



IPO NOTE

TRANSRAIL LIGHTING LIMITED



Rating:
SUBSCRIBE



ISSUE OFFER

Issue Opens on	DEC 19, 2024
Issue Close on	DEC 23, 2024
Total IPO size (cr)	₹838.91
Fresh issue (cr)	₹400.00
Offer For Sale (cr)	₹438.91
Price Band (INR)	410-432
Market Lot	34
Face Value (INR)	₹2
Listing At	NSE, BSE
Market Capitalization (cr)	5799.86

ISSUE BREAK-UP (%)

QIB Portion	<div><div></div></div> 50%
NII Portion	<div><div></div></div> 15%
Retail Portion	<div><div></div></div> 35%

INDICATIVE TIMETABLE

Basis of Allotment	24-12-2024
Refunds/Unblocking ASBA Fund	26-12-2024
Credit of Share to Demat A/c	26-12-2024
Listing Date	27-12-2024

Transrail Lighting Limited is an Indian engineering, procurement and construction ("EPC") company. Which primarily focuses on power transmission and distribution business and integrated manufacturing facilities for lattice structures, conductors, and monopoles.

OBJECTS OF THE ISSUE

- Incremental financing working capital requirements.
- Funding capital expenditure of the company.

FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2024	FY 2023	FY 2022
Equity Share Capital	24.7	22.7	22.7
Net Worth	1,139	771	662
RoCE%	24.33%	18.27%	14.94%
Revenue	4,009	3,086	2,284
Operating Profit Margin %	11.71%	9.32%	8.75%
Net Profit/Loss of the year	233.2	107.5	64.7

FINANCIAL RATIOS OF FY24



D/E



P/E



Asset Turnover

OUTLOOK & VALUATION

- An engineering and construction company specializing in the transmission and distribution sector.
- Boasts years of experience and a strong global presence.
- Demonstrated consistent growth in revenue and profitability.
- The IPO is attractively priced based on its PE ratio.
- Based on the company's fundamentals and fair valuation we recommend to subscribe this IPO.



COMPANY PROFILE

- It has a track record of four decades in providing comprehensive solutions in the power transmission and distribution sector, on a turnkey basis globally.
- The Company has completed more than 200 projects in power transmission and distribution vertical since its inception.
- It has footprint in 58 countries like Bangladesh, Kenya, Tanzania, Niger, Nigeria, Mali, Cameroon, Finland, Poland, Nicaragua etc.
- It cater to a wide client base in India including central public sector undertakings under the Ministry of Power of India, state government run and private power transmission and distribution companies.



COMPETITIVE STRATEGIES

- Leverage its technical expertise, specialized domain knowledge and experience to expand its core competencies in power transmission and distribution segment.
- Expand its EPC portfolio into other allied/ancillary infrastructure sectors.
- Focusing on expanding the market for its conductors and to leverage its new age HTLS conductors.
- Expanding its international business.
- Enhancing the Company's pole and lighting business.



KEY CONCERNS

- Due to long execution periods and time overruns, its project related estimated costs may fluctuate.
- Business is substantially dependent on tenders being floated by government authorities.
- Exposed to foreign currency fluctuation risks.
- Face certain competitive pressures from the existing competitors.
- It has substantial capital expenditure and working capital requirements.
- Certain non-compliances have been found by the MCA in its books of accounts.



KEY STRENGTHS

- Track record of established presence and growth.
- Established manufacturing facilities.
- Strong and diversified Order Book.
- Strong in-house designing and engineering.
- Experienced promoter(s) with strong management team.
- Quality assurance.
- Strong and consistent financial performance.

COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (Basic)	NAV	P/E	TOTAL INCOME (In CR.)	RoCE%
Transrail Lighting Limited	19.59	86.79	23.15	4,009	24.33%
Peer Group					
KEC International Limited	13.49	159	91.95	19,914	23.9%
Kalpataru Projects International Limited	31.76	316	36.72	19,626	16.80%
Skipper Limited	7.66	84	75.97	3,282	20.3%
Patel Engineering Limited	3.64	38	15.57	4,544	3.73%
Bajel Projects Limited	0.37	49	702.97	1,169	15.4%



Power Transmission & Distribution



Railways



Civil Construction



Poles & Lighting

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