



IPO RESEARCH REPORT

Vishal Nirmiti Limited

PSC Railway Sleepers & Infrastructure Services — Riding India's Rail & Renewable Energy Capex Boom

IPO Open: Sep 30, 2026 **IPO Close:** Oct 5, 2026 **Listing:** Oct 8, 2026 (BSE & NSE)

OUR RECOMMENDATION

SUBSCRIBE*

**Long-term only*

PRICE BAND

₹208 – ₹220

Lot: 68 shares | ₹14,960 min.

GMP (AS OF SEP 29, 2026)

₹6 (~3%)

Est. listing ₹226 | Unofficial

This report is for informational purposes only. Not investment advice. Past performance is not indicative of future results. Please read the full disclaimer at the end of this report before making any investment decision.



1. IPO AT A GLANCE

Issue Details

Parameter	Details
Company Name	Vishal Nirmiti Limited (VNL)
Formerly Known As	Sejal Farms Private Limited (incorporated 1994)
Issue Type	Mainboard IPO (Book Built)
Total Issue Size	₹178 crore (80,90,909 equity shares)
Fresh Issue	₹145 crore (65,90,909 equity shares)
Offer for Sale (OFS)	₹33 crore (15,00,000 equity shares) — by Vaman Prestressing Company Pvt. Ltd. (promoter group)
Price Band	₹208 – ₹220 per share
Face Value	₹10 per share
Lot Size	68 shares (min. investment: ₹14,960 at upper band)
Max Retail Application	13 lots (884 shares ₹1,94,480)
Post-Issue Market Cap (at ₹220)	~₹580.60 crore
IPO Open Date	Wednesday, September 30, 2026
IPO Close Date	Monday, October 5, 2026
Anchor Investor Date	Tuesday, September 29, 2026
Basis of Allotment	Tuesday, October 6, 2026
Refund / Credit to Demat	Wednesday, October 7, 2026
Listing Date	Thursday, October 8, 2026 (BSE & NSE)
Book Running Lead Manager	Saffron Capital Advisors Private Limited
Registrar	MUFG Intime India Private Limited
Promoter (post-issue holding)	~49.40% (down from 73.42% pre-issue)

Note: The OFS component is by Vaman Prestressing Company Private Limited — a promoter group entity — not by individual promoters. The OFS at ₹33 crore is modest relative to the fresh issue of ₹145 crore. Individual promoters (Tapadiya family) are not selling personal holdings.

Investor Quota Allocation

Investor Category	Allocation %	Remarks
Qualified Institutional Buyers (QIB)	50%	Anchor investors may be allocated up to 60% of QIB portion
Non-Institutional Investors (NII / HNI)	15%	Minimum bid: 14 lots (₹2,09,440 at upper band)
Retail Individual Investors (RII)	35%	Min: 1 lot (₹14,960) Max: 13 lots (₹1,94,480)

2. COMPANY OVERVIEW



History & Incorporation

Vishal Nirmiti Limited was originally incorporated in 1994 as Sejal Farms Private Limited. The company underwent a series of name changes and corporate restructurings before becoming Vishal Nirmiti Limited — a name reflecting its evolution from its agricultural origins into a specialised civil engineering, manufacturing, and construction entity. It is headquartered in Mumbai, Maharashtra, and is promoted by the Tapadiya family: Brij B. Tapadiya, Ajay Bhagwandas Tapadiya, Pavan Vithaldas Tapadiya, Akhil Ranchod Tapadiya, Naveen Tapadiya, Rajendrakumar Badrinarayan Tapadiya, Suyash Vithaldas Tapadiya, Vedant Tapadiya, and Keshav Tapadiya — reflecting a family-owned business with multi-generational involvement. The DRHP was filed in 2025 and the RHP in September 2026.

Business Segments

Vishal Nirmiti operates across two primary segments, both closely linked to India's infrastructure capex cycle:

- **Manufacturing Segment:** Production of Pre-Stressed Concrete (PSC) railway sleepers — the concrete ties upon which railway tracks are laid. PSC sleepers are a mission-critical, government-mandated product for Indian Railways' track modernisation and expansion. VNL also manufactures Mild Steel (MS) pipes, penstock pipes (used in hydropower projects), and a range of precast and prestressed concrete products (culverts, girders, box segments). This segment serves Indian Railways, DFCCIL (Dedicated Freight Corridor Corporation of India), and infrastructure project developers.
- **Services / EPC Segment:** Civil engineering and construction services — including supply and laying of MS pipes for irrigation projects, water supply networks, and renewable energy infrastructure. The company executes end-to-end EPC (Engineering, Procurement, Construction) contracts for state governments, PSUs, and private clients across Maharashtra, Madhya Pradesh, Gujarat, and other states.

Key Clients & Revenue Mix

Customer / Segment	FY2026 Revenue	% of Ops Revenue	Nature
Indian Railways (PSC sleepers)	~₹137.27 crore	40.56%	Government entity; long-term supply contract; rate contracts
DFCCIL & other govt. railway bodies	~₹6.94 crore	2.05%	PSC sleepers for freight corridors
Government authorities (total — PSC segment)	~₹144.21 crore	42.61%	Government supply contracts
Infrastructure / EPC clients	Balance (~₹194.47 crore)	57.39%	MS pipes, irrigation, renewable energy EPC
Total Revenue from Operations	~₹338.68 crore	100%	Consolidated FY2026

Geographic Concentration

Operations are concentrated in Maharashtra, Madhya Pradesh, and Gujarat — which together contributed approximately 35.52% + 33.96% + smaller shares of revenue from operations in FY2026. The company is broadening its geographic reach as order wins from new states grow, but Maharashtra remains its home base and largest revenue contributor.

Order Book & Pipeline

Period	Order-in-Hand (₹ Cr)	YoY Change
FY2024 (Mar 2024)	359.79 crore	—
FY2025 (Mar 2025)	383.36 crore	+6.6%



Period	Order-in-Hand (₹ Cr)	YoY Change
FY2026 (Mar 2026)	682.47 crore	+78.0%
Q1 FY2027 (Jun 2026)	581.80 crore (post-execution dip)	Reflects ~₹100 Cr execution in Q1
Order book composition (Jun 2026)	PSC sleepers: ₹306.9 Cr MS pipes / liners: ₹146.8 Cr Balance: other EPC	n.a.

The 78% YoY surge in order book from FY2025 to FY2026 (₹383 crore to ₹682 crore) is the standout operational highlight. It represents approximately 2x FY2026 revenue — providing strong 18–24 month revenue visibility. The composition shows healthy diversification between railway PSC sleepers and infrastructure services (MS pipes, penstock), reducing over-reliance on any single project type.

3. KEY OPERATING METRICS

₹344.13 Cr FY2026 Total Income	₹24.98 Cr FY2026 PAT (+6% YoY)	₹51.13 Cr FY2026 EBITDA (+10% YoY)	15.10% FY2026 EBITDA Margin
7.37% FY2026 PAT Margin	33.87% FY2026 RoNW	28.02% FY2026 RoCE	33.67% FY2026 RoE
₹682.47 Cr Order Book (Mar 2026 — +78% YoY)	₹12.61 Pre-IPO EPS (FY2026)	23.26x Post-IPO P/E (at ₹220)	₹87.42 Cr Total Borrowings (Mar 2026)



4. FINANCIAL PERFORMANCE

Three-Year Financial Summary (Restated)

Metric	FY2024	FY2025	FY2026	2-yr CAGR
Revenue from Operations (₹ Cr)	242.88	318.52	338.68	~18.1%
Total Income (₹ Cr)	247.93	324.86	344.13	~17.8%
EBITDA (₹ Cr)	23.14	46.48	51.13	~48.6%
EBITDA Margin (%)	9.53%	14.59%	15.10%	+557 bps
PAT (₹ Cr)	3.45	23.64	24.98	~168.9%
PAT Margin (%)	1.42%	7.42%	7.37%	+595 bps
Net Worth (₹ Cr)	38.12	61.12	86.34	~50.5%
Basic EPS (₹)	1.74	11.94	12.61	~169.1%
RoNW (%)	9.04%	38.67% (peak)	28.92%*	Easing as equity expands
Total Assets (₹ Cr)	242.04	296.01	334.92	~17.6%
Total Borrowings (₹ Cr)	n.a.	88.05	87.42	Broadly flat
Operating Cash Flow (₹ Cr)	27.15	38.20	27.73	Positive all 3 years

*RoNW of 33.87% is cited as the FY2026 figure in IPO disclosures; the 28.92% figure above reflects calculation variation based on average vs. closing equity. Both figures confirm VNL's outstanding capital efficiency — well above peers.

Analyst Notes on Financials

- **The PAT transformation from FY2024 to FY2025 is the pivotal story:** PAT exploded from ₹3.45 crore (FY2024) to ₹23.64 crore (FY2025) — a 6.86x increase — driven by margin expansion as operating leverage kicked in on higher revenue and better product mix. This was a genuine step-change in profitability, not a one-off event.
- **FY2026 growth is modest but margins held:** Revenue grew a moderate 6.3% in FY2026 (₹318.52 Cr to ₹338.68 Cr) — slower than FY2025's 31.2% — and PAT grew just 5.7%. This deceleration is worth monitoring. However, EBITDA margins were maintained at 15.10% (vs 14.59% in FY2025), suggesting no structural margin erosion — the slowdown was revenue-driven, not cost-driven.
- **Operating cash flow positive in all three years:** VNL generated positive OCF of ₹27.15 Cr (FY2024), ₹38.20 Cr (FY2025), and ₹27.73 Cr (FY2026). This is a differentiating strength vs many small-cap infrastructure companies that burn cash during growth phases. Positive OCF confirms the business generates real cash, not just accounting profit.
- **Net worth growing strongly:** Net worth tripled from ₹38.12 Cr (FY2024) to ₹86.34 Cr (FY2026), reflecting retained profits and the September 2025 bonus issue. Post-IPO fresh issue of ₹145 crore will further strengthen the balance sheet to ~₹231 crore — a massive capital base improvement.
- **Borrowings stable — modest leverage:** Total borrowings of ₹87.42 crore (FY2026) are essentially flat vs FY2025's ₹88.05 crore. Post-IPO debt repayment of ₹19 crore will reduce borrowings further. Debt-to-equity of ~1.0x (pre-IPO) will fall sharply post-fresh issue to ~0.35x — a very healthy infrastructure company balance sheet.
- **RoNW of 33.87% is outstanding for the sector:** At 33.87%, VNL's RoNW is nearly double that of its listed peers (GPT Infraprojects: 18.25%; Indian Hume Pipe Company: 9.51%). This high capital efficiency reflects the company's ability to generate strong returns on a lean equity base — a key quality indicator.

5. VALUATION ANALYSIS

Issue Valuation at ₹220 (Upper Price Band)



Metric	Value
Post-Issue Market Cap	~₹580.60 crore
Pre-IPO EPS (FY2026)	~₹12.61
Post-IPO EPS (FY2026)	~₹9.46 (diluted for new shares)
Pre-IPO P/E	~17.45x
Post-IPO P/E	~23.26x
Price-to-Book (P/BV, pre-IPO)	~₹220 / ₹43.61 NAV = 5.04x
Price-to-Book (P/BV, post-IPO)	~2.51x (post-fresh issue expands book significantly)
FY2026 RoNW	33.87% — exceptional for sector
FY2026 RoCE	28.02%
Revenue CAGR (2-yr)	~18.1%
PAT CAGR (2-yr)	~169% (from a very low FY2024 base)

Peer Comparison

Company	Revenue (FY2026)	EPS (₹)	RoNW (%)	P/E (approx.)	Remarks
Vishal Nirmitti Limited (IPO)	~₹338.68 Cr	₹12.61	33.87%	23.26x (post-issue)	Small-cap; high RoNW; PSC + EPC
GPT Infraprojects Limited	~₹1,289.92 Cr	₹7.70	18.25%	~15–20x	Larger; lower RoNW; railway focus
Indian Hume Pipe Company	~₹1,305.57 Cr	₹26.79	9.51%	~12–18x	Larger; much lower RoNW; pipe specialist

Valuation Verdict: At 23.26x post-issue P/E, VNL is priced at a modest premium to its listed peers (GPT at 15–20x, Indian Hume Pipe at 12–18x). However, this premium is justified by VNL's significantly superior capital efficiency: RoNW of 33.87% vs peers at 9.51% and 18.25%. A company that generates nearly twice the return on equity as its peers deserves a higher P/E multiple. The post-issue P/BV of 2.51x is also reasonable for an infrastructure manufacturer with RoNW above 30%. For a ₹580 crore market cap business with 2x order book coverage and improving margins, 23x P/E is fair — not expensive.

6. USE OF FRESH ISSUE PROCEEDS

Object	Amount (₹ Cr)	Purpose / Context
Working capital requirements	₹75 crore	Funds FY2027 working capital; covers 45.62% of projected ₹164.41 crore requirement; balance funded by internal accruals (₹69.41 Cr) and bank borrowings (₹20 Cr)
Repayment / pre-payment of term loans	₹19 crore	Reduce total borrowings of ₹87.42 crore; lower finance costs; strengthen balance sheet
General corporate purposes	Balance (~₹51 crore)	Technology, operations, procurement support, and other corporate requirements
Total Fresh Issue	₹145 crore	—

The use of proceeds is straightforward and productive: working capital to execute the growing (₹682 crore) order book, plus modest debt repayment. The ₹75 crore for working capital covers less than half the FY2027 projected requirement — meaning



the company will still need internal accruals and bank lines to fully fund its operations. This is a manageable gap given positive OCF history, but investors should note that the IPO does not eliminate VNL's working capital dependence entirely. OFS proceeds of ₹33 crore accrue to Vaman Prestressing Company (promoter group entity) and do not benefit VNL directly.



7. INDUSTRY OVERVIEW & TAILWINDS

PSC Railway Sleepers — India's Rail Modernisation Boom

Parameter	Figure / Trend
Indian Railways annual capex budget (FY2026)	~₹2.65 lakh crore — among the highest ever
Indian Railways track renewal plan	5,000+ km of track renewal per year; each km requires ~1,340 PSC sleepers
DFCCIL (Dedicated Freight Corridor)	2 corridors operational; Phase 2 under development — major PSC demand driver
New railway line construction (FY2026)	~5,000 km planned vs ~1,000 km annually until FY2020 — 5x acceleration
PSC sleeper market	~20+ manufacturers; Indian Railways runs rate contracts; stable demand floor
PSC sleeper advantage over wooden sleepers	Longer life (40+ years vs 12–15 years), lower maintenance, better track geometry

Infrastructure Services — Water & Renewable Energy

- **National water mission / irrigation capex:** Central and state governments are accelerating water supply, irrigation, and sewerage infrastructure under Jal Jeevan Mission and PMKSY. MS pipe and penstock pipe demand is directly linked to these programmes — VNL's key EPC revenue driver.
- **Renewable energy infrastructure (penstock pipes):** India's target of 500 GW renewable energy by 2030 includes substantial small and mid-hydro capacity. Penstock pipes — steel pipes that carry water to turbines — are critical components. VNL's penstock pipe manufacturing is a niche capability benefiting from this investment cycle.
- **State government spending in Maharashtra / MP / Gujarat:** VNL's core geographies are among India's highest-spending states for infrastructure. MSRDC (Maharashtra), MPWRD (MP), and GWSSB (Gujarat) are all active project developers in the company's segments.
- **Make-in-India / local content mandates:** Railway and government tenders increasingly mandate domestic manufacturing. VNL's in-house PSC sleeper manufacturing provides direct compliance advantage vs distributors or importers.

8. KEY STRENGTHS

- **Outstanding RoNW of 33.87%:** The highest capital efficiency metric among all comparable listed peers (GPT Infraprojects 18.25%; Indian Hume Pipe 9.51%). A 33.87% RoNW signals a business that generates exceptional returns on every rupee of equity — the most important profitability quality indicator.
- **Order book surged 78% to ₹682 crore (FY2026):** The order-in-hand nearly doubled from ₹383 crore (FY2025) to ₹682 crore (FY2026), representing approximately 2x trailing revenue. This gives 18–24 months of strong revenue visibility and confidence in FY2027–FY2028 growth.
- **Niche PSC sleeper manufacturer with Indian Railways tie-up:** PSC sleepers for Indian Railways is a high-entry-barrier, relationship-dependent business. VNL's long-standing role as an approved Indian Railways supplier with established rate contracts provides a durable, recurring revenue stream.
- **Positive operating cash flow in all 3 years:** Unlike many infrastructure peers that burn cash during growth, VNL generated positive OCF in FY2024, FY2025, and FY2026 — reflecting disciplined working capital management.
- **EBITDA margin expansion from 9.5% to 15.1%:** 560 bps margin expansion over 2 years reflects genuine operating leverage as higher revenue volumes absorb fixed manufacturing costs, and a mix shift towards higher-margin projects.
- **Low leverage with improving balance sheet:** D/E of ~1.0x pre-IPO (on modest equity base) will fall to ~0.35x post-IPO — a conservative balance sheet that reduces financial risk and provides capacity for future growth financing.
- **Diversified segment exposure:** Two segments — manufacturing (PSC sleepers, precast, pipes) and services (EPC) — with multiple product lines reduce dependence on any single product or project type.



- **Promoter family commitment:** Individual promoters (Tapadiya family) are not selling any shares in the IPO. Only a promoter-group entity (Vaman Prestressing) participates in the modest ₹33 crore OFS. Promoters will hold ~49.40% post-issue — strong alignment with minority shareholders.
- **32-year operating history:** Since 1994, VNL has built deep institutional knowledge, government client relationships, and technical expertise in PSC manufacturing — a substantial barrier to entry for new competitors.
- **Penstock & hydropower niche:** Penstock pipe manufacturing for small and mid-hydro projects is a specialised, low-competition segment where VNL has developed technical credentials over years. India's hydro capacity addition (pumped storage and run-of-river) provides a long-term growth runway.



9. KEY RISKS & CONCERNS

Risk Factor	Description	Severity
Customer Concentration — Indian Railways (40.56% of revenue)	Indian Railways contributes ₹137.27 crore — 40.56% of FY2026 ops revenue. Any slowdown in railway capex, change in procurement policy, loss of rate contract renewal, or shift to competitor suppliers would materially impact VNL's top line. Government procurement is subject to policy risk, budget changes, and geopolitical disruption.	HIGH
Geographic Concentration — Maharashtra, MP, Gujarat	Operations concentrated in three states with no meaningful presence elsewhere. Any state-specific infrastructure slowdown, change of government with altered spending priorities, or natural disaster affecting these geographies would hit VNL disproportionately.	HIGH
Revenue Growth Deceleration in FY2026	Revenue growth slowed from 31.2% (FY2025) to 6.3% (FY2026), and PAT grew only 5.7% despite the strong FY2026 order book. If FY2027 revenue does not accelerate — especially from the ₹682 crore order book — the investment thesis weakens. Execution pace needs to accelerate.	HIGH
Working Capital Gap Post-IPO	FY2027 projected working capital requirement of ₹164.41 crore is only 45.62% covered by IPO proceeds (₹75 crore). The remaining ₹89.41 crore must come from internal accruals and bank borrowings. Any delays in project cash flows could tighten liquidity and force costly short-term borrowing.	MEDIUM
Modest GMP (~3%) — Limited Listing Gain Expectation	GMP of only ₹6 (~3%) on a ₹220 issue price signals muted investor enthusiasm for short-term listing gains. Investors applying purely for listing-day profit face limited upside and meaningful downside risk if subscription is tepid.	MEDIUM
Small-Cap Scale vs Peers	VNL's revenue of ₹338.68 crore is a fraction of GPT Infraprojects (₹1,290 crore) and Indian Hume Pipe (₹1,306 crore). Smaller scale means less bargaining power with suppliers, less financial cushion during downturns, and potentially lower bank credit limits for large projects.	MEDIUM
Promoter Group OFS & Post-Issue Dilution	Promoter group entity Vaman Prestressing Company is selling ₹33 crore via OFS. While individual promoters are not selling, the promoter group's combined stake will fall to ~49.40% post-issue — close to the 49% threshold, limiting future dilution headroom before control becomes an issue.	MEDIUM
Tender / Government Policy Risk	PSC sleeper supply is governed by Indian Railways' rate contracts and procurement procedures. Any policy change (switch to alternate track materials, revised vendor empanelment criteria, or reduced tender sizes) could affect order flow. Similarly, EPC project availability depends on government budget allocation.	MEDIUM
Execution Risk on Expanded Order Book	FY2027 requires VNL to execute projects from a ₹682 crore order book — 2x its FY2026 revenue. Managing this scale-up in construction activity, procurement, and project management simultaneously while maintaining quality and timelines is an operational challenge.	LOW
Single Lead Manager (Saffron Capital)	Unlike larger IPOs with 2–4 BRLMs providing wide institutional distribution, Vishal Nirmiti has a single BRLM — Saffron Capital Advisors. This could result in narrower anchor investor participation and lower institutional visibility.	LOW



Risk Factor	Description	Severity
Competition in PSC Sleepers	The PSC sleeper market has 20+ approved manufacturers competing for Indian Railways contracts. Price competition in rate contracts could squeeze margins. VNL's cost efficiency and established approval status are its protection, but any new low-cost entrant approved by Railways could increase competitive intensity.	LOW

10. IPO TIMELINE & HOW TO APPLY

Event	Date
Anchor Investor Bidding	Tuesday, September 29, 2026
IPO Opens	Wednesday, September 30, 2026
IPO Closes	Monday, October 5, 2026
Basis of Allotment	Tuesday, October 6, 2026
Refund / Credit to Demat	Wednesday, October 7, 2026
Listing Date (BSE & NSE)	Thursday, October 8, 2026

How to Apply

- **Via ASBA (bank net-banking):** Log in to your bank's net banking portal > IPO / Investments section > Search 'Vishal Nirmiti IPO' > Enter 1 lot (68 shares) at ₹220 (upper band recommended) > Submit. Funds blocked until allotment.
- **Via UPI (broker app):** Log in to your broker app (Zerodha, Upstox, Groww, Angel One, etc.) > IPO tab > Select Vishal Nirmiti > Enter lots and bid at ₹220 > Approve UPI mandate in Google Pay / PhonePe / BHIM.
- **Minimum investment (retail):** 68 shares × ₹220 = ₹14,960
- **Maximum retail application:** 13 lots = 884 shares = ₹1,94,480
- **Allotment check:** From October 6, 2026 onwards — MUFG Intime India website or BSE/NSE IPO allotment portal with PAN / application number.



11. GMP & INVESTOR SENTIMENT

GMP Trend

Observation Period	GMP (₹ per share)	Indicative Listing Price	Premium Over Issue
Pre-announcement	Not available	n.a.	n.a.
September 29, 2026 (latest observed)	~₹6	~₹226	~2.7%

GMP Disclaimer: Grey Market Premium (GMP) is an informal, unregulated price indicator traded outside recognised stock exchanges. It is not endorsed by SEBI, BSE, or NSE. A GMP of ₹6 (~3%) is modest and can change rapidly before or after listing. Do not make investment decisions based solely on GMP figures.

Investor Sentiment Assessment

Vishal Nirmiti's GMP of ~₹6 (~3%) is the lowest among the four IPOs covered in Ganesh StockInvest's September–October 2026 batch (Moneyview: 21%, Varmora: 10%, Runwal: 6%, Vishal Nirmiti: 3%). This muted grey market response is somewhat surprising given the company's strong fundamentals — particularly the exceptional 33.87% RoNW and the 78% order book surge.

The likely explanations for modest GMP: (1) small issue size (₹178 crore) limits institutional awareness and trading volumes; (2) single BRLM (Saffron Capital) vs 3–4 BRLMs for larger IPOs reduces distribution; (3) Indian Railways customer concentration may concern some institutional investors; and (4) the 6.3% revenue growth in FY2026 — a slowdown from 31.2% in FY2025 — may be creating near-term uncertainty about earnings trajectory.

- **Positive signals:** Promoters not selling, exceptional RoNW (33.87%), 78% order book surge, positive OCF all 3 years, rail and infrastructure tailwinds, post-IPO D/E falling to ~0.35x.
- **Cautious signals:** Modest GMP (~3%), revenue deceleration in FY2026, 40.56% customer concentration in Indian Railways, single BRLM, working capital gap, small-cap scale.

12. GANESH STOCKINVEST RECOMMENDATION

GANESH STOCKINVEST RECOMMENDATION: SUBSCRIBE* (LONG-TERM ONLY)

**Post-issue P/E of 23.26x is fair for the quality; RoNW 33.87% is exceptional; customer concentration & modest GMP (~3%) warrant caution; 2–3 year hold recommended*

Investment Rationale

Vishal Nirmiti Limited represents a genuinely quality small-cap infrastructure IPO that is being somewhat overlooked by the market — likely due to its small size and modest single-BRLM distribution relative to the high-profile IPOs open the same week (Moneyview, AceVector, Runwal). The investment thesis rests on three pillars: (1) exceptional capital efficiency (RoNW 33.87% — best in class vs peers); (2) a ₹682 crore order book that is 2x FY2026 revenue, providing strong FY2027–FY2028 revenue visibility; and (3) exposure to India's most durable infrastructure investment theme — railway modernisation and water/renewable energy infrastructure.

The fundamentals are sound and improving. PAT margins have stabilised at 7.37–7.42% over two consecutive years — evidence of structural rather than cyclical profitability. EBITDA margins expanded from 9.5% to 15.1% over two years. Borrowings are near-flat and will decline post-IPO. Founders are not selling. Operating cash flows have been positive in all three years. For a ₹580 crore market cap business, these are impressive credentials.



The caveats are real but manageable. The 40.56% dependence on Indian Railways is a genuine concentration risk — but Indian Railways' ₹2.65 lakh crore capex budget and structural need for PSC sleepers (track life: 40+ years for concrete vs 12 for wood) provides a durable demand floor. Revenue growth slowed to 6.3% in FY2026, but the order book surge to ₹682 crore signals a pipeline that should convert to 15–20% revenue growth in FY2027 if execution keeps pace. The post-issue P/E of 23.26x — fair rather than cheap — means the entry price captures quality but leaves enough growth-driven re-rating potential over 2–3 years.

Suitability by Investor Type

Investor Profile	Recommendation	Rationale
Long-term small-cap investor (2–3 year horizon)	SUBSCRIBE	Quality business, strong order book, falling leverage, rail capex tailwind — solid 2–3 year compounding story
Conservative / income investor	CONSIDER (1 lot)	Positive OCF, low debt, government supply contracts provide stability; 23x P/E not cheap but not stretched
Listing-gains trader	AVOID	GMP of ~3% offers virtually no listing day profit; downside risk if subscription is tepid
HNI / high-allocation investor	SUBSCRIBE (moderate allocation)	Quality entry at fair valuation; avoid overconcentration given small-cap, single-client risk
SIP / systematic investor	SUBSCRIBE or WAIT	Apply now at fair price OR wait post-listing for potential 5–10% dip to get a better entry

Synthesis: Vishal Nirmiti is the 'quiet quality' IPO of this week — overshadowed by Moneyview's fintech excitement and AceVector's Snapdeal nostalgia, but arguably offering the most stable, earnings-backed investment case among the four IPOs in this report batch. Its 33.87% RoNW outperforms every listed peer. Its ₹682 crore order book is real, contracted, and government-backed. The 23.26x P/E is fair for this quality. We recommend SUBSCRIBE for long-term investors. Avoid if you are seeking listing-day returns.



13. DISCLAIMER

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Investing in IPOs, particularly small-cap infrastructure and manufacturing companies, involves significant risks including but not limited to customer concentration risk, government policy risk, order execution risk, working capital risk, commodity price risk, and small-cap liquidity risk. The company derives approximately 40.56% of its FY2026 revenue from a single customer (Indian Railways). Investors must independently evaluate this concentration risk before investing.

The company's revenues are project-completion linked and may be lumpy on a quarterly basis. Past financial performance — including the strong PAT growth from FY2024 to FY2025 — is not indicative of future results. Grey Market Premium (GMP) data cited is from informal market sources and is not endorsed by SEBI, BSE, or NSE. Investors are advised to read the complete RHP before applying.

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