AI SURVEILLANCE · BIOMETRICS · IT INFRASTRUCTURE

Transline Technologies Limited

Profits have grown seven-fold in three years and the IPO is cleared by SEBI. The open question is cash: two years of negative operating cash flow while receivables and contract assets pile up.

Report date	ISIN	Face value	Shares outstanding	IPO
29 November 2026	**INE0OR401022**	**₹2**	**8,96,75,000**	**SEBI-cleared, 100% OFS**

SHARESAATHI ASK
₹178
per share, 29 Nov 2026

MARKET CAP
₹1,596 Cr
₹178 × 8.97 Cr shares

P/E (FY26)
22.7x
on EPS ₹7.84

P/B (FY26)
6.4x
book ₹27.78/share

FY26 REVENUE
₹488 Cr
+31.6% YoY

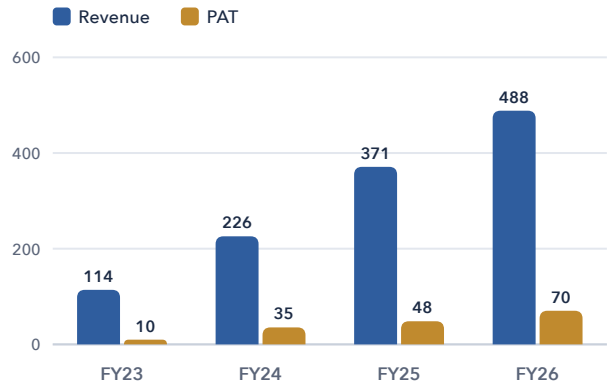
FY26 PAT
₹70.3 Cr
+45.4% YoY

ROE (FY26)
32.9%
ROCE 47.0%

CASH FROM OPS
−₹7.2 Cr
FY26; FY25 −₹79.9 Cr

Revenue and profit after tax, ₹ crore

Revenue up 4.3x and PAT up 7.1x between FY23 and FY26



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Not investment advice. ShareSaathi deals in this share; see disclosures.

01 · INVESTMENT SUMMARY

A fast-growing government systems integrator, priced at 22.7x earnings

Transline designs, supplies and runs AI-enabled video surveillance, biometric and IT infrastructure systems, mostly for Indian Railways, oil and gas PSUs, state police forces and banks. At ₹178 the company is valued at ₹1,596 Cr.

What is working

- **Growth with operating leverage.** Revenue compounded 62.4% a year from FY23 to FY26 and PAT 92.3% a year. FY26 PAT grew faster (+45.4%) than revenue (+31.6%).
- **High returns.** ROE of 32.87% and ROCE of 46.99% in FY26, after 36.86% and 53.37% in FY25.
- **Services is the profit engine.** The services segment (AMC, operations and maintenance) earned ₹100.11 Cr of segment result on ₹110.7 Cr of revenue in FY26, about 74% of the segment profit pool from 23% of revenue.
- **Broader customer base.** 296 customers in FY25 against 158 in FY23; the top 10 fell from 92.5% of revenue to 81.0%.
- **IPO is cleared.** SEBI issued its observation letter in January 2026 for a pure offer for sale on BSE and NSE, with Motilal Oswal as lead manager.

What needs watching

- **Profit is not turning into cash.** Operating cash flow was −₹79.93 Cr in FY25 and −₹7.21 Cr in FY26, against ₹118.61 Cr of PAT over the two years. Year-end cash was ₹13 lakh.
- **Working capital is stretching.** The cycle went from 74 to 165 days (FY23–FY25). Receivables reached ₹218.07 Cr and unbilled contract assets ₹145.51 Cr in FY26.
- **Government dependence.** Government and PSU clients were 93.9% of the order book at March 2025, and one customer was 59.3% of it.
- **Debt is rising.** Borrowings rose to ₹110.71 Cr; debt service coverage was 0.95x in FY26.
- **No money for the company from the IPO.** It is 100% offer for sale, so it will not fund working capital. The SEBI clearance lapses around January 2027 if the issue does not open.

Key numbers at ₹178

METRIC	VALUE	BASIS	METRIC	VALUE	BASIS
Market cap	₹1,596 Cr	8.97 Cr shares	EV / EBITDA	15.6x	EV ₹1,707 Cr
P/E	22.7x	FY26 EPS ₹7.84	Price / sales	3.27x	FY26 revenue
P/E, trailing FY25	32.7x	FY25 EPS ₹5.44	Earnings yield	4.4%	EPS / price
P/B	6.41x	BVPS ₹27.78	PEG	0.50	P/E ÷ FY26 PAT growth
Debt / equity	0.44x	31 Mar 2026	Since 2024 round	3.3x	₹54 → ₹178

Our read. The growth and returns are real and the valuation is not stretched against listed IT-services peers. What the price does not yet reflect is the cash conversion gap: an investor here is betting that government receivables are collected and that the IPO opens before the SEBI window closes. Position sizes should allow for an unlisted share that may take time to sell.

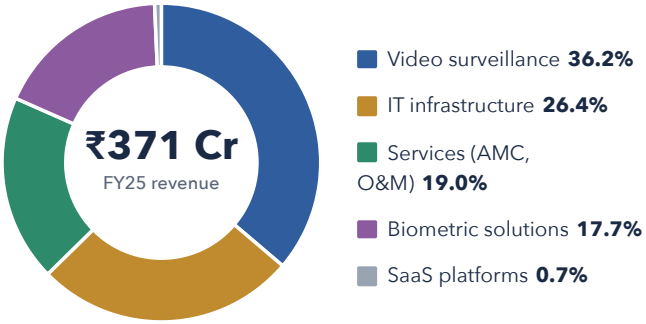
02 · BUSINESS

From system integrator to platform-plus-services

Founded in Delhi in 2001, Transline started as an IT solutions company and now builds end-to-end security systems: it designs the solution, integrates mostly third-party hardware (cameras, servers, biometric devices) with its own software, installs it, and then runs and maintains it under multi-year contracts.

FY25 revenue mix by offering

Share of ₹371 Cr revenue from operations (DRHP)



What each line does

OFFERING	EXAMPLES
Video surveillance	IP CCTV for railway stations and refinery sites, explosion-proof cameras, video analytics, command centres
Biometrics	Fingerprint, iris and face recognition; attendance and access control
IT infrastructure	Servers, storage, networks and data-centre build-outs
Services	Annual maintenance contracts, operations and maintenance, manned monitoring
SaaS platforms	Cloud video storage (SmartCAMSTORE+), HR and transport ERP; 8+ proprietary platforms

Company timeline

Feb 2001 — Incorporated in Delhi as Transline India Business Solution Pvt Ltd

2010 — Renamed Transline Technologies

Jan 2023 — Converted to a public limited company

Aug 2023 — Private placement at ₹135 (₹27 adj.)

Mar–May 2024 — Four placements at ₹270 (₹54 adj.)

Dec 2024 — 1:5 split, face value ₹10 → ₹2

Aug 2025 — DRHP filed with SEBI

Jan 2026 — SEBI observation letter; FY26 AR out Aug 2026

EMPLOYEES
461
at 31 March 2025

PROCESS MATURITY
CMMI 5
highest CMMI rating

EMPLOYEE COST
5.1%
of FY26 revenue (₹24.8 Cr)

A low employee-cost ratio is typical of a hardware-heavy integrator: most of the cost is bought-in equipment, so gross margins depend on pricing power in government tenders. The higher-margin, recurring services book is the part of the business that justifies a technology multiple.

Company facts

Managing Director	Arun Gupta (founder)	CIN	U72900DL2001PTC109496
Board (from May 2025)	Drishti Gupta (NED), Asha Anil Agarwal (ID)	ISIN	INE0OR401022
Registered office	23-A Shivaji Marg, New Delhi	Depositories	NSDL & CDSL
Statutory auditor	Goyal Nagpal & Co.	Registrar (RTA)	Bigshare Services

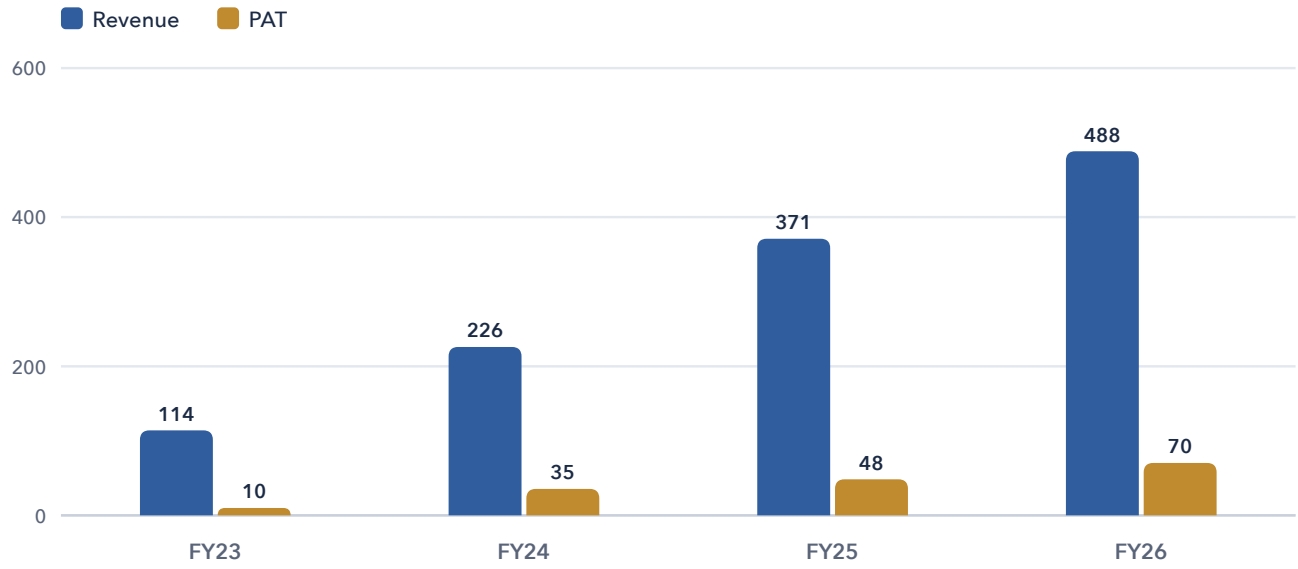
03 · FINANCIAL PERFORMANCE

Revenue up 4.3x and profit up 7.1x in three years

FY26 revenue from operations was ₹488.46 Cr (+31.6%), EBITDA ₹109.23 Cr (+37.6%) and PAT ₹70.28 Cr (+45.4%). EPS on the current ₹2 face value was ₹7.84.

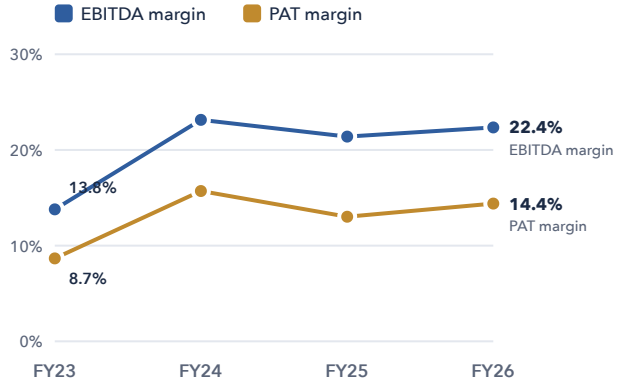
Revenue and PAT, ₹ crore

Restated consolidated (FY23–FY25, DRHP); FY26 from the annual report



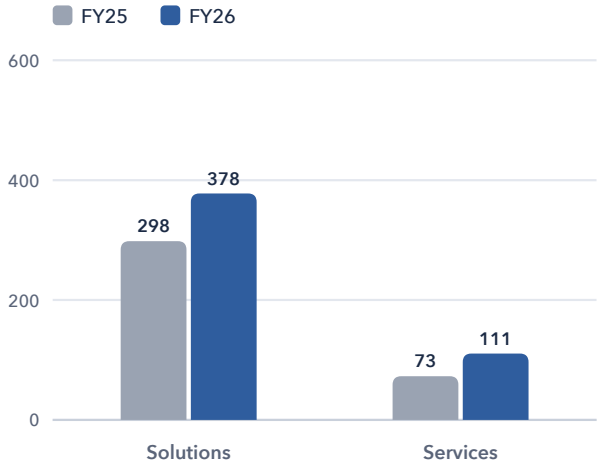
Margins, %

EBITDA margin has held between 21% and 23% since FY24



Segment revenue, ₹ crore

Services grew 51.9% in FY26, solutions 26.7%



REVENUE CAGR FY23-26
62.4%

PAT CAGR FY23-26
92.3%

SOLUTIONS SEGMENT MARGIN
9.2%
FY26, down from 12.3%

04 · FINANCIAL STATEMENTS

Four years at a glance

FY23–FY25 are restated consolidated figures from the DRHP; FY26 is from the FY26 annual report (auditor: Goyal Nagpal & Co.). Dashes mean the figure was not disclosed in the sources we could verify.

₹ CRORE UNLESS STATED	FY23	FY24	FY25	FY26
PROFIT AND LOSS (₹ CR)				
Revenue from operations	114.00	225.89	371.08	488.46
Growth	–	*98.10*	*64.30*	*31.60*
EBITDA	15.73	52.27	79.37	109.23
EBITDA margin %	*13.80*	*23.14*	*21.39*	*22.36*
Finance cost	–	–	7.05	10.95
Profit before tax	–	–	68.57	93.94
Profit after tax	**9.88**	**35.47**	**48.33**	**70.28**
PAT margin %	*8.67*	*15.70*	*13.02*	*14.39*
EPS, ₹ (reported, FV ₹2)	–	–	5.44	7.84
EPS on today's 8.97 Cr shares	*1.10*	*3.96*	*5.39*	*7.84*
BALANCE SHEET (₹ CR, 31 MARCH)				
Net worth	30.05	83.70	178.56	249.09
Total borrowings	6.90	41.43	86.08	110.71
Debt / equity (x)	*0.23*	*0.49*	*0.48*	*0.44*
Total assets	86.72	219.50	397.47	–
Trade receivables	–	–	189.59	218.07
Contract assets (unbilled)	–	–	90.64	145.51
Inventory	–	–	29.70	66.53
Book value per share, ₹	*3.35*	*9.33*	*19.91*	*27.78*
CASH FLOW AND OPERATIONS				
Cash from operations (₹ Cr)	**–**	**–**	**-79.93**	**-7.21**
Working capital cycle (days)	74	117	165	–
Order book (₹ Cr)	62.31	255.31	198.69	–
Customers	158	183	296	–
RETURNS (COMPANY-REPORTED)				
Return on equity %	–	–	36.86	32.87
Return on capital employed %	–	–	53.37	46.99

Reported EPS for FY25 (₹5.44) uses the weighted share count for the year; ₹48.33 Cr divided by today's 8.97 Cr shares gives ₹5.39. EPS before FY25 is shown only on today's share count because the company had fewer shares on a ₹10 face value then. EBITDA = PBT + depreciation + finance cost.

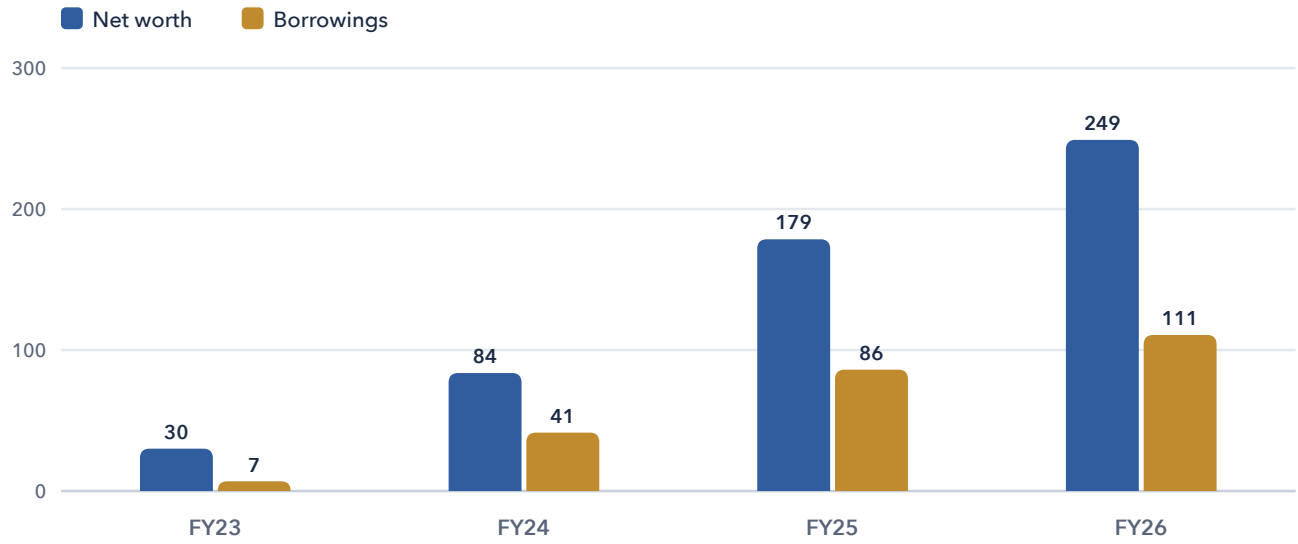
05 · BALANCE SHEET AND WORKING CAPITAL

Equity has grown 8x, but so has the money tied up in projects

Net worth rose from ₹30.05 Cr to ₹249.09 Cr through retained profit and ₹46.6 Cr of equity raised in 2024. Borrowings rose alongside, to fund receivables, unbilled work and inventory for large government projects.

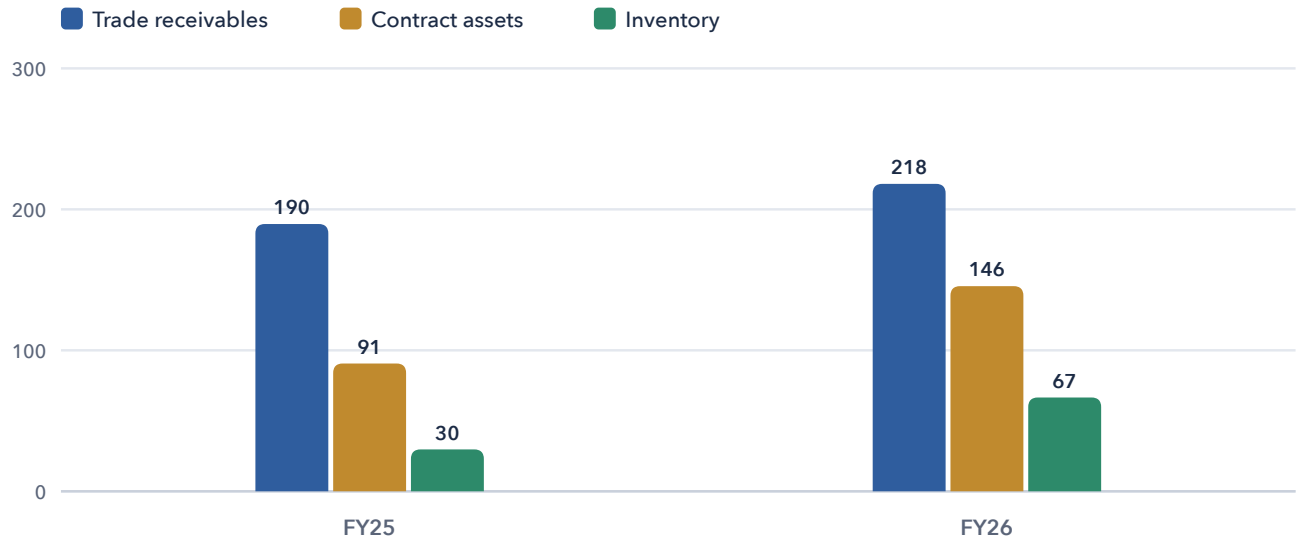
Net worth and borrowings, ₹ crore

Debt / equity: 0.23x → 0.49x → 0.48x → 0.44x



Working-capital items, ₹ crore

Together these rose from ₹310 Cr to ₹430 Cr in one year



RECEIVABLE DAYS	OVER 1 YEAR OLD	RETENTION MONEY	DEBT SERVICE COVER
~163	₹28.7 Cr	~₹63 Cr	0.95x
FY26 closing receivables	receivables, up from ~₹13 Cr	held back by clients	FY26 (FY25: 0.88x)

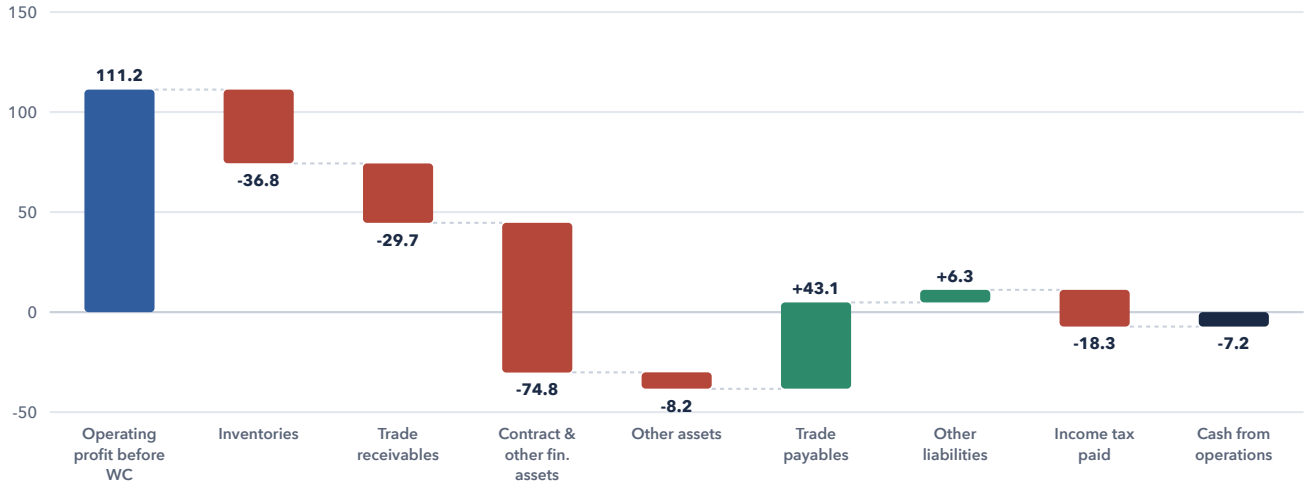
06 · CASH FLOW

Where the profit went

Over FY25 and FY26 Transline reported ₹118.61 Cr of PAT and ₹87.1 Cr of *negative* cash from operations. The gap was funded by ₹46.6 Cr of equity and roughly ₹69 Cr of new borrowings.

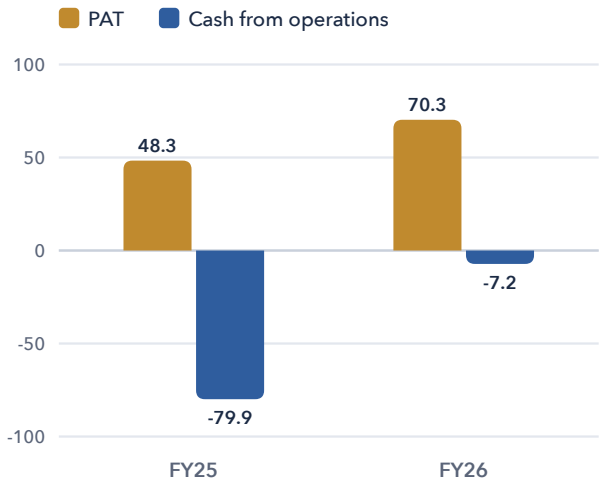
FY26 operating cash flow bridge, ₹ crore

Starting from operating profit before working-capital changes; green adds cash, red uses it



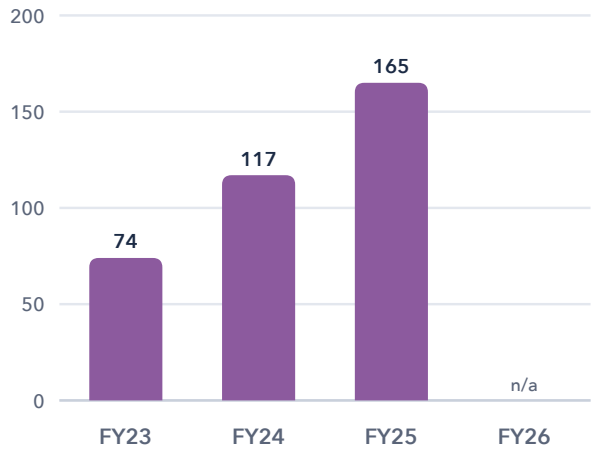
PAT vs cash from operations, ₹ crore

FY26 was far better than FY25, but still negative



Working-capital cycle, days

DRHP KPI; FY26 not yet disclosed



Why it matters. Government projects are billed in milestones and clients hold back retention money until sign-off, so fast growth consumes cash. That is normal for the model, but two negative years with ₹13 lakh of year-end cash leave little room if a large payment is delayed. The FY26 improvement (−₹7.2 Cr from −₹79.9 Cr) is the single most important trend to see continue in FY27.

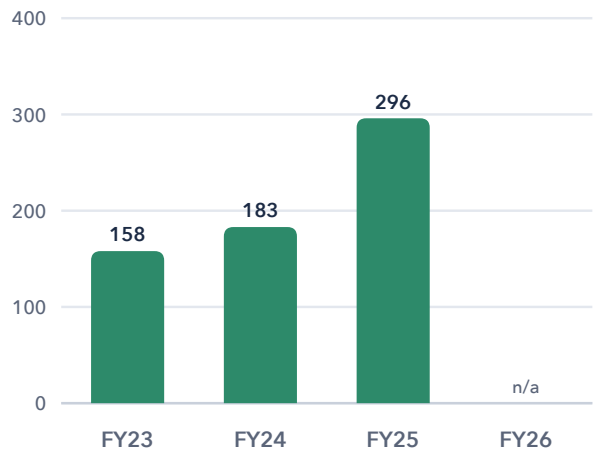
07 · CUSTOMERS AND ORDERS

A wider customer list, still anchored by the government

Customer count nearly doubled between FY23 and FY25 and the top-10 share fell. The order book, though, is concentrated: one customer accounted for 59.3% of it at March 2025, and government and PSU clients for 93.9%.

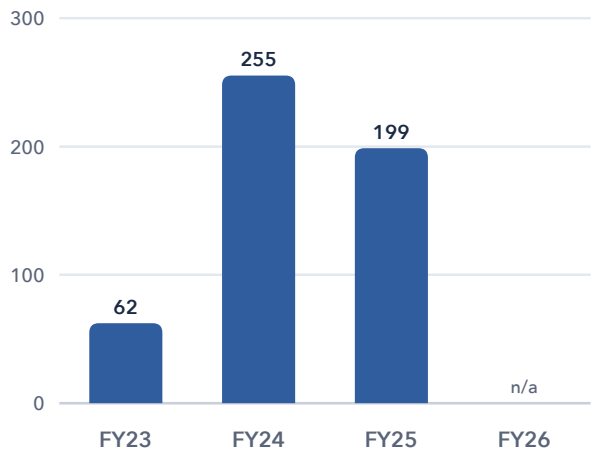
Active customers

FY26 not disclosed ("250+ clients" in the FY26 AR)



Order book, ₹ crore

Contract ₹139.2 Cr + AMC ₹59.5 Cr at FY25



Concentration



Named clients

Indian Railways, Indian Oil Corporation (IP CCTV across Telangana and Andhra Pradesh sites), Delhi Police, Tamil Nadu Police, banks and other central and state public-sector bodies.

Reading the order book

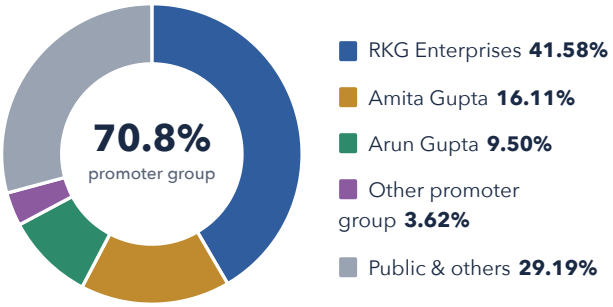
The order book fell 22% in FY25 as FY24's large wins were executed. With FY26 revenue at ₹488 Cr, a ~₹199 Cr book covers under half a year, so new wins in FY27 matter. The company does not report FY26 order intake.

08 · OWNERSHIP, FUNDING AND THE IPO

Promoters sell 18% in an all-OFS listing

Pre-IPO shareholding

Promoter group 70.81% (DRHP)

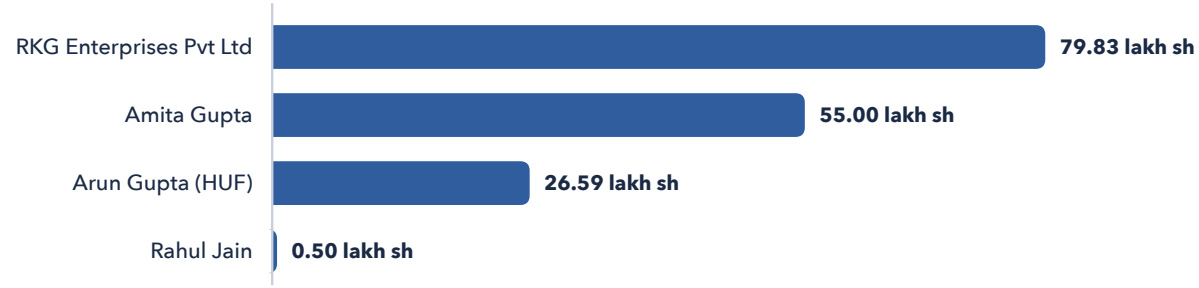


IPO at a glance

Type	100% offer for sale
Shares offered	1,61,91,500 (18.06%)
Value at ₹178	₹288 Cr
Fresh issue	None
DRHP filed	August 2025
SEBI observation	22–23 Jan 2026
Lead manager	Motilal Oswal
Registrar	Bigshare Services
Exchanges	BSE, NSE
Price band / dates	Not announced

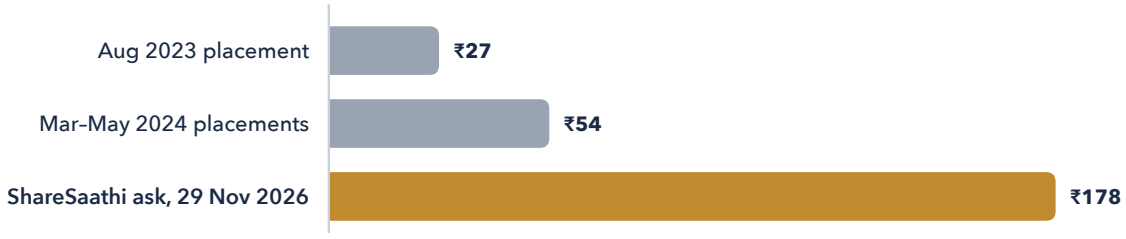
Shares offered by each seller, lakh shares

Promoter group holding falls to about 52.8% if the full OFS is sold



Price per share across funding rounds, split-adjusted

₹178 is 3.3x the 2024 round price, which valued the company at about ₹484 Cr



Allottees in the 2024 rounds included Green Portfolio, Unlisted Tech Pvt Ltd and All Time Securities, along with individual investors. The four ₹270 rounds raised ₹54.0 Cr, of which ₹46.6 Cr landed in FY25.

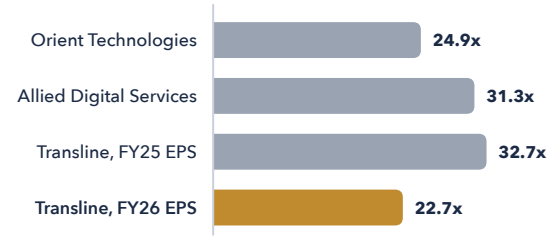
09 · VALUATION

22.7x FY26 earnings: in line with listed peers, with higher returns

We do not set a target price. Instead we show what ₹178 implies and how it compares with the listed peers Transline named in its DRHP.

P/E comparison

Peers on FY25 EPS at 4 Aug 2025 prices (DRHP); Nelco at 212.6x left out of scale



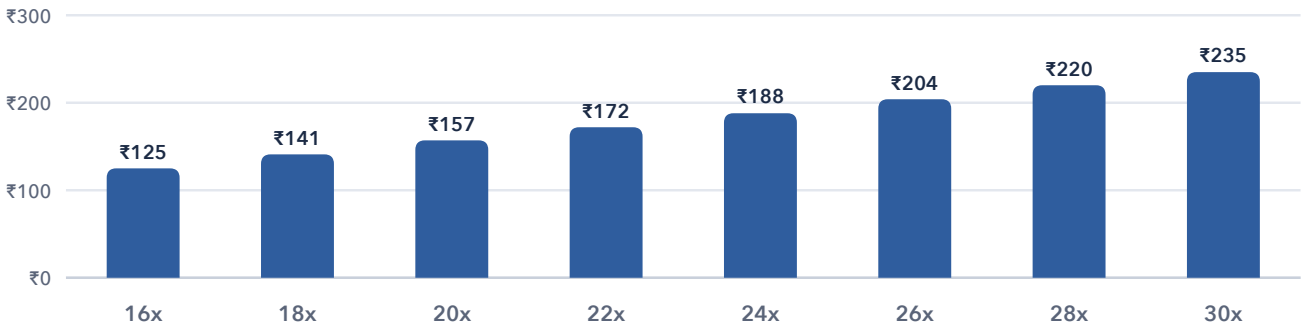
DRHP peer set, FY25

COMPANY	REVENUE ₹CR	RONW	P/E
Orient Technologies	840	20.0%	24.9x
Allied Digital Services	807	5.4%	31.3x
Nelco	305	7.6%	212.6x
Transline	**371**	**36.9%**	**32.7x**

Transline's return on net worth is roughly 2x Orient Technologies' and 7x Allied Digital's.

What different multiples imply for the price

FY26 EPS ₹7.84 × P/E; today's ₹178 sits at 22.7x



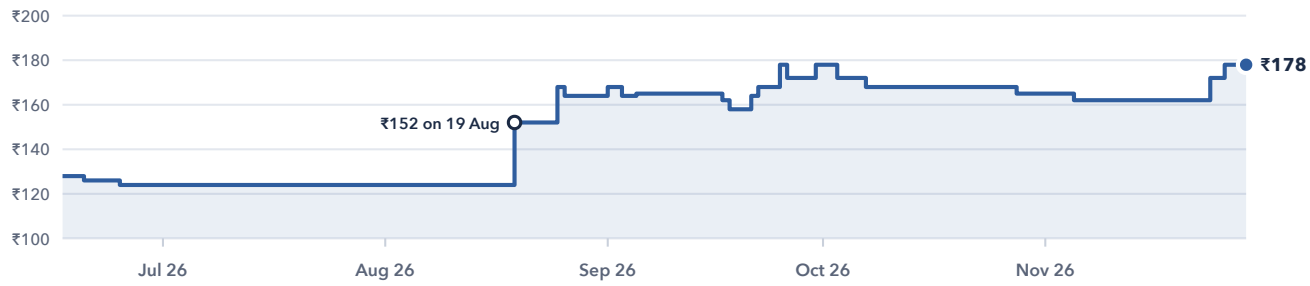
Forward P/E at ₹178 under simple growth cases

CASE (ILLUSTRATIVE, NOT A FORECAST)	FY27 EPS	P/E AT ₹178
15% FY27 PAT growth	₹9.02	19.7x
25% FY27 PAT growth	₹9.80	18.2x
35% FY27 PAT growth	₹10.58	16.8x

At ₹178 the market cap is ₹1,596 Cr and EV/EBITDA is 15.6x. If FY27 profit grows 25%, the stock trades at about 18x forward earnings. The discount an investor should demand for negative operating cash flow and illiquidity is the judgement call.

ShareSaathi ask price, 17 Jun – 29 Nov 2026

Low ₹124 in Jun–Aug; re-rated after the FY26 annual report in August

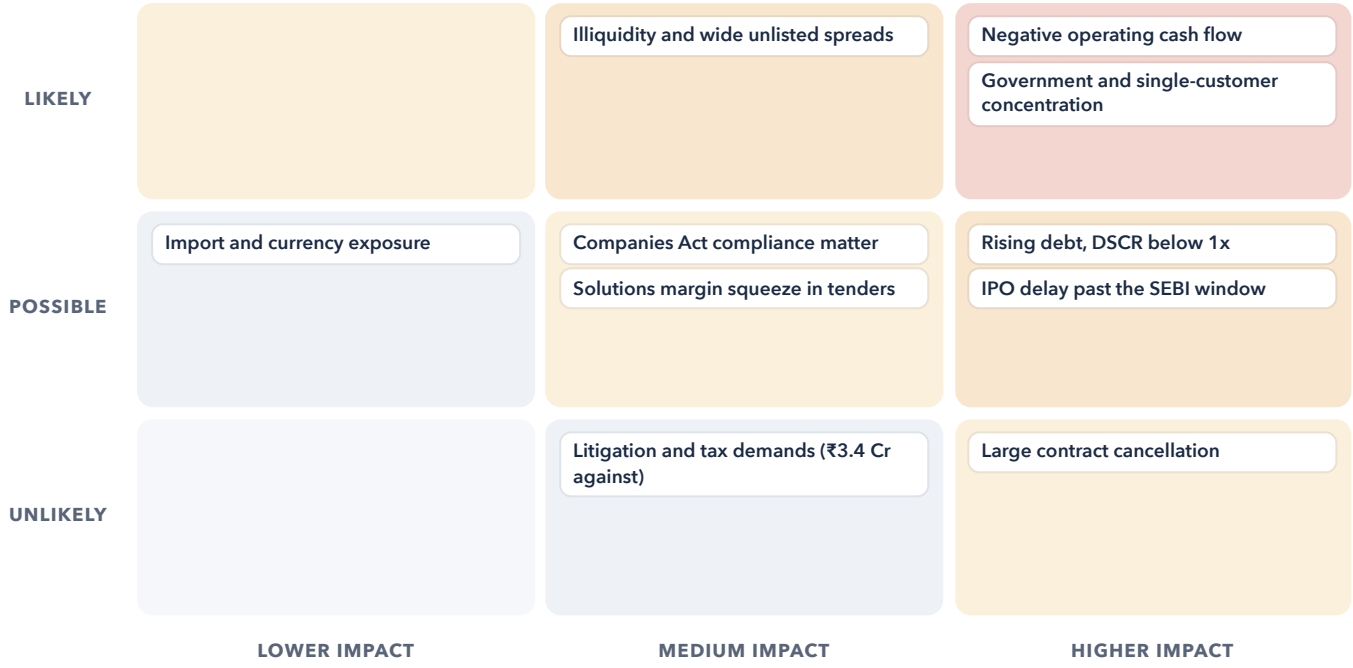


Unlisted shares are illiquid and risky. Read the disclosures on the last page.

10 · RISKS AND GOVERNANCE

Risk map

Our assessment of the main risks by likelihood and impact on shareholders over the next 12–18 months.



Governance notes

- The secretarial audit flags past non-compliance with Companies Act sections 177, 178 and 149(4) (audit committee, nomination committee, independent directors). A compounding application filed with the NCLT in March 2025 was withdrawn in December 2025 and is pending with the Registrar of Companies.
- Two group-company stakes were transferred to the MD, Arun Gupta, in 2022 and 2024.
- The MD has personally guaranteed a ₹1 Cr term loan from Artline Finance.
- Board changes in May 2025: Amita Gupta stepped down; Drishti Gupta (non-executive) and Asha Anil Agarwal (independent) joined.

Litigation (DRHP)

Claims filed by the company	₹15.20 Cr
incl. arbitration against BECIL	₹4.50 Cr
Proceedings against the company	₹1.69 Cr
Income-tax demands	₹1.68 Cr

None of these is large against ₹249 Cr of net worth.

What offsets the risks. Retention money (~₹63 Cr) and unbilled work are released as projects are signed off, so collections can catch up quickly once the build phase slows. The services book is recurring and high-margin. A listing would add disclosure, quarterly results and an exit route; and the government is a slow payer, but it rarely defaults.

11 · WHAT TO WATCH

Six things that will move the value

- **RHP and price band.** The SEBI observation is valid for 12 months; a filed RHP before late January 2027 would confirm the listing path.
- **H1 FY27 cash flow.** A positive operating cash flow would remove the biggest discount on the stock.
- **Receivable collections.** Watch receivables over one year (₹28.7 Cr) and contract assets (₹145.5 Cr).
- **Order wins.** New railway, oil and gas and police contracts to rebuild the ₹199 Cr order book.
- **Services mix.** A rising share of AMC and O&M revenue supports margins and a higher multiple.
- **Compliance closure.** Resolution of the Companies Act matter with the Registrar.

Sources

1. Transline Technologies DRHP (Aug 2025) via Chittorgarh: chittorgarh.com/ipo/transline-technologies-ipo/2575 (restated FY23–FY25 financials, KPIs, offer structure).
2. FY26 annual report analysis, UnlistedZone, 8 Aug 2026: unlistedzone.com/transline-technologies-fy26-annual-report-analysis.
3. DSIJ, 17 Nov 2026: "Transline Technologies IPO: Revenue rises 31.6% in FY26, PAT jumps 45.4%".
4. Priveq, 10 Aug 2026 (updated 29 Sep 2026): "Real growth, two years of burned cash" (DRHP KPIs, placements, governance).
5. Investing.com, 13 Oct 2026 and DSIJ, 13 Oct 2026 (IPO structure and peer set); IPOPlatform peer comparison (DRHP peer table).
6. ShareSaathi daily ask prices, 17 Jun – 29 Nov 2026.

Where sources differ we use the DRHP or annual-report figure: FY24 revenue ₹225.89 Cr (some sources round to ₹228 Cr); FY26 operating cash flow −₹7.21 Cr (one source prints −₹72.13 Cr, which does not reconcile with the cash-flow bridge); promoter group 70.81%.

Disclosures

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Buying Transline shares on ShareSaathi

1
Request a quote
On the Transline share page or on WhatsApp. Lot size 1,000 shares.

2
Confirm the price
ShareSaathi confirms price and availability before you pay.

3
Pay
Full payment, or part payment on orders of ₹10,000 and above.

4
Shares in your demat
Credited to your NSDL or CDSL demat account.

sharesaathi.com/shares/transline-technologies-limited-unlisted-shares