Vectras Enprocon Limited

VE

Infrastructure / EPC | SME

Rs. 99 - 105

30 Oct 2026 - 3 Nov 2026

Issue size	Where the money goes	Earnings per share
Rs. 53 cr	**80% fresh**	**Rs. 8.10**
	Rs. 42.6 cr to the company, Rs. 10.5 cr to selling holders - computed from the share count at the band cap - p.1	issuer disclosed

WHAT STANDS OUT IN THE OFFER DOCUMENT

LOOK CLOSER Over several years, little of the profit came in as cash.
Across 3 years it made Rs.31.4 cr of profit and brought in -Rs.10.8 cr of cash from operations.

IN ITS FAVOUR Promoters keep most of the company after the IPO.
They will hold 73.5%. (p.83)

THE FIVE QUESTIONS

1. How it makes money
Rs.51 of every Rs.100 of sales comes from its "Midstream and Downstream pipeline projects and related facilities" segment. Rs.72 of every Rs.100 comes from Gujarat and Maharashtra.

2. Is it growing, and is profit turning into cash?
Sales grew 2.2x from FY2024 to FY2026 (Rs.54.3 cr to Rs.120 cr). Over 3 years it made Rs.31.4 cr of profit and brought in -Rs.10.8 cr of cash from operations.

3. How much cushion does it have?
It owes Rs.0.59 for every Rs.1 of its own money. The line for infrastructure / epc is Rs.3.

4. What you pay, and who gets the money
Of every Rs.100 raised, Rs.20 goes to existing shareholders selling. At Rs.105 you pay about Rs.13 for every Rs.1 of last year's profit (two figures in the document don't match; check p.98). The listed peers the document names: Rs.22 (middle of 3).

5. Who controls it, and what is on record?
Promoters own 100% now and 73% after the IPO.

WHAT THE COMPANY DOES

Vectras Enprocon Limited is an Indian Engineering, Procurement, and Construction (EPC) company operating in the midstream and downstream segments of the oil and gas industry. The company specializes in laying cross-country pipelines, combined station works, and civil, electrical, and instrumentation infrastructure for terminals, refineries, and city gas distribution networks.

Execution of EPC projects including design, engineering, procurement, construction, testing, and commissioning of oil and gas stations and cross-country pipelines.

WHERE THE MONEY GOES

Fresh issue goes to the company. Offer for sale goes to shareholders selling out.



Fresh issue Rs. 42.6 cr 80% | Offer for sale Rs. 10.5 cr 20%

How the fresh proceeds are to be spent, as stated in Objects of the Offer.



Repayment / prepayment, in full o... 41% | Funding long-term working capital... 59%

PROMOTER HOLDING

100.0% before > **73.5%** after

Dilution of 26.5 points. Promoters keep majority control. p.83

AGAINST LISTED PEERS

Company	P/E	Revenue	Source
Vectras Enprocon Limited (this IPO, at the band cap)	**13.0x***	**Rs. 120 cr**	**band / EPS p.98**
Pratham EPC Projects Limited	34.5x	Rs. 140 cr	p.99
Desco Infratech Limited	8.3x	Rs. 119 cr	p.99
Likhitha Infrastructure Limited	22.4x	Rs. 457 cr	p.100
Industry average	21.8x	—	issuer

Figures as printed in the offer document. This page does not say whether that is expensive or cheap. That judgement is yours.

FINANCIALS, RS. CRORE

	FY2024	FY2025	FY2026	2Y CAGR
Revenue	54	80	120	+48.5%
EBITDA	9	15	24	—
Profit after tax	6	10	15	+63.0%
Net worth	12	22	38	—
Total debt	4	12	22	—

READING THESE NUMBERS AS INFRASTRUCTURE / EPC

What actually diagnoses this business: Order book - Order book / revenue - Working capital days - Receivable ageing.

Revenue growth
48.5%
read with care

EPC revenue follows the order book with a lag. Order-book-to-revenue (a "book-to-bill" above 2.5× means visibility) tells you more than last year's growth.

Cash flow
-33%
read with care

Government and PSU counterparties pay slowly. Persistent operating cash flow well below profit usually means receivables, and it is the standard failure mode in this sector.

DOES THE PROFIT TURN INTO CASH

	FY2024	FY2025	FY2026
Operating cash flow	-1	-4	-5
Capital expenditure	2	3	4
Financing	6	7	8

Operating cash flow is -33% of profit after tax. The rest is sitting in receivables or inventory.

WHEN LOCKED SHARES CAN BE SOLD

Each date releases shares that could not previously be traded.

+1 months
Anchor, first half
50.0%

+3 months
Anchor, remainder
50.0%

+36 months
Promoter
20.0%

THE DOCUMENT'S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. Track record of timely completion of complex projects (p.173)
2. Strong Order Book for existing project portfolio and geography (p.174)
3. Strong Execution Capabilities (p.175)
4. Track Record of Growth in Financial Performance (p.176)
5. Experienced management team with significant industry experience (p.176)

RISKS IT DISCLOSES

1. Rapid historical growth in revenue and profit may not be sustainable in the future. (p.20)
2. Business involves significant working capital requirements for procurement, receivables, and project execution. (p.21)
3. High customer concentration, with top 10 customers contributing a major portion of total revenue. (p.22)
4. Geographical concentration of revenue in Gujarat and Maharashtra exposes operations to regional risks. (p.26)
5. Negative cash flows from operating activities experienced in prior financial periods. (p.30)

Both columns are the offer document's own words, not this page's assessment.

THE INDUSTRY, AS THE DOCUMENT DESCRIBES IT

a 7.7% CAGR.

Drivers it names: Rising domestic consumption driven by an expanding middle class and industrialization.; Government initiatives such as PM Gati Shakti, National Infrastructure Pipeline, and PLI schemes..

These industry figures come from a Dun & Bradstreet report commissioned and paid for by the issuer. It is not neutral research.

Analysed from the RHP at https://vectrasgroup.com/wp-content/uploads/2026/10/RHP_VEL_26102026_Clean.pdf by IPO Agent's proprietary AI-assisted extraction on 2026-10-28. Figure verification was skipped. The source text was not available to check against.

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