

## ATLANTA ELECTRICALS LTD

22-09-2025 TO 24-09-2025

Recommendation: Subscribe for Long Term  
Industry: Heavy Electrical Equipment

Price Band: ₹718-754  
Post Implied Market Cap: - ₹ 5,540 Cr - ₹ 5,797 Cr

### Key Data

Issue Size (₹ Cr)	674-687
Fresh (₹)	400
OFS (₹)	287
No of shares	53,11,287
Face Value (₹ /share)	2
Bid Lot	19

### Indicative Timetable

Activity	On or about
Finalisation of Basis of	25/09/2025
Refunds/Unblocking ASBA	26/09/2025
Credit of equity shares to	26/09/2025
DP A/c	
Trading commences	29/09/2025

### Shareholding (No. of shares)

Pre-Issue	7,15,84,800
Post Issue (Lower price band)	7,71,63,352
Post Issue (Higher price band)	7,68,96,625

### Shareholding Pattern

#### Promoters

Pre Issue	94.36%
Post Issue	87.27%

#### Public - Others:

Pre Issue	5.64%
Post Issue	12.73%

### Issue Breakup

QIB	50%
NIB	15%
Retail	35%

### Other Details

**BRLMs:** Axis Capital, Motilal Oswal  
**Investment Advisors**  
**Registrar:** MUFG Intime India Pvt. Ltd.  
**Listing:** BSE & NSE

### Research Analyst

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### About the Company

Atlanta Electricals Ltd (Atlanta) is a leading Indian transformer manufacturer with a ~12% market share (5-200 MVA, up to 220 kV) as of March 31, 2025. Its portfolio spans six products, including power, inverter duty, furnace, generator, and special duty transformers. The company operates four manufacturing facilities across Gujarat and Karnataka.

### Investment Rationales

**1) One of the leading manufacturers of power, auto and inverter duty transformers in India, well-positioned to capture the industry tailwinds:** Atlanta Electricals, with over 30 years of experience, is among India's leading transformer manufacturers (power, auto, and inverter duty) with a presence across 19 states and 3 union territories. Backed by strong industry drivers such as rising renewable energy investments, industrialization, and government T&D schemes (like RDSS), the company is well positioned in a transformer component market that grew at 10.2% CAGR (2019-24) to USD 1.3 Bn and is projected to reach USD 2.6 Bn by 2030 (~12.2% CAGR). With strict adherence to international quality standards and NABL-certified testing, Atlanta leverages India's dual role as both exporter and importer of transformer components to strengthen its competitive position in a growing market.

**2) Broad and diversified product portfolio with focused product development tailored to meet the customer requirements:** Atlanta offers a diversified portfolio of six transformer types and is known for customized solutions tailored to demanding conditions, such as 66 kV transformers for Leh at 3,000+ meters altitude and ester-oil-based eco-friendly transformers for urban use. Its ability to deliver specialized products, backed by strong after-sales support, enhances customer trust and loyalty.

**3) Strong Order Book coupled with well-diversified customer base:** Company has built a diversified customer base of 208 clients (21 PSUs, 187 private players) as of March 31, 2025, growing at a 23.2% CAGR since FY2023. Its order book rose from ₹534.1 Cr in FY2023 to Rs. 1,642.9 Cr in FY2025, supported by relationships with 19 state utilities, 3 union territories, and leading corporates like Adani Green, TATA Power, and GETCO. Approvals from PGCIL and the Ministry of Railways have further expanded opportunities across new segments, regions, and exports, while repeat business underscores strong customer trust.

**4) Manufacturing capabilities with a focus on quality and high level of regulatory compliance, and health and safety measures:** Atlanta operates 5 manufacturing facilities (4 fully operational) across Gujarat and Karnataka, including the newly commissioned Vadod unit (July 2025) capable of producing transformers up to 500 MVA and 400 kV. With advanced infrastructure—35 winding machines, 14 core coil assembly stations, multiple drying ovens, and tanking workstations—the company is equipped to meet diverse and large-scale production requirements.

**5) Capital expenditure to achieve capacity expansion and focus on being backward integrated:** Company is executing its expansion strategy through capex in critical transformer components, backward integration, and higher capacity utilization. Its new Vadod facility (500 MVA, 400 kV) commenced operations in July 2025, enhancing production scale. The company is also focused on engineering improvements, process optimization, and local sourcing to strengthen supply chain resilience and support future growth in emerging markets.

### Risk

- High revenue dependency on government controlled entities.
- Revenue concentration on limited customer

### MView

We believe Atlanta Electricals Ltd IPO brings investors an opportunity to invest in one of India's leading transformer manufacturers, backed by over three decades of industry experience. We think its diversified product portfolio, ability to deliver customized high-spec solutions, and robust after-sales support enhance customer stickiness, while a fast-expanding order book (₹ 534 Cr in FY2023 to ₹ 1,643 Cr in FY2025) underscores rising demand. We also think with marquee clients such as Adani Green, TATA Power, and GETCO, along with approvals from PGCIL and the Ministry of Railways, Atlanta is well placed to capture opportunities across segments. Ongoing capex in critical components, backward integration, and supply chain localization further strengthen its profitability drivers. By looking at the financials, the company reported a revenue in operations de-growth of -0.72% in FY2024 due to acquisition-related accounting adjustments and production disruptions, followed by a strong rebound of 43.41% in FY2025; net profit grew 87.2% in FY2025, recovering from a -27.6% decline in FY2024. On valuation parse at the upper price band of ₹754/-, the issue is asking for a market cap of ₹ 5797 cr. Based on FY 2025 earnings and fully diluted post- IPO paid up capital, the company is asking for a PE of 49x, which seems fully priced compared to its listed peers trading at an average of ~40-50x. Given the company's strong positioning to benefit from sector tailwinds such as renewable energy investments, industrialization, and government-backed T&D reforms (like RDSS), supported by a growing transformer component market projected to reach USD 2.6 Bn by 2030. Hence, we recommend investors to "SUBSCRIBE" to the Atlanta Electricals Ltd IPO with a long-term perspective as a compelling play on India's growing power infrastructure and renewable energy ecosystem

## CONSOLIDATED FINANCIAL TABLES

### BASIC FINANCIAL DETAILS

Particulars ₹ (in Cr)	As at March' 31		
	2025	2024	2023
Equity Share Capital	14.32	14.32	14.32
Net worth	349.9	228.47	164.9
Revenue from Operations	1244.18	867.55	873.88
Growth in Revenue (%)	43.41	-0.72	39.67
EBITDA	199.88	123.16	143.12
EBITDA Margin (%)	16.07	14.02	16.38
Profit after Tax	118.65	63.52	87.47
PAT Margin (%)	9.54	7.32	10.01
Return on Equity (%)	33.91	27.8	53.05
Return on Capital Employed (%)	39.43	42.34	57.99
Net Working Capital	220.76	158.64	136.55
Net Working Capital Days (days)	65	67	57
Order Book	1642.96	1271.38	534.06
Orders - Govt. & Public Sector	1348.52	937.52	330.67
Orders - Private Sector	294.44	333.86	203.39

(Source: Company RHP)

### COMPARISON WITH INDUSTRY LISTED PEERS Rs. (in Cr)

Companies	Mcap (in Cr)	Revenue From Ops. (₹ Cr)	FV	EPS	NAV	P/E	P/B	RoNW (%)
Atlanta Electricals	5797	1244.18	2	15.43	97.63	48.9	7.7	33.9
Voltamp Transformers	7497	1934.23	10	321.65	1569.24	23.0	4.8	20.5%
Transformers and Rectifiers India	16023	2019.38	1	7.21	41.71	61.9	12.80	17.3%
Danish Power	1737	426.71	10	34.55	162.50	29.8	5.4	18%

Date as on 31st March 2025, Cline Mcap, PE, PB calculated as on 22-09-2025

Atlanta Electricals Ltd, EPS/PE, P/B, NAV calculated on annualised basis post money



# MSEARCH

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### **Msearch's Recommendation (Absolute Performance)**

**Buy: > 20% within the next 12 Months**

**Accumulate: 5% to 20% within the next 12 Months**

**Sell : < -20% within the next 12 Months**

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