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## **VIKRAN ENGINEERING LIMITED**

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### **IPO NOTE – Investor Education Series**

*August 2025*



## ISSUE HIGHLIGHTS

- The Company was originally incorporated as 'Ratangiri Financial Advisory Pvt. Ltd', on June 4, 2008, at Kolkata West Bengal. In August 2015 the name was changed to 'Vikran Engineering & Exim Pvt. Ltd' due to change in the nature of business. Further, the name was changed to 'Vikran Engineering Pvt. Ltd', in June 2024 and subsequently on conversion to Public limited company the name was changed to 'Vikran Engineering Limited' in September, 2024.
- The company provides **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**, the company has presence in **both- power transmission and power distribution**.
- As of June 30, 2025, the company has successfully **completed 45 projects across 14 states** with a **total executed contract value of ₹ 1,919.92 Cr**. As of June 30, 2025 the company had **44 ongoing projects across 16 states, aggregating orders of ₹ 5,120.21 Cr**, of which **unexecuted Order Book was ₹ 2,442.44 Cr**
- The company has **~30 major ongoing projects in power transmission and distribution business**, with **contract value of ₹ 3,357.18 Cr**, **12 ongoing projects in water infrastructure sector with contract value of ₹ 1,693.71 Cr** and **2 ongoing projects in railways & Infrastructure sector with a contract value of ₹ 69.32 Cr**.
- The company undertakes the construction of **high-voltage transmission lines up to 765 kV, substations up to 400 kV and power distribution networks**. The company has also executed **30,000 smart metering connections**.
- The company's clients in the government sector include **NTPC, Power Grid Corporation of India**, among others.
- The company's **revenues grew at a CAGR 32.17% from ₹524.31 Cr in FY 2023 to ₹915.85 Cr in FY 2025**. Among the peers considered, the company reported the **highest operating EBITDA margin of 17.50%**, the **2nd highest PAT margin of 8.44%** and the **2nd highest Return on Equity** during FY 2025.

## BRIEF FINANCIAL DETAILS\*

(₹ IN Cr)

| Particulars                    | As at Mar' 31, |        |        |
|--------------------------------|----------------|--------|--------|
|                                | 2025           | 2025   | 2023   |
| Equity Share Capital           | 18.36          | 0.33   | 0.29   |
| Net worth                      | 467.87         | 291.28 | 131.14 |
| Total Borrowings               | 272.94         | 183.39 | 154.93 |
| Debt to Equity ratio           | 0.58           | 0.63   | 1.18   |
| Revenue from Operations        | 915.85         | 785.95 | 524.31 |
| Revenue Growth (%)             | 16.53          | 49.90  | -      |
| EBITDA as stated               | 160.24         | 133.30 | 79.71  |
| EBITDA Margin (%)              | 17.50          | 16.96  | 15.20  |
| Profit for the Year            | 77.82          | 74.83  | 42.84  |
| PAT Margin (%)                 | 8.44           | 9.46   | 8.10   |
| Return on Equity (%)           | 16.63          | 25.69  | 32.67  |
| Return on Capital Employed (%) | 23.34          | 30.43  | 28.04  |
| Net Asset Value (₹)            | 25.49          | 17.20  | 8.85   |
| EPS – Basic & Diluted (₹)      | 4.35           | 4.92   | 2.89   |

Source: RHP; \* Restated Consolidated; On August 12, 2024, the Equity Shares of FV of ₹ 10/- were sub-divided into Eq. Shares of FV of ₹ 1/-, and on August 23, 2024, co. issued bonus in the ratio of 50:1 (50 Shares for every 1 share held).

## Issue Details

**Fresh Issue of Equity Shares aggregating up to ₹ 721 Cr + Offer for Sale of Equity Shares aggregating to ₹ 51 Cr**

**Issue size: ₹ 772 Cr**

**Face value: ₹ 1/-**

**Price band: ₹ 92 - 97**

**Bid Lot: 148 Shares and multiples thereof**

**Post Issue Implied Market Cap =**

**₹ 2,410 Cr - ₹ 2,502 Cr**

**BRLMs:** Pantomath Capital Advisors, Systematix Corporate Services

**Registrar:** Bigshare Services Pvt. Ltd

**Issue opens on: Tuesday August 26<sup>th</sup>, 2025**

**Issue closes on: Friday August 29<sup>th</sup>, 2025**

## Indicative Timetable

| Activity                           | On or about |
|------------------------------------|-------------|
| Finalisation of Basis of Allotment | 01-09-2025  |
| Refunds/Unblocking ASBA Fund       | 02-09-2025  |
| Credit of equity shares to DP A/c  | 03-09-2025  |
| Trading commences                  | 03-09-2025  |

## Issue break-up

|              | No. of Shares      |                    | ₹ In Cr       |               | % of Issue  |
|--------------|--------------------|--------------------|---------------|---------------|-------------|
|              | @Lower             | @Upper             | @Lower        | @Upper        |             |
| QIB          | 4,19,56,520        | 3,97,93,812        | 386.00        | 386.00        | 50%         |
| NIB          | 1,25,86,956        | 1,19,38,145        | 115.80        | 115.80        | 15%         |
| -NIB2        | 83,91,304          | 79,58,764          | 77.20         | 77.20         | -           |
| -NIB1        | 41,95,652          | 39,79,381          | 38.60         | 38.60         | -           |
| RET          | 2,93,69,564        | 2,78,55,670        | 270.20        | 270.20        | 35%         |
| <b>Total</b> | <b>8,39,13,040</b> | <b>7,95,87,627</b> | <b>772.00</b> | <b>772.00</b> | <b>100%</b> |

NIB-1=NII Bid between ₹ 2 to 10 Lakhs

NIB-2 =NII Bid Above ₹ 10 Lakhs

| Category                 | Retail Category       | NII-Bid between ₹ 2 - 10 Lakhs | NII-Bid Above ₹ 10 Lakhs |
|--------------------------|-----------------------|--------------------------------|--------------------------|
| Minimum Bid Lot (Shares) | 148 Shares            | 2,072 Shares                   | 10,360 Shares            |
| Minimum Bid Amount (₹)   | ₹ 14,356 <sup>^</sup> | ₹ 2,00,984 <sup>^</sup>        | ₹ 10,04,920 <sup>^</sup> |
| Appl. for 1x             | 1,88,214 Applications | 1,921 Applications             | 3,841 Applications       |

## Listing: BSE & NSE

## Shareholding (No. of Shares)

| Pre-issue    | Post issue~  | Post issue <sup>^</sup> |
|--------------|--------------|-------------------------|
| 18,35,81,130 | 26,19,50,693 | 25,79,11,026            |

(~ Lower Price Band, ^ Upper Price Band)

## Shareholding\* (%)

|                         | Pre-Issue      | Post-Issue     |
|-------------------------|----------------|----------------|
| Promoter & Promoter Grp | 81.78%         | 56.17%         |
| Public                  | 18.22%         | 43.83%         |
| <b>Total</b>            | <b>100.00%</b> | <b>100.00%</b> |

\* As per RHP



## BACKGROUND

### Company and Directors

The Company was originally incorporated as 'Ratangiri Financial Advisory Pvt. Ltd', on June 4, 2008, at Kolkata West Bengal. In August 2015 the name was changed to 'Vikran Engineering & Exim Pvt. Ltd' due to change in the nature of business. Further, the name was changed to 'Vikran Engineering Pvt. Ltd', in June 2024 and subsequently on conversion to Public limited company the name was changed to 'Vikran Engineering Limited' in September, 2024.

Vikran Engineering is one of the fast-growing Indian Engineering, Procurement and Construction (EPC) company in terms of revenue growth over FY23-25, compared to the average industry growth estimates and the peer set considered. The company provides 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.

### Brief Biographies of Directors & Key Managerial Personnel

**Rakesh Ashok Markhedkar**, is the Chairman and Managing Director of the Company. He is also one of the Promoters of the Company. He has been on the Board of Directors of the Company since November 20, 2015. Previously he has worked in Larsen and Toubro, Voltage Engineering, EMCO, KEI Industries, ERA Infra Engineering and Bajaj Electricals. He has 34 years of experience, largely in EPC sector.

**Avinash Ashok Markhedkar**, is a Whole-Time Director of the Company. He is also one of the Promoters of the Company. He has been on the Board of Directors of the Company since November 02, 2015. Previously, he has worked at Grasim Cement, UltraTech Cement, Larsen & Toubro, FLSmidth, JK Cement, Abhijeet Cement, and Reliance Cement Company. He has over 33 years of experience.

**Nakul Markhedkar** is a Whole-Time Director of the Company. He is also one of the Promoters of the Company. He was on the Board of Directors of the Company from November 18, 2014 to December 1, 2019 and thereafter he was appointed on the Board of Directors of the Company from February 1, 2024. He also held the position of Procurement Director of the Company. He has over 9 years of experience.

**Rakesh Kumar Sharma** is the Independent Director of the Company. Previously, he has worked at TATA Iron and Steel Company, ACC- Babcock, The Associated Cement Companies, Punj Llyod Pvt. Ltd, H.M. Electricals Pvt. Ltd and Larsen & Toubro. He has approximately 34 years of experience.

**Arun Bhagwan Unhale** is the Independent Director of the Company. He joined employment under Indian Administrative Services in 1984 and retired in 2023. He has an experience of over 39 years.

**Priti Paras Savla** is the Independent Director of the Company. She is a practicing chartered accountant since 2002. She has an experience of about 21 years.

**Ashish Bahety** is the Chief Financial Officer of the Company. He was appointed as the Chief Financial Officer of the Company on August 21, 2023. Previously he was associated with R Kabra & Co., A.F. Ferguson & Co, QCS, CRISIL, NSL Sugars, Hindustan National Glass & Industries, S.V. Refineries and JMC Projects (India). He has over 18 years of experience in finance sector.

**Dibyendu Ray** is the Chief Operating Officer of the Company. He joined the Company on May 23, 2024. Previously, he was associated with BARC, Siemens, Sterling and Wilson Pvt. Ltd and KEC International Ltd. He has about 34 years of work experience.

**Kajal Sagar Rakholiya**, is the Company Secretary and Compliance Officer of the Company from May 6, 2024. Previously, she was associated with HJT & Associates, Chartered Accountants, Walchand Peoplefirst and Majestic Research Services. She has over 9 years of experience in secretarial roles.

## OBJECTS OF THE ISSUE

| Objects  | Amount (₹ Cr) |
|--|---------------|
| • Funding of the Working Capital requirements of the company | 541.00        |
| • General Corporate Purposes                                 | [ • ]         |
| <b>Total</b>   | <b>[ • ]</b>  |

Source: RHP



## OFFER DETAILS

| Fresh Issue              | No. of Shares                   | WACA per Equity Share (₹) |
|--------------------------|---------------------------------|---------------------------|
| Fresh Issue (~₹ 721^ Cr) | Up to 74,329,896^ Equity Shares | -                         |

(^ at upper price band)

## SHAREHOLDING PATTERN

| Shareholders                                 | Pre-offer               |                                 | Fresh Issue and offer for sale shares^ | Post-offer              |                                 |
|--|-------------------------|---------------------------------|--|-------------------------|---------------------------------|
|  | Number of Equity Shares | % of Total Equity Share Capital |  | Number of Equity Shares | % of Total Equity Share Capital |
| <b>Promoter and Promoters Group</b>          |                         |                                 |  |                         |                                 |
| Promoter                                     | 12,16,53,360            | 66.27%                          | 52,57,731                              | 11,63,95,629            | 45.13%                          |
| Promoters Group                              | 2,84,79,420             | 15.51%                          | 0                                      | 2,84,79,420             | 11.04%                          |
| <b>Total for Promoter and Promoter Group</b> | <b>15,01,32,780</b>     | <b>81.78%</b>                   | <b>52,57,731</b>                       | <b>14,48,75,049</b>     | <b>56.17%</b>                   |
| Public Others                                | 3,34,48,350             | 18.22%                          | 7,43,29,896                            | 11,30,35,977            | 43.83%                          |
| <b>Total for Public Shareholder</b>          | <b>3,34,48,350</b>      | <b>18.22%</b>                   | <b>7,43,29,896</b>                     | <b>11,30,35,977</b>     | <b>43.83%</b>                   |
| <b>Total Equity Share Capital</b>            | <b>18,35,81,130</b>     | <b>100.00%</b>                  |  | <b>25,79,11,026</b>     | <b>100.0%</b>                   |

(^ at upper price band)

## BUSINESS OVERVIEW

Vikran Engineering is one of the fast-growing Indian Engineering, Procurement and Construction (EPC) company in terms of revenue growth over FY23-25, compared to the average industry growth estimates and the peer set considered. The company's revenues grew at a CAGR 32.17% from ₹524.31 Cr in FY 2023 to ₹915.85 Cr in FY 2025.

The company provides 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, the company has presence in both- power transmission and power distribution.

In the water sector, the company's 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. Also, as a part of railway projects the company undertakes 132 kV traction substation projects and underground EHV cabling projects. The company has a diversified project portfolio, with majority revenue from energy and water infrastructure verticals.

The company's key competencies encompass in-house design and engineering and timely project execution. The company has successfully executed projects for government entities, public sector undertakings and private companies. The company's focus on operational excellence, and efficient cost structure, and has enabled it to deliver high-value projects that meet stringent regulatory and quality standards.

Among the peers considered, the company reported the highest operating EBITDA margin of 17.50% for Fiscal 2025; the 2<sup>nd</sup> highest PAT margin of 8.44% in FY 2025; and the 2<sup>nd</sup> highest Return on Equity (ROE) among the peers compared during FY 2025.

The company's clients in the government sector include NTPC, Power Grid Corporation of India, South Bihar Power Distribution Co. Ltd., North Bihar Power Distribution Co. Ltd., Transmission Corporation of Telangana Limited, Madhya Pradesh Power Transmission Company, Madhya Pradesh Madhya Kshetra Vidyut Vitran Company, District Water and Sanitation Mission (PHED) and State Water and Sanitation Mission (SWSM). Further the company is working on certain projects for Assam Power Distribution Company and the Danapur division of the Eastern Central Railway. The company's projects cover the following infrastructure business verticals.

**Power Transmission and Distribution:** The company undertakes the construction of high-voltage transmission lines up to 765 kV, substations up to 400 kV (both Air Insulated Substations (AIS) and Gas Insulated Substations (GIS)), and power distribution networks. The company has also executed 30,000 smart metering connections under this vertical.



**Water Infrastructure:** The company provides turnkey solutions for water infrastructure projects such as surface and underground drinking water projects. The company's experience and scope extend to designing and implementing water distribution networks and rainwater harvesting systems. The company's water infrastructure includes wide range of services such as design, supply, and erection of intake water treatment plant and overhead services reservoir. The company undertake



the project of supply of drinking water through tube well and overhead services reservoir up to house connections primarily in rural areas. The project scope also includes the supply and laying of ductile iron pipes under multi village scheme under “Jal Jeevan Mission”. The company has 12 ongoing projects under the water infrastructure vertical in the states of Uttar Pradesh, Chhattisgarh and Madhya Pradesh.





**Railway Infrastructure:** The company is also involved in the railway infrastructure sector, particularly in railway electrification. The company has successfully completed projects involving overhead electrification and signalling systems. Also, as a part of railway electrification projects OHE 25kV, 50 Hz AC railway electrification project, 220 kV underground EHV cable work and construction of 132 kV transmission line and 132 kV railway traction substations projects.

#### Some of the company's key ongoing projects are as follows

| Name and Description of Project   | Image   |
|---|---|
| <p>Engineering, Procurement, Construction, Testing, Commissioning, Trial Run and Operation &amp; Maintenance of Various Components of Ghogri Multi Village Scheme, District Betul in Single Package on 'Turn-Key Job Basis' including Trial Run and Operation &amp; Maintenance of the Entire Water Supply Scheme for 10 Years</p> <p>Location: Betul, Madhya Pradesh<br/>Year of Start: August 2022</p>  |    |
| <p>S/s Extension Pkg-SS69 for ii)400KV Saharsa S/s extn, associated with eastern region strengthening Scheme-XXIII Extension of 4nos. 400kv line bays.</p> <p>Location: Saharsa, Bihar<br/>Year of Start: July 2020</p>   |   |
| <p>Extension of 220kV Amritsar S/S under Requirement of 1 No. 220kV Line Bay at 400/220kV Amritsar (PG) by Public Sector Client.</p> <p>Location: Amritsar, Punjab<br/>Year of Start: March 2023</p>  |  |
| <p>Tower Package TW 30B for Transmission line works including supply of conductor, Insulators, earth wire/OPGW, hardware fitting and accessories for conductor and earth wire/OPGW for (i) 132KV S/C on D/C tower Miao-Namsai-41.04km. (ii) 132KV S/C Changlang-Jairampur-60km associated with comprehensive scheme for strengthening of Transmission &amp; Distribution System in Arunachal &amp; Sikkim: Intra state: Arunachal</p> <p>Location: Namsai, Arunachal Pradesh<br/>Year of Start: March 2021</p>  |  |
| <p>Tower Package TW 29B for Transmission line works including supply of conductor, Insulators, earth wire/OPGW, hardware fitting and accessories for conductor and earth wire/OPGW for (i) 132KV S/C Deomali-Khonsa-29.58km. (ii) 132KV KhonsaChanglang-45km (iii) 132KV S/C on D/C tower Khonsa-Langding-25.23km associated with comprehensive scheme for strengthening of Transmission &amp; Distribution System in Arunachal &amp; Sikkim: Intra state: Arunachal</p> <p>Location: Changlang, Arunachal Pradesh<br/>Year of Start: February 2021</p> |  |





| Name and Description of Project  | Image   |
|--|---|
| <p>S/s Extension Pkg-SS69 for i) 400/220 kV Muzaffarpur S/s extension, associated with eastern region strengthening Scheme-XXIII, for Power Grid Corporation of India Limited- Erection, testing &amp; commissioning of 500MVA ICT, along with associated line bays &amp; 220 KV GIS</p> <p>Location: Muzaffarpur, Bihar<br/>Year of Start: July 2020</p>  |    |
| <p>Loss Reduction Work under RDSS scheme in District Kupwara, Kashmir.</p> <p>Location: Kupwara, Jammu and Kashmir<br/>Year of Start: November 2023</p>  |    |
| <p>Re-Organization work of water supply scheme on solar based including survey Design, Supply of all materials, labour T&amp;P complete in all respect on turnkey basis after completion, commissioning and completion of trail-run with defect liability period of works including Har Ghar Jal certificate and handing over to Gram panchayat for District Raebareli under Jal Jeevan Mission Programme mentioned as under Meethapur, Ambara Paschim, Pahuri State Water &amp; Sanitation Mission (SWSM), Uttar Pradesh</p> <p>Location: Raebareli, Uttar Pradesh<br/>Year of Start: July 2023</p> |   |
| <p>Supply and fixing of 0.4 million agriculture service connections of smart metering in Guntur, Krishna and Prakasam Districts under YSR Uchiya Vyavasaya Vidyut Pathakam (DBT Scheme) to capture Agricultural services consumption data. (Andhra Pradesh)</p> <p>Location: Guntur, Andhra Pradesh<br/>Year of Start: February 2023</p>   |  |

Source: RHP

## MARKET OPPORTUNITY

Robust generation capacity addition over the years and government's focus on 100% rural electrification through last mile connectivity has led to extensive expansion of the T&D system across the country. The total length of domestic transmission lines increased from 413,407 circuit kilometres (ckm) in FY 2019 to 494,374 ckm in FY 2023.

Sub-station capacities in the country have grown from 899,663 MVA in fiscal 2019 to reach 1,337,513 MVA in FY 2025, at a CAGR of 6.8%. The growth in sub-station capacities has majorly seen traction in 220 kV, 400 kV and 765 kV segments, contributing to 31%, 42% and 24% of the incremental additions between fiscals 2019 and fiscal 2025.

In case of water supply and sanitation, the growth is majorly poised by support from government through various schemes such as Swachh Bharat Mission (SBM), Jal Jeevan Mission and the National Mission for Clean Ganga (NMCG). In addition to these schemes such as Atal Mission for Rejuvenation and Urban Transformation (AMRUT), which focuses on development of water supply and sanitation facilities among others along the infrastructure growth in urban regions.

The company has been increasing its revenues and expanding Order Book. The company's revenue from operations grew at a CAGR of 32.17% from ₹ 524.31 Cr in FY 2023 to ₹ 915.85 Cr in FY 2025, based on Restated Financials. The company's profit for the year increased from ₹ 42.84 Cr in FY 2023 to ₹ 77.82 Cr in FY 2025 at a CAGR of 34.78%.



## REVENUE FROM OPERATIONS – VERTICAL-WISE

| Particulars                           | As at Mar' 31 <sup>st</sup> , |               |               |               |               |               |
|---------------------------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|
|                                       | 2025                          |               | 2024          |               | 2023          |               |
|                                       | Amt (₹ Cr)                    | %             | Amt (₹ Cr)    | %             | Amt (₹ Cr)    | %             |
| Power Transmission and Distribution   | 667.67                        | 72.90         | 387.58        | 49.31         | 253.08        | 48.27         |
| Water Infrastructure                  | 245.33                        | 26.79         | 387.34        | 49.28         | 259.01        | 49.40         |
| Railways & infra                      | 2.85                          | 0.31          | 11.03         | 1.40          | 12.22         | 2.33          |
| <b>Total Revenues from Operations</b> | <b>915.85</b>                 | <b>100.00</b> | <b>785.95</b> | <b>100.00</b> | <b>524.31</b> | <b>100.00</b> |

Source: RHP

## SELECT KEY PERFORMANCE INDICATORS

| Particulars                               | As at Mar' 31, |          |          |
|---|----------------|----------|----------|
|   | 2025           | 2025     | 2023     |
| Revenue from Operations                   | 915.85         | 785.95   | 524.31   |
| PAT                                       | 77.82          | 74.83    | 42.84    |
| PAT Margin (%)                            | 8.44           | 9.46     | 8.10     |
| Fixed Assets Turnover Ratio               | 101.27         | 91.00    | 57.38    |
| Inventory Turnover Ratio                  | 11.64          | 12.80    | 10.70    |
| Order Book                                | 2,044.32       | 2,114.80 | 2,045.79 |
| Order Book to Revenue from Operations (%) | 223.22         | 269.08   | 390.19   |

Source: RHP

## 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**

The company is one of the fast-growing Indian EPC company in terms of revenue growth over FY23-25, compared to the average industry growth estimates and the peer set considered. The company's revenues grew at a CAGR 32.17% from ₹524.31 Cr in FY 2023 to ₹915.85 Cr in FY 2025. The company provides 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.

The company's key competencies encompass inhouse design and engineering and timely project execution. As of June 30, 2025, the company has successfully completed 45 projects across 14 states with a total executed contract value of ₹ 1,919.92 Cr. As of June 30, 2025 the company had 44 ongoing projects across 16 states, aggregating orders of ₹ 5,120.21 Cr, of which unexecuted Order Book was ₹ 2,442.44 Cr. At the same time, the company has built 10 EHV substations and transmission projects of up to 765kV. The company also provides EPC services in relation to Extra High Voltage (“EHV”) Air Insulated Substations (“AIS”) up to 400 kV.

The company is executing projects under JJM in Uttar Pradesh, Madhya Pradesh and Chhattisgarh. In FY2025, the company has executed projects worth ₹245.33 Cr in water infrastructure vertical. As on June 30, 2025, the company had an Order Book of ₹ 747.78 Cr under water infrastructure vertical.

- **Diversified Order Book across business verticals and consistent financial performance**

The company's Order Book is diversified across business verticals including power transmission and distribution, water infrastructure, and railway infrastructure. Further, the company has presence in all power transmission and distribution segments, which helps the Order Book to remain diversified within the power sector as well. The company's Order Book has moved from ₹ 2,045.79 Cr as of March 31, 2023, to ₹ 2,114.80 Cr as of March 31, 2024 to ₹ 2,044.32 Cr as of March 31, 2025.

- **Pan India presence with strong supply chain**

The company has executed projects across 22 states, of which it is currently executing projects in 16 states. The company offers a range of EPC services that cater to the specific needs of the customers across the country, with a pan-India presence supported by 190 sites and store locations as of June 30, 2025. This distribution of offices allows the company to provide on-the-ground support and services, project efficiency and customer satisfaction.

The company maintains long-standing relationships with several of its suppliers and service providers, in order to derive insights into the markets for raw materials and equipments. This helps the company to manage its raw material supply chain



and inventory, thereby resulting in better estimation of supply. During the last 3 financial years, the company has had over 3,500 suppliers and service providers across many states.

- **Asset light model**

The company follows an asset light model by executing more orders with relatively lower investment in fixed assets. The company take equipments on rent from third party lessors of equipment across various states to meet its requirements of equipments as per project needs. This helps the company to reduce the fixed costs and makes the execution of the projects cost and logistics efficient. It also helps the company's management team to focus on core function areas of business rather than managing and maintaining such in-house assets.

Further, the company believes that it can scale up and down fairly faster with the changes in operations without worrying about asset capacities and ownership. The company's believes its asset light business model will result in efficient utilisation of capital. The company's fixed asset turnover ratio as of FY 2025, 2024, and 2023 was 101.27, 91.00, and 57.38, respectively.

- **In-house technical and engineering capabilities, process control and quality assurance**

The company undertakes its EPC business in an integrated manner. The company has developed resources in-house to deliver a project from conceptualization until completion ensuring overall overview of the project and execution of the project. The company has a team of 12 designers and engineers who have industry knowledge in the business verticals with a total cumulative experience of over 93 years who help the company to offer customised solutions for its turnkey projects. The in-house integrated model allows the company to capture a larger proportion of the value chain in the EPC business.

The company has centralised project monitoring and control group ("CPMG") at the Registered and Corporate Office comprising 5 members, who oversee the project and review control mechanism periodically wherein they monitor the progress of projects as per project milestones, budgetary financial control and schedule periodic meetings within various departments and management review meetings.

The company is an ISO 9001:2015 certified organization for Quality Management System, 14001:2015 certified for environmental management system and ISO 45001:2018 certified for occupational health and safety management system

- **Experienced promoters and management team, having domain knowledge**

The company has witnessed business growth under the leadership and guidance of one of the Promoters, Chairman and Managing Director, Rakesh Ashok Markhedkar, who has 34 years of experience, largely in EPC sector. Avinash Ashok Markhedkar has over 33 years, Nakul Markhedkar, the company's Whole-Time Director has 9+ years of experience. The company's senior management team is able to leverage their collective experience and knowledge in the EPC industry, to execute business strategies for the company's growth. The company's KMP and SMP team comprises of professionally qualified people having experience in various business functions.

## **KEY BUSINESS STRATEGIES**

- **Continue to strengthen the core competencies in power transmission and distribution and water infrastructure sectors**

The company has streamlined its focus on executing EPC projects in the power transmission & distribution, water infrastructure sectors. Over the next few years, from FY26 to FY30, power demand is expected to maintain a CAGR of 5-7%, reaching 2,255- 2,265 billion units. This growth will be supported by healthy economic expansion, improvements in distribution infrastructure, and major reforms initiated by the central government to enhance the overall health of the power sector.

During the last 8 years till June 30, 2025, the company has completed 3 projects under various schemes in the power transmission sector of up to 400kV level, 7 projects for EHV substations up to 765kV level and 30 projects in the power distribution sector as well as completed execution of 30,000 smart metering connections. The company intends to undertake additional & higher value projects in this segment. The company intends to further strengthen its substation and underground cabling businesses.

As of June 30, 2025, the company is presently executing 12 ongoing water infrastructure projects. The company is also currently executing projects in Madhya Pradesh, Uttar Pradesh and Chhattisgarh under the government's Jal Jeevan Mission initiative. With the increasing focus on water sector projects from the government, the company believes it is positioned to capitalize on these opportunities and expand the portfolio in the water infrastructure sector.





- **Selectively expanding the geographical footprint globally**

The company started its operations from Madhya Pradesh and gradually expanded over time to complete projects in 14 states in India. As of June 30, 2025, the company is currently executing 44 projects across 16 states in India. As part of its growth strategy, the company aims to expand into infrastructure EPC projects in the private sector and explore international markets, particularly in African and Middle Eastern regions. The company believes its experience and qualifications in domestic power transmission and distribution projects will help it to gain customer base in other countries and capitalize on emerging opportunities.

- **Expand the EPC portfolio into other EPC sectors**

The company plans to expand its presence in various verticals, including railways and metros, to enhance the business growth. This is expected to diversify its offerings, reduce dependency on existing services, and target higher-margin opportunities with lower working capital requirements.

Over the coming years, the company will focus on current projects while exploring opportunities to broaden the portfolio into other EPC sectors. For instance, the company is set to expand into the solar EPC industry by undertaking turnkey projects for solar PV systems up to 100MWp and balance of system projects for solar power plants up to 300MWp. In the water sector, the company is qualified and actively bidding for water irrigation projects. As of June 30, 2025, the company has secured 4 projects in the railway infrastructure sector. The company is also exploring new sectors such as renewable energy and industrial EPC projects.

- **Capitalizing on Government initiatives and policies**

The company plans to capitalize on government infrastructure initiatives and policies that promote the development of power, water, and transportation infrastructure. The company intends to participate in government programs like Revamped Distribution Sector Scheme (RDSS), National Solar Mission and Swachh Bharat Mission. The company has successfully carried out multiple system strengthening projects in India under Rajiv Gandhi Grameen Vidyutikaran Yojana, Integrated Power Development Scheme (IPDS), Deendayal Upadhyay Gram Jyoti Yojana (DDUGJY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya). The company is currently executing a project for a GIS substation at Dahanu, Maharashtra which will provide power supply to bullet trains under the HSR initiative. The company aims to secure more such opportunities in the future, by trying to align with government priorities.

## SECTOR PRESENCE - COMPARISON WITH PEERS

| Presence in segments     | Roads | Railways* | Power | Water^ | Building construction | Industrial construction |
|--------------------------|-------|-----------|-------|--------|-----------------------|-------------------------|
| Vikran Engineering       | ✗     | ✓         | ✓     | ✓      | ✗                     | ✗                       |
| Bajel Projects           | ✗     | ✗         | ✓     | ✗      | ✗                     | ✗                       |
| Kalpataru Projects Intl. | ✗     | ✓         | ✓     | ✓      | ✓                     | ✓                       |
| KEC International        | ✗     | ✓         | ✓     | ✓      | ✓                     | ✓                       |
| RPP Infra                | ✓     | ✗         | ✓     | ✓      | ✓                     | ✓                       |
| Shreem                   | ✗     | ✗         | ✓     | ✗      | ✗                     | ✗                       |
| Sterling and Wilson      | ✗     | ✗         | ✓     | ✓      | ✓                     | ✓                       |
| SPML Infra               | ✗     | ✗         | ✓     | ✓      | ✗                     | ✗                       |
| Techno Electric & Engg.  | ✗     | ✗         | ✓     | ✗      | ✗                     | ✓                       |
| Transrail Lighting       | ✓     | ✓         | ✓     | ✗      | ✗                     | ✗                       |
| Texmaco                  | ✗     | ✓         | ✓     | ✓      | ✗                     | ✓                       |

Source: RHP, \* Railways include railways and metro; ^ Water includes irrigation and water supply; Industrial construction includes construction segments such as oil and gas, automobiles, metals and cement; Building construction is construction of Residential, Commercial and social infrastructure

## COMPARISON WITH INDUSTRY PEERS ( AS AT MARCH 31,2025)

| Company                          | Face value (₹) | CMP (₹) as on 14-08-25 | Total Revenue (₹ Cr) | EPS (₹) | NAV/ Share (₹) | P/E (x) | RoNW (%) |
|----------------------------------|----------------|------------------------|----------------------|---------|----------------|---------|----------|
| Vikran Engineering               | 1.00           | [●]                    | 915.85               | 4.35    | 25.49          | [●]     | 16.63    |
| Bajel Projects                   | 2.00           | 212.72                 | 2,598.24             | 1.34    | 57.63          | 158.75  | 2.32     |
| Kalpataru Projects International | 2.00           | 1,232.10               | 22,315.78            | 35.53   | 378.80         | 34.68   | 8.77     |
| Techno Electric & Engineering    | 2.00           | 1,493.50               | 2,268.66             | 37.19   | 321.55         | 40.17   | 11.31    |
| SPML Infra                       | 2.00           | 279.95                 | 770.64               | 7.61    | 107.43         | 36.79   | 6.22     |
| KEC International                | 2.00           | 778.55                 | 21,846.70            | 21.80   | 200.88         | 35.71   | 10.67    |
| Transrail Lighting               | 2.00           | 790.40                 | 5,307.75             | 25.72   | 140.11         | 30.73   | 17.36    |

Source: RHP; P/E figures for the peers are based on CMP of equity shares on NSE on August 14, 2025



## Restated Statement of Assets and Liabilities

(₹ Cr)

| Particulars                         | As at March 31st, |               |               |
|-------------------------------------|-------------------|---------------|---------------|
|                                     | 2025              | 2024          | 2023          |
| <b>Assets</b>                       |                   |               |               |
| <b>Non-current assets</b>           |                   |               |               |
| Property, plant and equipment       | 9.04              | 8.64          | 9.14          |
| Investment properties               | 2.07              | 2.07          | 2.07          |
| Intangible assets                   | 0.20              | 0.23          | 0.94          |
| Right-of-use assets                 | 1.50              | 0.94          | 1.81          |
| Other financial assets              | 20.69             | 25.67         | 43.19         |
| Deferred tax assets (net)           | 15.24             | 8.76          | 5.86          |
| Non-current tax assets (net)        | 1.85              | 3.88          | 3.24          |
| Other non-current assets            | 11.90             | 13.06         | 13.79         |
| <b>Current assets</b>               |                   |               |               |
| Inventories                         | 59.94             | 50.72         | 35.66         |
| Investments                         | 1.13              | 0.90          | 0.81          |
| Trade receivables                   | 634.33            | 463.90        | 369.91        |
| Cash and cash equivalents           | 2.50              | 0.08          | 0.12          |
| Bank balances other than above      | 64.57             | 49.87         | 14.80         |
| Loans                               | 2.03              | -             | -             |
| Other financial assets              | 11.53             | 3.11          | 1.29          |
| Contract assets                     | 466.37            | 289.16        | 194.64        |
| Other current assets                | 49.80             | 38.79         | 15.21         |
| <b>Total assets</b>                 | <b>1,354.68</b>   | <b>959.79</b> | <b>712.47</b> |
| <b>Equity and Liabilities</b>       |                   |               |               |
| Equity share capital                | 18.36             | 0.33          | 0.29          |
| Other equity                        | 449.52            | 290.95        | 130.85        |
| <b>Total equity</b>                 | <b>467.87</b>     | <b>291.28</b> | <b>131.14</b> |
| <b>Liabilities</b>                  |                   |               |               |
| <b>Non-current liabilities</b>      |                   |               |               |
| Borrowings                          | 31.92             | 10.70         | 36.51         |
| Lease liabilities                   | 0.80              | 0.38          | 0.75          |
| Provisions                          | 3.59              | 2.81          | 2.12          |
| <b>Current liabilities</b>          |                   |               |               |
| Borrowings                          | 241.03            | 172.69        | 118.42        |
| Lease liabilities                   | 0.72              | 0.36          | 0.95          |
| Trade payables                      | 477.62            | 296.92        | 293.21        |
| Other financial liabilities         | 17.09             | 4.09          | 3.90          |
| Other current liabilities           | 70.68             | 152.07        | 103.45        |
| Provisions                          | 7.39              | 10.59         | 16.42         |
| Current tax liabilities (net)       | 35.97             | 17.91         | 5.62          |
| <b>Total liabilities</b>            | <b>886.80</b>     | <b>668.51</b> | <b>581.33</b> |
| <b>Total equity and liabilities</b> | <b>1,354.68</b>   | <b>959.79</b> | <b>712.47</b> |

Source: RHP

## Restated Statement of Profit and Loss

(₹ Cr)

| Particulars                                    | As at March 31st, |               |               |
|--|-------------------|---------------|---------------|
|  | 2025              | 2024          | 2023          |
| <b>Income</b>                                  |                   |               |               |
| Revenue from operations                        | 915.85            | 785.95        | 524.31        |
| Other income                                   | 6.52              | 5.49          | 4.87          |
| <b>Total income</b>                            | <b>922.36</b>     | <b>791.44</b> | <b>529.18</b> |
| <b>Expenses</b>                                |                   |               |               |
| Cost of materials consumed                     | 483.68            | 384.96        | 266.48        |
| Project related expense                        | 160.42            | 167.77        | 96.18         |
| Employee benefits expense                      | 67.63             | 58.96         | 40.53         |
| Finance costs                                  | 53.59             | 33.98         | 28.22         |
| Depreciation and amortisation expense          | 2.97              | 4.05          | 3.70          |
| Other expenses                                 | 43.89             | 40.97         | 41.40         |
| <b>Total expenses</b>                          | <b>812.18</b>     | <b>690.68</b> | <b>476.51</b> |
| <b>Profit before exceptional items and tax</b> | <b>110.19</b>     | <b>100.76</b> | <b>52.67</b>  |



| Particulars  | As at March 31st, |               |              |
|--|-------------------|---------------|--------------|
|  | 2025              | 2024          | 2023         |
| Exceptional items - gain (net)                       | -                 | -             | 1.30         |
| <b>Profit before tax</b>                             | <b>110.19</b>     | <b>100.76</b> | <b>53.98</b> |
| <b>Tax expense / (credit)</b>                        | <b>32.37</b>      | <b>25.93</b>  | <b>11.14</b> |
| <b>Profit for the year (a)</b>                       | <b>77.82</b>      | <b>74.83</b>  | <b>42.84</b> |
| <b>Other comprehensive income / (loss)</b>           | <b>(0.87)</b>     | <b>(0.21)</b> | <b>0.10</b>  |
| <b>Total comprehensive income for the year (a+b)</b> | <b>76.95</b>      | <b>74.62</b>  | <b>42.94</b> |
| EPS - Basic & Diluted (₹)                            | 4.35              | 4.92          | 2.89         |

Source: RHP

## Restated Statement of Cash Flows

(₹ Cr)

| Particulars  | As at March 31,  |                 |               |
|--|------------------|-----------------|---------------|
|  | 2025             | 2024            | 2023          |
| <b>Profit before tax</b>   | <b>1,101.89</b>  | <b>1,007.56</b> | <b>539.78</b> |
| Adjustments Related to Non-Cash & Non-Operating Items                    | 553.36           | 338.02          | 251.90        |
| <b>Operating Profits before Working Capital Changes</b>                  | <b>1,655.25</b>  | <b>1,345.58</b> | <b>791.68</b> |
| Adjustments for Changes in Working Capital                               | -2,720.01        | -1,819.44       | -671.22       |
| <b>Net cash generated from operations before tax</b>                     | <b>-1,064.76</b> | <b>-473.86</b>  | <b>120.46</b> |
| Income tax paid (net)  | -223.29          | -190.91         | -64.95        |
| Tax assets acquired pursuant to scheme of amalgamation                   | -2.81            | -               | -             |
| <b>Net cash generated from operating activities (a)</b>                  | <b>-1,290.86</b> | <b>-664.77</b>  | <b>55.51</b>  |
| Net cash used in investing activities (b)                                | -92.56           | -159.36         | -143.22       |
| Net cash used in financing activities (c)                                | 1,406.12         | 823.71          | 87.54         |
| Net (decrease) / increase in cash and cash equivalents during the period | 22.70            | -0.42           | -0.17         |
| Cash and Cash Equivalents at the beginning of the year                   | 0.81             | 1.23            | 1.40          |
| Cash & cash equivalents acquired pursuant to amalgamation                | 1.47             | -               | -             |
| <b>Cash and Cash Equivalents at the end of the year</b>                  | <b>24.98</b>     | <b>0.81</b>     | <b>1.23</b>   |

Source: RHP

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