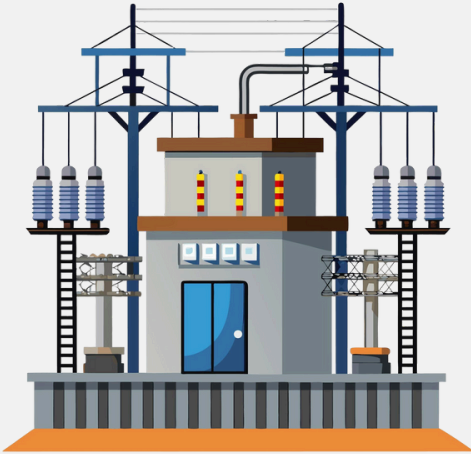




IPO DETAILS

#IPOlogy

VIKRAN ENGINEERING LIMITED



ISSUE OPEN

26 August, 2025



ISSUE CLOSE

29 August, 2025

Min. Lot Size

148 Shares

Issue Price Band

₹92 - ₹97

Issue Size

Fresh Issue:

7.43 Cr Eq Shares
(₹721.00 Cr)

OFS:

0.53 Cr Eq Shares
(₹51.00 Cr)

Face Value

₹1

Industry

Engineering - Construction

Listing at

NSE, BSE

Rating

Subscribe

(With Caution)

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



VIKRAN ENGINEERING LIMITED

Rationale

Considering the FY 25 EPS of Rs 3.02 on a post-issue basis, the company is set to list at a P/E of approximately ~32x with a market cap of Rs 2,502 Cr, whereas its peers namely Bajel Projects Ltd, Kalpataru Projects International Ltd, Techno Electric & Engineering Company Ltd, SPML Infra Ltd, KEC International Ltd and Transrail Lighting Limited are trading at P/E ratio of approximately ~188x, ~31x, ~39x, ~45x, ~37x, ~28x respectively.

We assign a 'Subscribe (With Caution)' rating to this IPO given the company's diversified order book, presence across business verticals, and consistent financial growth. However, negative net cash flows from operating activities in recent fiscals make us cautious from a long-term investment perspective.

Company Overview

Incorporated in 2008, Vikran Engineering Ltd is engaged in manufacturing the transformers that are used for the distribution and transmission of electricity in the power sector.

They provide end to-end services from conceptualisation, design, supply, installation, testing and commissioning on a turnkey basis and has presence across multiple sectors including power, water, and railway infrastructure.

Within the power sector, they have presence in both- power transmission and power distribution. In the water sector, their projects include underground water distribution and surface water extraction, overhead tanks, and distribution networks. The company also has experience in Solar EPC of ground mounted solar projects and smart metering.

The company derives 72.9% of its revenue power transmission and distribution, 26.8% of its revenue from water infrastructure projects and the rest 0.3% of revenue from railway infrastructure projects.

As of June 30, 2025, they have successfully completed 45 projects across 14 states with a total executed contract value of ₹ 19,199.17 million. As of June 30, 2025, they have 44 ongoing projects across 16 states, aggregating orders of ₹ 51,202.07 million, of which unexecuted order book of ₹ 24,424.39 million.

Their clients in the government sector include NTPC Limited, Power Grid Corporation of India Limited, South Bihar Power Distribution Co. Ltd., North Bihar Power Distribution Co. Ltd., Transmission Corporation of Telangana Limited, Madhya Pradesh Power Transmission Company Limited, Madhya Pradesh Madhya Kshetra Vidyut Vitran Company Limited, District Water and Sanitation Mission (PHED) and State Water and Sanitation Mission (SWSM).



EPC Services, Countrywide

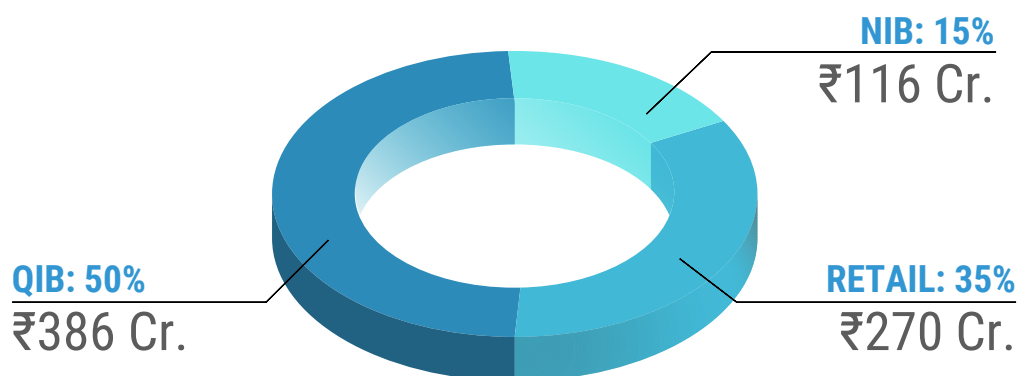
With a pan-India presence supported by 190 sites and store locations as of June 30, 2025, they offer a range of EPC services that cater to the specific needs of their customers across the country.



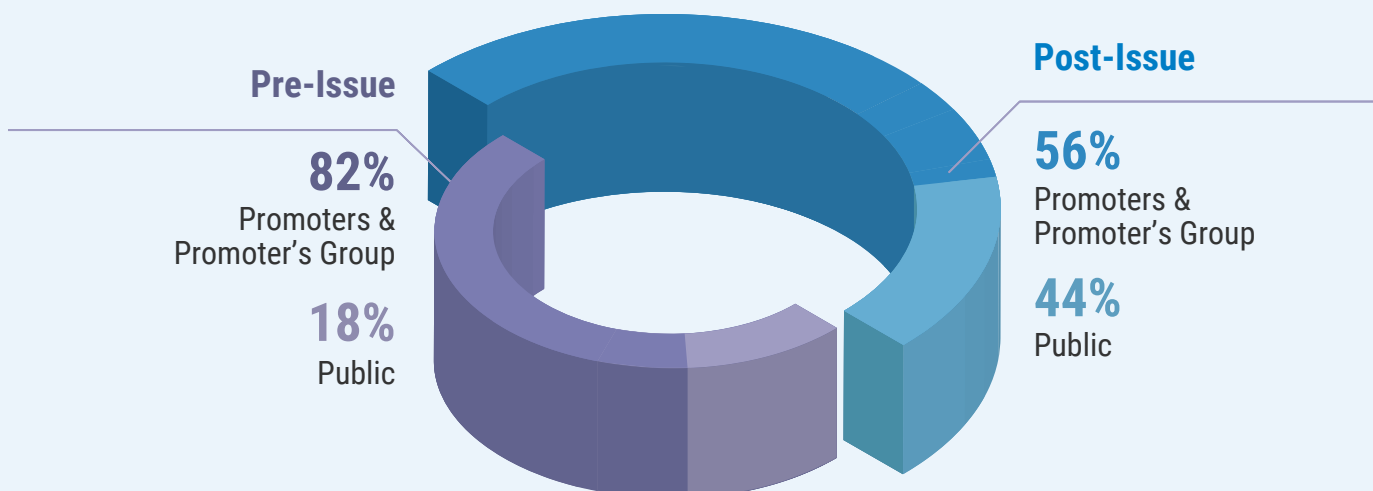
VIKRAN ENGINEERING LIMITED

Issue Details

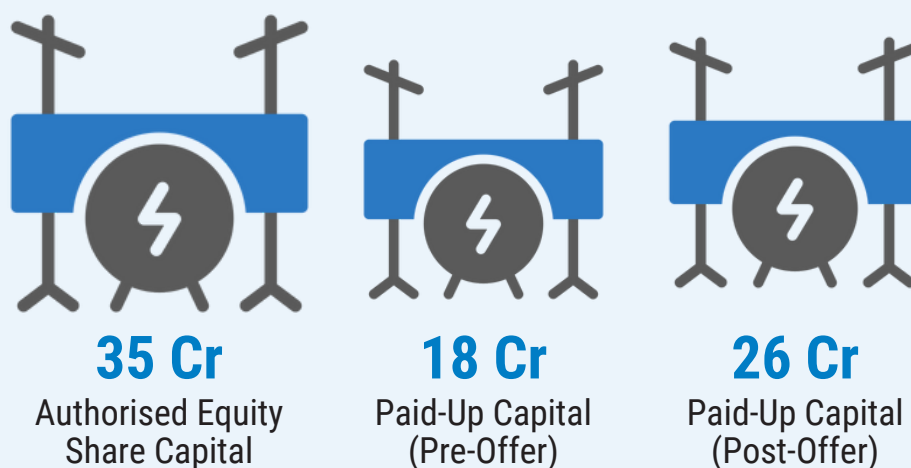
Issue Break-Up



Shareholding Pattern



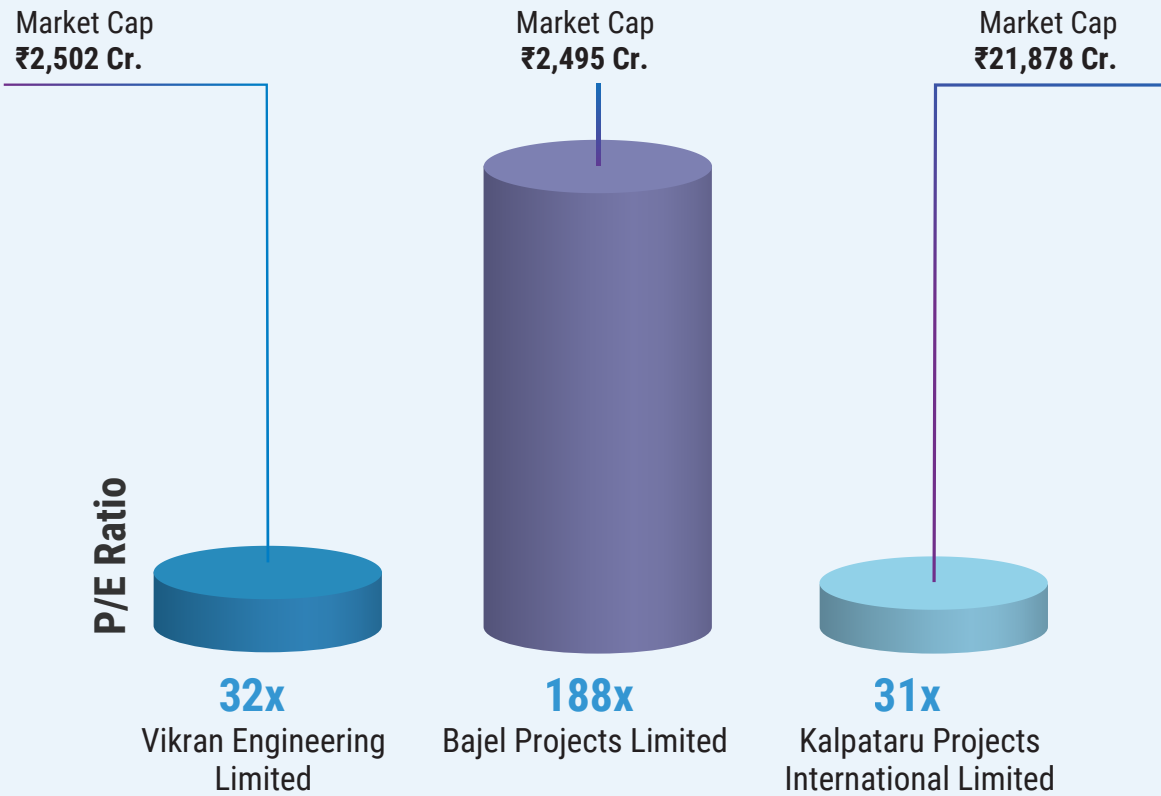
Capital Structure (in ₹ Cr.)





VIKRAN ENGINEERING LIMITED

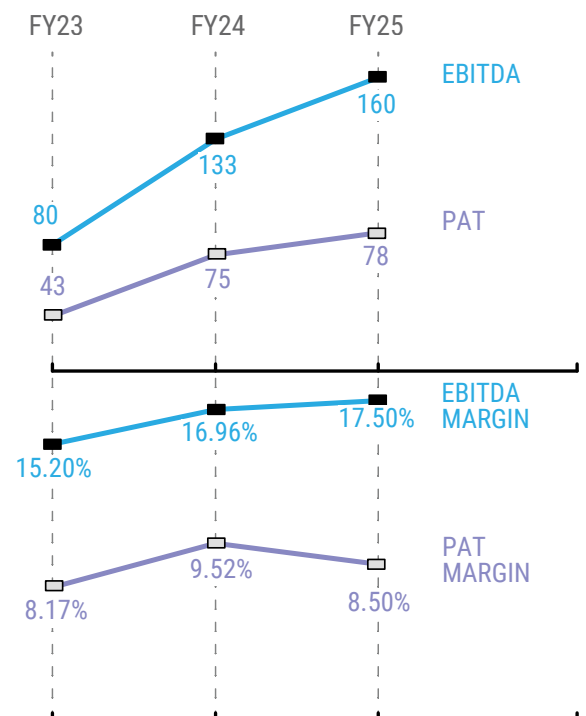
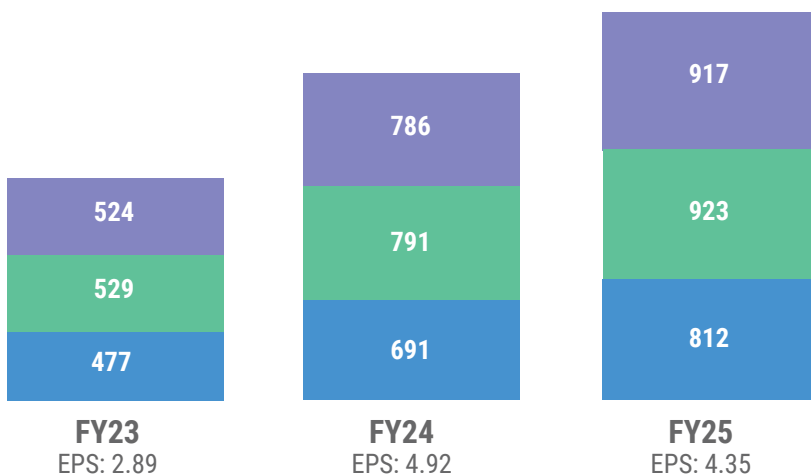
Valuations and Peer Comparison



Market Cap data of listed securities as on August 20, 2025

Financial Snapshot (in ₹ Cr.)

- Revenue
- Total Income
- Total Expenses





VIKRAN ENGINEERING LIMITED

Business Insights



Competitive Strengths

- One of the fast-growing engineering, procurement and construction ("EPC") companies, with timely execution of power transmission and distribution and water infrastructure sector.
- Diversified Order Book across business verticals and consistent financial performance.
- Pan India presence with strong supply chain.
- Asset light model.
- In-house technical and engineering capabilities, process control and quality assurance.
- Experienced promoters and management team, having domain knowledge.



Business Strategy

- Continue to strengthen their core competencies in power transmission and distribution and water infrastructure sectors.
- Selectively expanding their geographical footprint globally.
- Expand their EPC portfolio into other EPC sectors.
- Capitalizing on government initiatives and policies.



Risks

- Majority of their projects have been awarded through competitive bidding process. Failure to complete their projects within contractual time may affect their future business prospects and financial performance. Failure to qualify for, complete or win new contracts could negatively impact their business, potentially affecting their financial condition, operational results, growth prospects, and cash flow stability.
- Their Company has experienced negative net cash flows from operating activities (Net Cash Generated in Operating Activities) in Fiscals 2025 and 2024 amounting to ₹ 1,290.86 million and ₹ 664.77 million, respectively. While they are PAT positive, they cannot assure you that they will sustain profitability or positive cash flows going forward, which could have a material adverse effect on their business, prospects, financial condition, cash flows and results of operations.
- Their order book for Financial Year 2025 has decreased significantly compared to Financial Year 2024, with a substantial reduction in government orders and a decrease in order values for water and railway infrastructure projects.

Promoters and Management Details

Rakesh Ashok Markhedkar - Chairman and Managing Director

Avinash Ashok Markhedkar - Whole-time Director

Nakul Markhedkar - Whole-time Director

Research Disclaimer <https://bit.ly/2RK2tzc>