

Rating: Neutral

Issue Offer

Total issue size: INR 1,608.75 Mn (8.7 Mn shares) - Fresh Issue of INR 1,285 Mn (6.9 Mn shares) and OFS of 324 Mn (1.75 Mn shares)

Issue Summary

Price Band (INR)	175 – 185
Face Value (INR)	10
Implied Market Cap (INR mn)	6,312.20
Market Lot	81
Issue Opens on	23 Sept, 2026
Issue Close on	25 Sept, 2026
No. of share pre-issue	2,71,74,242
No. of share post issue	3,41,20,188
Listing	NSE / BSE

Issue Break-up (%)

QIB Portion	≥ 50
NIB Portion	≤ 15
Retail Portion	≤ 35

Book Running Lead Managers

Srujan Alpha Capital Advisors LLP

Registrar

MUFG Intime India Pvt. Ltd

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	76.51%	55.80%
Public & Others	23.49%	44.20%

Swastika Infra Limited is an Engineering, Procurement, and Construction (EPC) company specializing in power distribution infrastructure, headquartered in Jaipur, Rajasthan. Originally established as a partnership firm in 1969 under the name Swastika Electricals & Fertilizers, it converted into a private limited company in August 2019 and subsequently into a public limited entity in January 2025. The company serves state power distribution utilities (DISCOMs) and other public sector entities across India. Its core operational focus includes the execution of power distribution schemes, electrical infrastructure projects, system installation and supply, and ongoing operations and maintenance (O&M) services.

Investment Rationale:

Strong Order Book and High Revenue Visibility Backed by Sovereign & Multilateral Funding

As of July 31, 2026, the company's Order Book reached INR 9,165.50 Mn (up from INR 3,913.91 Mn in FY24), providing strong revenue predictability with an order book-to-revenue ratio of 1.41x in FY26. A substantial portion of projects are funded by global institutions like the World Bank or backed by central/state governments, minimizing payment risk and ensuring working capital stability.

Strategic Expansion into High-Growth Renewable & Transmission Segments

Expanding beyond traditional power distribution, the company has diversified into high-margin segments including solar parks, transmission lines, and smart grid technology integration. Recent wins include a 2,400 MW solar park evacuation project for RSDCL (INR 1,581.20 Mn) and substations for RRVNPL (INR 1,705.14 Mn), capturing new growth in India's power modernization cycle.

Asset-Light Business Model and Proven Execution Capabilities

Operating on an asset-light model, the company leases project-specific equipment to optimize fixed costs and maximize capital efficiency, achieving a fixed asset turnover ratio of 70.72x in FY26. Supported by over 15 years of operational experience, the company has successfully completed 36 projects and laid over 18,579.47 KM of power distribution lines as of July 31, 2026.

Valuation & Outlook: Swastika Infra Limited is well-positioned to capitalize on structural tailwinds across India's expanding power distribution infrastructure, accelerated smart grid deployment, and increasing government outlays under power modernization schemes, supported by a growing order book of INR 9,165.50 Mn and an asset-light operational model. However, key operational monitorables include customer concentration risk with high dependency on state DISCOMs, persistent working capital intensity, and execution risks tied to public sector project timelines. **At the upper price band of INR 185, the issue is valued at a post-issue EV/EBITDA of ~10.20x based on FY26 earnings. We recommend a 'Neutral' rating for long-term investors**

Financial Summary:

Particulars (INR Mn)	FY24	FY25	FY26
Revenue	2,113.34	3,526.03	5,055.69
Growth (%YoY)		66.85%	43.38%
EBITDA	255.24	457.79	728.70
Margins	12.08%	12.98%	14.41%
PAT	139.82	274.44	414.28
Margins	6.62%	7.78%	8.19%
Debt	438.20	1,110.20	1,146.40

Abhishek Jain
abhishek.jain@arihantcapital.com
022-67114871

Arihant Research DeskEmail: instresearch@arihantcapital.com

Tel. : 022-42254800

Head Office	Registered Office
#1011, Solitaire Corporate Park Building No. 10, 1 st Floor Andheri Ghatkopar Link Road Chakala, Andheri (E) Mumbai – 400093 Tel: (91-22) 42254800	6 Lad Colony, Y.N. Road, Indore - 452003, (M.P.) Tel: (91-731) 4217100/101 CIN: L66120MP1992PLC007182

Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

Research Analyst Registration No.	Contact	Website	Email Id
INH000002764	SMS: 'Arihant' to 56677	www.arihantcapital.com	instresearch@arihantcapital.com

Arihant Capital Markets Ltd.

1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800

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Arihant Capital Markets Ltd.

1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800

Abhishek Jain

Head of Research

Abhishek.jain@arihantcapital.com