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Issue Offer

Fresh Issue of 11,876,800 Equity Share aggregating up to INR 986 Mn

Issue Summary

Price Band (INR)	78-83
Face Value (INR)	5
Implied Market Cap (INR mn.)	3,545.9
Market Lot	1600
Issue Opens on	Nov,29,2024
Issue Close on	Dec,03,2024
No. of share pre-issue	3,08,44,597
No. of share pre-issue	4,27,21,397
Listing	NSE,SME

Issue Break-up (%)

QIB Portion	50%
Retail Portion	35%
NII Portion	15%

Registrar

Link Intime India Private Ltd

Book Running Lead Managers

Vivro Financial Services Private Ltd.

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	81.85%	59.00%
Public & Others	18.00%	41.00%

Objects of the issue

- To meet long-term working capital requirements
- General Corporate Purposes.

Ganesh Infraworld Ltd. is a diversified EPC services provider specializing in civil, electrical, road, rail, and water infrastructure projects across India. Operating through three verticals civil and electrical infrastructure, road and rail development, and water infrastructure the company has established strong execution capabilities, delivering projects worth INR 504+ Cr. over the last three years. GIL's expertise in timely project completion has secured repeat orders from major clients and subcontracting partnerships with leading firms. With a geographic footprint expanding from West Bengal to 10 states, an order book of INR 574+ Cr. as of August 24. Company is positioned for sustained growth in the Indian infrastructure sector.

Investment Rationale

Strategic Geographical Expansion and Enhanced Execution : The company demonstrates a strong strategic focus on leveraging its extensive project portfolio and skilled workforce to enhance execution capabilities across complex construction endeavors. Established relationships with reputed clients nationwide provide a solid foundation to capitalize on infrastructure growth opportunities. Plans for geographical diversification aim to mitigate region specific risks, optimize the centralized resource ecosystem, and broaden revenue streams. This approach not only strengthens client confidence and repeat business but also positions the company for robust, sustainable growth by expanding its presence across India's infrastructure landscape.

Strong Order Book Driving Growth Visibility : As of August 24, company boasts a strong order book worth INR 574.85 Cr. encompassing 41 ongoing projects across civil, electrical, road, rail, and water infrastructure segments. The company's proven execution capabilities, efficient resource utilization, competitive pricing, and established relationships with major contractors and EPC players underpin its ability to secure repeat orders. This robust order pipeline provides revenue visibility, supports sustainable growth, and enhances shareholder value. Company's diversified project expertise positions it to pursue and secure high-quality contracts, further strengthening its competitive edge and growth prospects.

Diversified Infrastructure Project Portfolio: Company manages a broad portfolio of infrastructure projects spanning industrial and non industrial construction, plant and warehouse development, electrical engineering, road and rail infrastructure, and water infrastructure. This diversification mitigates industry-specific risks and enhances resilience. As of August 24, the company is executing 41 projects worth INR 574.85 Cr. across 13 states, demonstrating its operational scale and ability to cater to varied segments, which underpins its growth potential and strengthens its market position in the infrastructure sector.

Strategic Focus on Working Capital Efficiency: Company emphasizes efficient working capital management to ensure seamless operations and financial flexibility. The company leverages banking arrangements to optimize cash flow through timely receivable collections and favorable supplier terms, supporting operational efficiency and profitability. A portion of the IPO proceeds is earmarked for long-term working capital needs, enabling company to scale operations, secure larger projects, and strengthen its order book.

Valuation and View : By increasing its regional presence and improving execution capabilities, Ganesh Infraworld Ltd. minimizes risks unique to a given region while maximizing resources and diversifying sources of income. The company has 41 projects in its order book as of August 24, covering road, rail, water, electricity, and civil infrastructure. This ensures sustainable growth and solid income visibility. Its 13 state project portfolio diversifies, reducing industry-specific risks and improving market positioning and resilience. Furthermore, company strategic emphasis on effective working capital management and the focused allocation of IPO proceeds for long-term requirements allow the business to expand operations, land bigger contracts, and fortify its position as a leader in the infrastructure industry. At the upper band of INR 83, the issue is valued at a P/E ratio of 22.81x based on a FY24 EPS of INR 3.64. And based on annualised FY25 earnings the issue is valued at P/E ratio of 9.61. We are recommending a "Subscribe" for this issue.

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Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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