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CM RATING 43 /100

Om Power Transmission

Builds power infrastructure

Focus on power transmission and infrastructure EPC projects in Gujarat, Rajasthan and Punjab.

Om Power Transmission, promoted by Kalpesh Dhanjibhai Patel, Kanubhai Patel and Vasantkumar Narayanbhai Patel, is an engineering, procurement, and construction company in power transmission infrastructure segment with over 14 years of experience. Its expertise lies in the execution of high-voltage and extra-high voltage transmission lines, substations and underground cabling projects delivered on a turnkey basis, encompassing design, engineering, supply, erection, installation, testing, commissioning, and comprehensive O&M services. Its EPC capabilities extend to transmission lines ranging from 11 kilovolts to 400 kV and substations up to 220 kV. As of December 31, 2025, it is operating and maintaining 124 substations.

Since commencement of its operations in 2011 the company have commissioned transmission lines, substations and underground cables, covering in aggregate over 1,000 circuit kilometers of transmission lines and 11 substations respectively in the State of Gujarat.

During the nine months period ended December 31, 2025, and the last three fiscals, the company have completed EPC works aggregating to more than 500 CKM of transmission lines, and underground cables, and 4 substations.

While its business has historically been concentrated in the State of Gujarat, the company have recently expanded operations to the states of Rajasthan and Punjab along with union territory of Dadra and Nagar Haveli and Daman and Diu, having secured EPC project awards in these states and union territory.

Its client base comprises (i) public sector undertakings such as state utilities; and (ii) private clients such as renewable energy developers, corporate and industrial clients, and infrastructure operators. Of the FY25 and 9mFY26 revenue about 74.92% and 87.29%, respectively, came from PSUs and balance from private sector clients.

The unexecuted order book as of December 31, 2025, amounted to Rs 744.6027 crore [transmission line EPC projects Rs 518.8943 crore; substation EPC Rs 169.2070 crore; underground cabling Rs 29.0951 crore and O&M Rs 27.4063 crore] spread across 58 projects [30 transmission line EPC projects; 13 substation EPC projects; 8 underground cabling projects and 7 O&M projects]. Of the order book ended December 2025, about 83.74% is from PSUs and balance 16.26% from private sector clients. About 79.13% of the order book as end of Dec 2025 is from the state of Gujarat, 11.88% from Punjab, 4.51% from Rajasthan and 4.48% from UT of Dadra & Nagar Haveli and Daman & Diu.

Business of the company is primarily dependent on tenders from public sector undertakings, which account for approximately 83.74% and 84.21% in 9mFY26 and FY25, respectively.

The Issue, Objects of the Issue

The Offer comprises fresh issue of 7575000 equity shares and an offer for sale of 1000000 equity shares of Rs 10 face value each. The offer for sale is entirely by promoters [Kalpesh D Patel 350000 shares; Kanubhai Patel 350000 shares and Vasantkumar N Patel 300000 shares].

Of the net proceeds from fresh issue, the company propose to utilize Rs 11.2094 crore towards funding of capital expenditure; Rs 25 crore towards repay/pre-payment in full or part of certain borrowing availed by the company, Rs 55 crore towards funding working capital requirements and balance for general corporate purpose.

As of December 31, 2025, the company had total borrowings of Rs 38.4675 crore.

Strengths

Successful track record of delivering high-voltage and extra-high voltage transmission lines, substations and underground cabling projects over the last 14 years.

Strong order book (translating to about 2.66 times of FY2025 sales) spread across business verticals.

India's power T&D infrastructure is expected to grow, supported by government initiatives and increasing electricity demand. GoI plans to add approximately 17,500 ckm of transmission lines and 80,000 MVA of transformation capacity annually over the next three years.

Weaknesses

Project management and turnkey EPC contracts (including those for power transmission and distribution), have long execution periods and time overruns as well as other associated risk such as delay in acquisition of private lands or rights of way (RoW), environmental clearances, resolution of associated land issues, financial closure of PPP projects.

Substantially dependent on tenders being floated by government authorities, public sector undertakings and utilities and thus any delays in tenders released or no tenders released by such entities may have a material adverse effect on the business and results of operations.

Face certain competitive pressures from the existing competitors and new entrants in both public and private sector. Increased competition and aggressive bidding by such competitors are expected to make ability of the company to procure business in future more uncertain which may adversely affect the business.

Projects undertaken through a joint venture may be delayed on account of the performance of the joint venture partner.

Liable for any delay or default of sub-contractor, through him a part of the work of the contract is executed.

There are certain defaults/ delay in payment of statutory dues.

Project portfolio and revenue generation has historically been concentrated in the state of Gujarat.

Business of the company typically requires significant amounts of working capital and historically, business growth has been dependent on high working capital requirements.

Company has delayed in complying with certain statutory provisions under the Companies Act, 2013 and the Foreign Exchange Management Act, 1999. Such delayed compliance /lapses may attract certain penalties.

Commodity Price Fluctuations are a critical threat to EPC contractors, especially in the power sector where infrastructure projects rely heavily on materials like steel, copper, aluminum, and cement.

Complexity in project execution in remote and challenging terrains may adversely affect timelines and costs.

Contracts with government entities usually contain terms that favour the government customers, who may terminate contracts prematurely and impose restrictions on the company from procurement of any future contracts under various circumstances beyond its control.

Top 1/3/5/10 customers contribute to more than 50.41%/77.30%/86.05%/95.68% in FY25 and 71.55%/86.08%/91.37%/97.65% in 9mFY26, respectively.

Have experienced negative net cash flow from operating activities in the past years.

Related party transaction as a percentage of revenue from operations.

Have been certain instances of non-compliances under the Companies Act and due to certain procedural defaults by the company in the past, and it have filed a suo moto adjudication application with the RoC for adjudication of these non-compliances.

Operating results may fluctuate from quarter-to-quarter due to seasonality, with a noticeable concentration of activities toward the third and fourth quarters of the financial year.

Valuation

Consolidated re-stated revenue for the fiscal ended March 2025 stood higher by 53% to Rs 279.44 crore. With OPM expand by 490 bps to 12.8%, operating profit leaped by 146% to Rs 35.66 crore. Finally, net profit was up by 198% to Rs 22.08 crore.

For the nine months ended December 2025, net profit was Rs 23.37 crore on sales of Rs 274.54 crore.

The EPS for FY2025 on expanded equity (on the upper price band) was Rs 6.4 and annualised EPS for FY26 was Rs 9.1. The PE on upper price band works out to 27.3 times on EPS for FY25 and by 19.2 times that on annualised EPS for FY26.

Consolidated total borrowings as of Dec 31, 2025, stood at Rs 38.47 crore. The company proposes to utilize Rs 25 crore of the net proceeds from fresh issue towards prepayment of the borrowing. Repayment of Rs 25 crore will bring the borrowings down by about 65% resulting in lower interest outgo and boosting the net-profit substantially. The annualized EPS for 9mFY26 works out to Rs 9.8 if 65% of its interest cost is removed, keeping all other items, including tax rate, same. The re-worked P/E at the upper price band moderates to 17.9 times of its annualized 9mFY26 EPS.

In comparison, Advait Energy Transition, Viviana Power Tech, Vikran Engineering quotes at a TTM PE of 40.2 times, 27.4 times and 20.8 times. Bajel Projects, KEC International, Kalpataru Projects, Techno Electric and Skipper also are in similar line of business i.e Power Transmission EPC but not comparable in size and geographical presence and capabilities. Bajel Projects, KEC International, Kalpataru Projects, Transrail, Techno Electric and Skipper quotes at a PE of 110 times, 19.4 times, 22 times, 15.3 times, 25.9 times and 21.3 times, respectively, of their TTM EPS for the period ended December 2025.

Om Power Transmission : Re-stated Consolidated Financials				
	2303 (12)	2403 (12)	2503 (12)	2512 (9)
Sales	120.24	182.76	279.44	274.54
OPM (%)	9.9	7.9	12.8	12.5
OP	11.93	14.47	35.66	34.24
Other income	1.47	1.63	2.21	1.96
PBIDT	13.40	16.10	37.87	36.20
Interest	4.40	5.24	6.00	5.34
PBDT	9.00	10.86	31.86	30.86
Depreciation	1.32	1.32	1.19	1.50
PBT	7.68	9.53	30.67	29.36
EO Exp	0.00	0.00	0.00	0.00
PBT after EO	7.68	9.53	30.67	29.36
Tax	1.44	2.12	8.59	6.00

PAT from Continuing Biz	6.24	7.41	22.08	23.37
Share of Profit from Associates	0.00	0.00	0.00	0.00
PAT from Continuing Biz	6.24	7.41	22.08	23.37
Minority Interest	0.00	0.00	0.00	0.00
Net profit	6.24	7.41	22.08	23.37
EPS (Rs)*	1.8	2.2	6.4	9.1
* on post IPO fully dilluted equity (on upper price band) of Rs 34.25 crore. Face Value: Rs 10				
EPS is calculated after excluding EO and relevant tax				
Figures in Rs crore				
Source: Capitaline Corporate database				

Om Power Transmission : Issue Highlights	
Fresh Issue(in equity share nos.)	7575000
Offer for sale (in equity share nos.)	1000000
Price band (Rs.)	
Upper	175
Lower	166
Post-issue equity (Rs crore)	34.25
Post-issue promoter (including promoter group) stake (%)	68.93
Minimum Bid (in nos.)	85
Issue Open Date	09-04-2026
Issue Close Date	13-04-2026
Listing	BSE, NSE
Rating	43 /100