They are subject to raw material price volatility and foreign exchange fluctuations, which could adversely impact their business, results of operations, cash flows, and financial condition.
- They do not have definitive agreements regarding the supply of products or raw materials with their customers or suppliers. Failure to successfully leverage their supplier and customer relationships and network could adversely affect their business, financial condition, results of operations, and cash flows.
- Failure to protect and enforce their intellectual property rights, including trademarks and brand identity, could adversely impact their business, financial condition, and competitive position.
- They depend on third parties for the supply of raw materials and delivery of products, and any failure by such third parties to meet their obligations may have a material adverse effect on their business, results of operations, financial condition, and cash flows.

➤ **Valuation & Outlook:**

Mangal Electrical Industries Limited is an integrated power infrastructure company engaged in manufacturing transformers and processing transformer components such as CRGO slit coils, laminations, amorphous cores, and oil-immersed circuit breakers. With five state-of-the-art facilities in Rajasthan and certifications from NABL, PGCIL, and NTPC, the Company serves a diversified customer base across government utilities, PSUs, private energy producers, and international markets. Operating under the trusted brand “Mangal Electrical”, the Company is positioned as a leading player in high-capacity transformer solutions, including up to the 765 kV class.

Their Board plans to expand manufacturing capacity through technology and infrastructure upgrades to meet rising demand for transformer components across key sectors. They are enhancing operational capacity by securing 765 kV class approval from PGCIL, which strengthens their technical capabilities, boosts competitiveness, and positions them to meet the growing demand for high-capacity transmission solutions.

At the upper price band, the company is valued at a FY25 P/E of 32.8x, with a post-issue market capitalization of ₹15,500 million. In recent years, India’s substation capacity has grown significantly, driven by rising electricity demand, creating a favorable environment for transformer manufacturing with consistent demand supporting production planning and operational efficiency. Based on these factors, the IPO appears fully priced, with a “**SUBSCRIBE – LONG TERM**” recommendation.

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Small Caps (251st company onwards)	>25%	0%-25%	Below 0%

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