

Retail Research	IPO Note
Sector: Power - EPC	Price Band (Rs): 175 – 185
21 st September 2026	Recommendation: NEUTRAL

Swastika Infra Ltd.

Company Overview:

Swastika Infra Ltd. (SIL) is an EPC company specializing in execution of power transmission & distribution infrastructure projects. SIL's scope of work includes (i) underground cabling work; (ii) construction of substations (Gas Insulated Substations/Air Insulated Substations/Grid Sub Station); (iii) rural and urban electrification projects; (iv) installation of street lighting systems; and (v) renewable energy works. While the company's primary focus involves EPC projects, it is also engaged in the trading of electrical products such as power cables and other electrical items, which comprised ~3% of sales during FY26.

Key Highlights:

1. Strong execution track record: The company operates in the states of Rajasthan, Assam, Uttarakhand, West Bengal, Goa, Haryana, Himachal Pradesh, Gujarat, and Maharashtra. SIL's execution capabilities are endorsed by its track record of 36 successful project completions and laying of 18,579 km of distribution lines as of Jul'26. Further, owing to its strong execution capabilities, the company has managed to establish a strong client base, primarily comprising government utilities and public sector entities including WBSEDCL, MGCL, APDCL, GED, HPSEBL, UHBVN, UPCL JVVNL AVVNL, RSDCL, RRVNL and MSDDL. Additionally, a significant portion of SIL's projects are autonomously funded by global institutions like the World Bank or are backed by central government, ensuring financial stability and support for large-scale power infrastructure development.

2. Robust order book: As of FY26/Jul'26, the company's order book stood at ~Rs 687 cr/Rs 917 cr, translating into an order book to sales ratio of 1.4x/1.8x based on FY26 sales, respectively. As of Jul'26, the company is executing 18 ongoing EPC power projects across 6 Indian states.

3. Asset-light business model: The company operates under an asset-light model wherein it leases project-specific assets from third-party lessors across multiple states, instead of owning heavy machinery and equipment, thereby minimizing upfront capex and reducing the risk of asset depreciation.

Industry Outlook: India's Power Transmission & Distribution (T&D) industry is estimated at Rs 1.2 tn in CY25, and is expected to grow to Rs 1.6 tn by CY30F, registering a CAGR of 6.9% over the CY25E-CY30F period.

Key Risks: (i) Dependence on government projects (~97% of FY26 sales); (ii) Delay in project execution; (iii) Negative cash flow from operating activities during FY24/FY25/FY26; (iv) Customer concentration (top 5 customers contributed ~97% to total revenue during FY26).

View & Valuation: With over 15 years of experience in the EPC business, SIL specializes in Power T&D projects, and operates across the states of Rajasthan, Assam, Uttarakhand, West Bengal, Goa, Haryana, Himachal Pradesh, Gujarat, and Maharashtra. Historically, the company has demonstrated healthy financial performance with Revenue/EBITDA/PAT growing at a CAGR of 55%/73%/72% to Rs 504 cr/Rs 71 cr/Rs 41 cr respectively between FY24-26. As of FY26/Jul'26, the company carried an order book of Rs 687 cr/Rs 917 cr, which is 1.4x/1.8x its FY26 sales respectively. At the upper price band of Rs 185, the issue is valued at FY26 P/E multiple of 15.2x on a post-issue basis, which appears to be reasonably priced. We assign a NEUTRAL rating to the issue and would like to track the performance of the company for a few quarters post listing.

Issue Details	
Date of Opening	23 rd September 2026
Date of Closing	25 th September 2026
Price Band (Rs)	175 – 185
Total Issue Size (Rs cr)	161
Total Issue Size (No. of shares)	87,22,973 shares
Fresh Issue (Rs cr)	129
Offer for Sale (Rs cr)	32
Face Value (Rs)	10
Post Issue Market Cap (Rs cr)	605 – 632
BRLMs	Srujan Alpha Capital Advisors LLP, PhillipCapital (India) Pvt Ltd.
Registrar	MUFG Intime India Pvt Ltd.
Bid Lot	81 shares and in multiples thereof
QIB shares	50%
Retail shares	35%
NIB shares	15%

Objects of Issue	
Particulars (Rs cr)	Estimated utilization from net proceeds
Funding incremental working capital requirements	90
General corporate purposes*	-
Net proceeds from fresh issue*	-

*The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Shareholding Pattern		
Pre-Issue	No. of Shares	%
Promoter & Promoter Group	2,07,90,000	76.5
Public & Others	63,84,242	23.5
Total	2,71,74,242	100.0

Post Issue @Upper Price Band	No. of Shares	%
Promoter & Promoter Group	1,95,87,000	57.4
Public & Others	1,45,60,215	42.6
Total	3,41,47,215	100.0

Selling Shareholder via OFS	Classification	No. of shares
Vinay Gupta	Promoter	2,73,500
Ruchira Gupta	Promoter	2,73,500
Biren Parnami	Promoter	3,28,000
Manoj Modi	Promoter	3,28,000
Ishaan Bhartia	Public	2,73,500
Ishita Bhartia	Public	2,73,500
Total		17,50,000

Source: RHP, SSL Research

Financial Overview & KPIs

Particulars (Rs cr)	FY24	FY25	FY26	FY24-FY26 CAGR (%)
Revenue	209.6	350.8	503.6	55.0
YoY (%)	-	67.4	43.6	-
EBITDA	23.8	43.9	70.9	72.7
YoY (%)	-	84.9	61.3	-
PAT	14.0	27.4	41.4	72.1
YoY (%)	-	96.3	50.9	-
EBITDA Margin (%)	11.3	12.5	14.1	-
PAT Margin (%)	6.7	7.8	8.2	-
ROE (%)	28.2	35.6	26.4	-
ROCE (%)	26.6	24.0	26.6	-
D/E (x)	0.9	1.4	0.7	-
P/E (x)	36.0	18.3	12.1	-
EV/EBITDA	26.9	16.5	10.1	-
CFO	(3.3)	(76.5)	(9.7)	-
CFI	(22.7)	14.2	(16.3)	-
CFF	16.5	60.7	27.1	-
FCF	(4.2)	(77.1)	(15.1)	-
Order Book	391.4	650.2	687.4	-
Order Book to Sales (x)	1.9	1.9	1.4	-

Source: RHP, SSL Research

Peer Comparison – FY26

Particulars (Rs cr)	Swastika Infra Ltd.	Rajesh Power Services Ltd.	Vikran Engineering Ltd.
CMP (Rs @ UB)	185	763	57
Mkt Cap (@ UB)	632	1,373	1,457
Revenue	504	1,628	1,249
EBITDA	71	197	179
PAT	41	144	93
EBITDA Margin (%)	14.1	12.1	14.3
PAT Margin (%)	8.2	8.8	7.4
RoE (%)	26.4	35.5	7.5
P/E (x)	15.2	9.5	15.7
EV/EBITDA (x)	10.1	7.3	8.5
Mkt Cap/Sales (x)	1.3	0.8	1.2

Source: RHP, SSL Research.

For Swastika Infra Ltd, the P/E (x), EV/EBITDA (x) and Mkt Cap/Sales (x) ratios are calculated on post-issue equity capital at the upper price band.

CMP of peer companies is live price as of 21st September, 2026.

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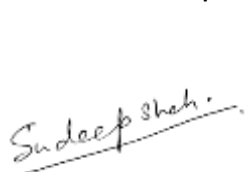
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