ATLANTA ELECTRICALS LIMITED

September 18, 2025

SMC Ranking

★★☆☆☆ (2/5)

Issue Highlights

Industry	**Electricals**
Offer for sale (Shares)	3,810,895
Fresh Issue (Shares)	5,305,039
Net Offer to the Public	**9,115,934**
Issue Size (Rs. Cr.)	654-687
Price Band (Rs.)	718-754
Offer Date	22-Sep-25
Close Date	24-Sep-25
Face Value	2
Lot Size	19 Shares

Issue Composition

	In shares
Total Issue for Sale	9,115,934
QIB	4,557,967
NIB	1,367,390
Retail	3,190,577

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	94.36%	87.28%
QIB	5.64%	6.79%
NIB	0.00%	1.78%
Retail	0.00%	4.15%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company Atlanta Electricals IPO proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Repayment/ prepayment, in full or in part, of certain outstanding borrowings availed by the Company.
2. Funding long term working capital requirements
3. General corporate purposes

Book Running Lead Manager

- Motilal Oswal Investment Advisors Limited
- Axis Capital Limited

Name of the registrar

- MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)

About the company

Incorporated in December 1988, Atlanta Electricals Limited is a leading manufacturer of power, auto, and inverter-duty transformers in India. As of March 31, 2025, its portfolio includes six products—power, inverter-duty, furnace, generator, and special-duty transformers. The company operates five manufacturing facilities, four of which are functional, with units in Anand (Gujarat) and Bengaluru (Karnataka), while its Vadod plant commenced commercial production in July 2025. Atlanta Electricals has supplied over 4,400 transformers aggregating 94,000 MVA to state and national grids, private players, and renewable energy projects across 19 states and three union territories. Its customer base stood at 208 as of March 2025, including marquee names like GETCO, Adani Green Energy, Tata Power, and SMS India. The company also exports to markets such as the United States, Kuwait, and Oman.

Strength

Leading Manufacturer of Transformers in India: Atlanta Electricals Ltd., with over 30 years of industry experience, is among India's leading manufacturers of power, auto, and inverter duty transformers. Operating across 19 states and 3 union territories, the company benefits from policy support such as RDSS, renewable energy investments, and industrial growth. Its NABL-accredited testing facilities ensure international quality standards, positioning it as a trusted partner for grid modernization and energy transition.

Diversified Portfolio with Customized Solutions: The company delivers tailored transformer solutions, from high-altitude units for Leh to ester oil-based eco-friendly transformers for urban needs, reflecting its ability to serve diverse and demanding applications. Its broad product portfolio provides resilience against sectoral downturns. Supported by strong after-sales service, training programs, and a culture of innovation, Atlanta Electricals Ltd. strengthens customer relationships while attracting skilled talent.

Expanding Customer Base and Strong Order Book: Atlanta Electricals Ltd. has built a robust and diversified customer base, growing from 77 in FY22 to 208 by September 2024, including 21 PSUs and 187 private entities. The company maintains a strong order book of Rs. 1,283.32 crore, with significant PSU contributions. This reflects growth from Rs. 316.46 crore in FY22. Endorsements from PGCI and the Ministry of Railways, along with clients such as GETCO, Adani Green Energy, and Tata Power, reinforce its market credibility and growth outlook.

Advanced Manufacturing Capabilities and Compliance: With three modern facilities in Gujarat and Karnataka and a new high-capacity unit in Vadod, Atlanta Electricals Ltd. has scaled capacity to 16,740 MVA in H1 FY25. Its infrastructure includes 35 winding machines, 14 coil assembly stations, advanced ovens, and NABL-accredited labs. Operating with ISO standards and stringent in-house testing, the company emphasizes safety, efficiency, and regulatory compliance, enabling it to meet rising demand with high-quality, reliable products.

Strong Financial Track Record: The company has consistently delivered profitability, recording revenues of Rs. 625.66 crore in FY22 and Rs. 570.14 crore in H1 FY25. Its prudent capital structure, reflected in a debt-to-equity ratio of 0.31 as of September 2024, supports financial stability and expansion. With strong balance sheet management, Atlanta Electricals Ltd. is well-placed to sustain growth in a capital-intensive industry with significant entry barriers.

Strategies

Capital Expenditure and Backward Integration: In line with its expansion strategy, Atlanta Electricals Ltd. is investing in key transformer components, developing a new facility in Vadod, Gujarat, and strengthening backward integration to optimize costs and improve profitability. By enhancing capacity utilization and advancing R&D, the company aims to lower expenses, elevate quality standards, and maintain a competitive edge. Its focus on local sourcing and resilient supply chains further supports operational efficiency, local economic growth, and market expansion.

Expanding Customer Base and Increasing Wallet Share: India's transformer industry is witnessing strong growth, driven by rising power demand, manufacturing expansion, electrification, and the government's target of 500 GW renewable capacity by 2030. Transmission capital expenditure is expected to reach Rs. 4.25 trillion by 2027, creating significant opportunities. Atlanta Electricals Ltd. is targeting UHV/EHV markets, expanding into Nepal and Africa, and aligning with renewable energy initiatives. Leveraging in-house expertise, customer-centric solutions, repeat orders, and strategic acquisitions, the company strengthens its technology base and global presence. A focus on after-sales service, training, and customer feedback enhances wallet share, retention, and sustainable growth.

Capacity Expansion and Operational Efficiency: The company has an installed capacity of 16,740 MVA across Anand (Gujarat) and Bengaluru, with a new Vadod facility expected to raise total capacity to 47,280 MVA. Its strategic priorities include improving efficiency, optimizing utilization levels, and enhancing product quality through digital tools, real-time monitoring, and supply chain optimization. Supported by prudent financial management and targeted R&D investments, these initiatives are designed to boost profitability, strengthen competitiveness, and drive long-term growth in the transformer sector.

Brand Building and Market Visibility: Atlanta Electricals Ltd. is focused on strengthening its brand through innovative, multi-channel marketing initiatives. Campaigns span print, television, and social platforms, complemented by customer demonstrations and consultations. Leveraging its pan-India presence and large-scale operations, the company differentiates itself from competitors and builds trust as a reliable, innovative leader in the transformer industry. These initiatives are aimed at reinforcing brand loyalty and supporting sustained business growth.

Risk Factor

- A major share of revenue comes from government entities through a tendering process. Failure to win key contracts could impact business performance.
- The order book may not accurately reflect future income, and actual revenues could be lower, affecting financial results.
- Dependence on leased premises poses risks if leases are not renewed or extended, potentially disrupting operations.

Peer Comparison

Co_Name	Total Income	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
T R I L	2019.38	214.27	8.63	61.29	12.68	41.71	1	528.95	15877.27
Volt.Transform.	1934.23	325.41	321.75	22.93	4.70	1569.24	10	7377.00	7463.40
Atlanta Electricals Ltd.	1244.18	118.65	15.43	48.86	9.10	82.88	2	754.00	5797.49

***Peer companies financials are TTM based**
****Ganesh Consumer Products Ltd. based on Actual FY25**

Valuation

Considering the P/E valuation, on the upper end of the price band of Rs.754, the stock is priced at pre issue P/E of 45.49x on FY25 EPS of Rs 16.57. Post issue, the stock is priced at a P/E of 48.86x on its EPS of Rs. 15.43. Looking at the P/B ratio at Rs.754 pre issue, book value of Rs.48.88 of P/Bvx 15.43x. Post issue, book value of Rs.82.88 of P/Bvx 9.10x.

Considering the P/E valuation, on the lower end of the price band of Rs.718, the stock is priced at pre issue P/E of 43.32x on FY25 EPS of Rs. 16.57. Post issue, the stock is priced at a P/E of 46.53x on its EPS of Rs. 15.43. Looking at the P/B ratio at Rs. 718 pre issue, book value of Rs. 48.88 of P/Bvx 14.69x. Post issue, book value of Rs.82.88 of P/Bvx 8.66x.

Industry Outlook

The global transformers market is experiencing accelerated growth, driven by the increasing demand for power and rapid industrialization worldwide. As economies prioritize energy efficiency and reduced carbon emissions, the need to upgrade and expand power infrastructure has become paramount. India's transformer market is driven by the relentless growth in electricity demand, with per capita consumption surging by over 50% in the last decade. The government is also investing in the renewable energy sector and expanding the power transmission network, which will create opportunities for the transformer market's growth. During the last five years (2019-2023), the global transformer market has grown at a CAGR of ~4.9%, and is expected to grow at an annual growth rate of ~7.43% between Fiscals 2024-2030. Further, the domestic transformer market is expected to grow by 7-8% in 2025. The transformer segment has registered a growth of 10.4% in between 2019-23 and is expected to grow at CAGR of ~6-7% from 2024-2030.

Outlook

Atlanta Electricals Ltd. is well-positioned for growth, supported by strong manufacturing capabilities, a diversified portfolio, and a robust order book. Strategic investments in capacity expansion, backward integration, and new markets strengthen its competitive edge. However, dependence on government tenders, order book uncertainties, and leased premises remain key risks that could impact long-term financial performance and stability.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
BID/ISSUE OPENS ON	22-September-25
BID/ISSUE CLOSES ON	24-September-25
Finalisation of Basis of Allotment with the Designated Stock Exchange	25-September-25
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	26-September-25
Credit of Equity Shares to Demat Accounts of Allottees	26-September-25
Commencement of trading of the Equity Shares on the Stock Exchanges	29-September-25

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)	Period ended 31-Mar-23 (12 Months)
Revenue from operations	1244.18	867.55	873.88
Total expenditure	1050.60	748.92	733.54
Operating Profit	**193.58**	**118.63**	**140.34**
OPM%	1.56	1.37	1.61
Other Income	6.31	4.50	2.77
Total Net Income	**199.88**	**123.13**	**143.12**
Interest	34.24	30.03	27.57
PBDT	**165.64**	**93.09**	**115.55**
Depreciation	6.31	5.86	5.10
PBT	**159.34**	**87.23**	**110.45**
Tax	40.69	23.90	22.91
PAT	**118.65**	**63.33**	**87.54**

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-25	As on 31-Mar-24	As on 31-Mar-23
Non-current assets			
Property, Plant and Equipment	69.23	62.27	44.03
Right-of-use assets	7.16	2.62	3.25
Capital Work-in-progress	112.78	11.91	2.81
Other Intangible Assets	0.05	0.00	0.00
Financial Assets	**0.00**	**0.00**	**0.00**
Investments	0.93	0.94	0.62
Other Financial Assets	9.01	8.37	15.74
Other non-current assets	10.98	4.98	2.71
Toal Non-Current Assets	**210.13**	**91.09**	**69.17**
Current asset			
Inventories	215.12	238.85	186.92
Financial Assets			
Trade receivables	351.71	179.78	260.12
Cash and cash equivalents	0.37	0.22	3.13
Bank Balance	65.70	30.44	31.99
Other Financial assets	6.44	14.66	6.46
Other Current Assets	16.72	4.21	2.97
Total current assets	**656.06**	**468.16**	**491.59**
Total Assets	**866.19**	**559.25**	**560.76**
Non-current liabilities			
Financial Liabilities			
Borrowings	93.03	3.87	6.60
Lease liabilities	3.07	0.12	0.00
Provisions	0.88	1.80	1.32
Deferred Tax Liabilities (Net)	2.09	1.39	1.53
Total Non- Current liabilities	**99.06**	**7.18**	**9.45**
Current liabilities			
Financial Liabilities			
Borrowings	48.00	44.73	66.50
Lease liabilities	1.86	0.10	0.96
Trades Payable - total outstanding dues of micro enterprises and small enterprises	26.63	34.94	96.61
Trades Payable - total outstanding dues of others	283.50	203.38	182.76
Other financial liabilities	18.78	2.40	2.40
Other Current Liabilities	24.55	23.52	25.46
Provisions	5.51	4.30	2.44
Current Tax Liabilities (Net)	8.40	10.24	9.30
Total Current liabilities	**417.23**	**323.60**	**386.42**
Total	**516.28**	**330.78**	**395.87**
Net worth represented by:			
Equity Share Capital	14.32	14.32	14.32
Other equity	335.59	214.16	150.58
Net Worth	**349.90**	**228.47**	**164.90**

RANKING METHODOLOGY

WEAK	★
NEUTRAL	★★
FAIR	★★★
GOOD	★★★★
EXCELLENT	★★★★★

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