Technocraft Ventures Limited

05-08-26

Subscribe- Long Term

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Issue Details

Issue Details	
Issue Size (Value in ₹ million, Upper Band)	2,519
Fresh Issue (No. of Shares in Lakhs)	95.05
Offer for Sale (No. of Shares in Lakhs)	23.76
Bid/Issue opens on	07-August-26
Bid/Issue closes on	11-August-26
Face Value	₹ 10
Price Band	200-212
Minimum Lot	70

Objects of the Issue

- **Fresh Issue: ₹ 2,015 million**
  - Funding net working capital requirements of the Company
  - General Corporate Purposes
- **Offer for sale: ₹ 504 million**

Book Running Lead Managers
Khambatta Securities Limited
Registrar to the Offer
Bigshare Services Private Limited

Capital Structure (₹ million)	Aggregate Value
Authorized share capital	400
Subscribed paid up capital (Pre-Offer)	301
Paid up capital (Post - Offer)	396

Share Holding Pattern %	Pre-Issue	Post Issue
Promoters & Promoter group	100	70
Public	0	30
Total	**100**	**100**

Financials

Particulars (Rs. In Million)	FY26	FY25	FY24
Revenue from operations	**3,450**	**2,796**	**2,261**
Operating Expenses	2,752	2,320	1,925
EBIDTA	**698**	**476**	**336**
Other Income	20	14	12
Depreciation	20	18	12
EBIT	**698**	**472**	**336**
Interest	115	92	79
PBT before Exceptional Items	**583**	**380**	**257**
Share of Profit/(Loss) of Associates	3	5	3
PBT	**586**	**385**	**260**
Tax Expense	153	103	70
Consolidated PAT	**433**	**282**	**190**
EPS	**10.9**	**7.1**	**4.8**
Ratio	**FY26**	**FY25**	**FY24**
EBITDAM	20.2%	17.0%	14.9%
PATM	12.6%	10.1%	8.4%
Sales growth	23.4%	23.7%	

Company Description

- Technocraft Ventures Limited is a multidisciplinary Engineering, Procurement and Construction (EPC) company engaged in the execution of turnkey public infrastructure projects across multiple segments, including water and wastewater infrastructure, roads and highways, electrical transmission, urban infrastructure, and long-term operation and maintenance (O&M) services. The company primarily undertakes projects for state governments, public sector agencies and urban local bodies across Northern and Central India.
- Established in 1998, the company commenced operations with residential and road construction projects in Uttar Pradesh before gradually diversifying into large-scale public infrastructure. Over the years, it has expanded its capabilities across the infrastructure value chain, enabling it to execute complex EPC projects from design and engineering to construction, commissioning and lifecycle maintenance
- The company's core business portfolio includes execution of Water Supply Scheme Projects (WSSPs), Sewerage Networks, Sewerage Treatment Plants (STPs), Wastewater Treatment Plants (WWTPs), transmission mains, reservoirs, trenchless and micro-tunnelling works, roads and highways, electrical transmission infrastructure, urban development projects and long-term O&M contracts. This diversified project portfolio reduces dependence on a single infrastructure segment while enhancing revenue visibility
- Technocraft Ventures derives a significant portion of its business from government-funded infrastructure projects, with contracts awarded through competitive tendering by state governments, public works departments, development authorities and other government agencies. The company has executed projects under several flagship government programmes, including the Jal Jeevan Mission (JJM), Namami Gange Programme, Atal Mission for Rejuvenation and Urban Transformation (AMRUT) among others.
- The company possesses integrated in-house execution capabilities spanning civil engineering, project design, construction, mechanical and electrical integration, testing, commissioning and long-term operations and maintenance. These capabilities enable Technocraft Ventures to provide end-to-end infrastructure solutions while supporting the long-term sustainability and efficient operation of public utility assets. Geographically, the company has established a strong presence across Uttar Pradesh, Uttarakhand, Rajasthan and the National Capital Territory of Delhi, while recently expanding into Madhya Pradesh, Bihar and Odisha. The company executes projects through dedicated site teams tailored to the requirements and locations of individual contracts, enabling effective project management across multiple states.

Valuation & Outlook

Technocraft Ventures Limited is a diversified EPC infrastructure company with over two decades of execution experience across water and wastewater infrastructure, roads and highways, electrical transmission, urban infrastructure and operation & maintenance services. The company has established a strong presence across Northern and Central India, supported by its integrated execution capabilities, long-standing relationships with government authorities and proven track record in executing complex public infrastructure projects.

At the upper price band, the company is valued at a P/E of 19.4x based on its FY26 annualized EPS of ₹14.39, implying a post-issue market capitalization of approximately ₹8,397 million.

Its diversified order book, expanding geographical presence and integrated EPC capabilities provide visibility for long-term growth. However, considering the proposed valuation relative to listed peers, the IPO appears **fairly valued.**

➢ **Description of Business**:

- Technocraft Ventures Limited is a multidisciplinary Engineering, Procurement and Construction (EPC) company engaged in the execution of turnkey public infrastructure projects across multiple segments, including water and wastewater infrastructure, roads and highways, electrical transmission, urban infrastructure and long-term operation and maintenance (O&M) services. Incorporated in 1998, the company commenced operations with residential and road construction projects in Uttar Pradesh and has since evolved into a diversified infrastructure developer. Its project portfolio includes Water Supply Scheme Projects (WSSPs), Sewerage Treatment Plants (STPs), Wastewater Treatment Plants (WWTPs), sewerage networks, transmission mains, reservoirs, trenchless and micro-tunnelling works, electrification projects and urban development initiatives. The company primarily executes projects for state governments, public works departments, urban local bodies and other government agencies through a competitive tender-based model across Uttar Pradesh, Uttarakhand, Rajasthan, the National Capital Territory of Delhi, and more recently, Madhya Pradesh, Bihar and Odisha.
- Over the years, Technocraft Ventures has strengthened its technical capabilities through strategic diversification and expansion into high-growth infrastructure segments. The acquisition of Ultratech Engineers in 2016 enhanced its expertise in wastewater infrastructure and enabled participation in larger and more complex EPC contracts, while subsequent expansion into electrical transmission, multilateral agency-funded projects and specialized micro-tunnelling works further broadened its execution capabilities. The company has executed projects under several flagship government programmes, including Jal Jeevan Mission (JJM), AMRUT, Namami Gange, JNNURM, UIDSST and PMGSY, as well as projects funded by the Asian Development Bank (ADB). Supported by integrated in-house capabilities spanning design, engineering, construction, commissioning and long-term O&M services, Technocraft Ventures has consistently expanded its order book and geographic presence, with annual revenue growing from over ₹450 million in 2007 to more than ₹3,400 million in Fiscal 2026, reflecting its established track record in India's public infrastructure sector.

Business Segment	Core Services
Water & Wastewater Infrastructure	EPC execution of Water Supply Scheme Projects (WSSPs), Sewerage Networks, Sewerage Treatment Plants (STPs), Wastewater Treatment Plants (WWTPs), transmission mains, reservoirs, trenchless works and micro-tunnelling projects.
Roads & Highways	EPC construction, widening, strengthening and rehabilitation of roads and highways.
Electrical Transmission	Execution of electrification schemes, substations and transmission line projects.
Urban Infrastructure	Sector-level planning and execution of residential building and urban development projects.
Operation & Maintenance (O&M)	Long-term operation and maintenance of STPs, WSSPs, sewerage networks, substations, roads and highways.

- **Their Order Book**
  - **Water & Wastewater Infrastructure**: As of July 15, 2026, Technocraft Ventures had a total order book of ₹13,207 million, representing the value of unexecuted work across its ongoing projects, including the operation and maintenance (O&M) component. Of the total order book, projects worth ₹9,176 million are being executed through joint ventures, highlighting the company's ability to undertake large and complex infrastructure projects in partnership with established industry participants. The order book is predominantly concentrated in the Water & Wastewater Infrastructure segment, reflecting the company's strategic focus on government-led investments in water supply, sewerage and wastewater management. The company's ongoing projects are spread across Delhi, Rajasthan, Madhya Pradesh, Uttar Pradesh, Bihar and Odisha, with contracts awarded by government departments and public sector agencies under flagship programmes such as AMRUT 2.0, Namami Gange and various state-funded infrastructure schemes. The portfolio comprises projects involving sewerage networks, sewage treatment plants (STPs), water transmission mains, water supply systems, micro-tunnelling works and urban wastewater infrastructure, many of which also include long-term O&M contracts.
  - **Roads and Highways**: Under the 100% State Government-funded category, the company is executing a road widening and strengthening project in Saharanpur, Uttar Pradesh, with a contract value of ₹666 million. As of July 15, 2026, work worth ₹560 million had been completed, leaving an unexecuted order value of ₹105 million. The project is being executed independently by Technocraft Ventures.
  - **Order Book for Operations and Maintenance (O&M) Works**: As of July 15, 2026, Technocraft Ventures had an Operations & Maintenance (O&M) order book of ₹153 million, with 100% of the contracts executed independently by the company. The O&M portfolio primarily comprises long-term maintenance contracts for sewage treatment plants (STPs), wastewater infrastructure and road projects across Uttar Pradesh and Rajasthan. Major contracts include O&M services for STPs in Greater Noida, an ADB-funded sewerage project in Udaipur, and road maintenance projects in Saharanpur. These contracts provide recurring revenue streams, enhance cash flow visibility and strengthen long-term relationships with government authorities beyond the EPC execution phase.
  - **Order Book for Completed Projects:** Over the last five years, Technocraft Ventures has built a strong execution track record across water and wastewater infrastructure, roads, urban infrastructure and electrical distribution projects, successfully completing 18 projects for various central and state government agencies. The completed portfolio includes sewerage networks, sewage treatment plants (STPs), water supply projects under the Jal Jeevan Mission, Namami Gange and AMRUT schemes, road construction and maintenance projects, electrical distribution infrastructure under the Revamped Distribution Sector Scheme (RDSS), as well as urban residential construction works. Several projects were executed independently, while large-scale infrastructure contracts were undertaken through joint ventures with partners such as EMS Limited and VVIP Infratech Limited. The company's successful completion of complex EPC projects across multiple states, including Uttar Pradesh, Rajasthan, Uttarakhand and Delhi-NCR, demonstrates its execution capabilities, technical expertise and ability to deliver projects within government infrastructure programmes, strengthening its credentials for securing future public infrastructure contracts.
  - **Details of their ongoing and completed projects as on July 15, 2026:**

Sr. No.	Particulars	By the Company	Through Joint Ventures	Total
1	Ongoing Projects (Includes 5 Operation & Maintenance (O&M) projects)	12	7	19
2	Completed Projects (Last 5 Years)	14	4	18

- **Details of their contract value of their ongoing order book as on July 15, 2026 are as under:**

Sr. No.	Project Segment	Number of Projects	Contract Value (₹ million)
1	Water & Wastewater Infrastructure	13	18,563
2	Roads & Highways	1	666
3	Operation & Maintenance (O&M)	5	249
Total	**—**	**19**	**19,477**

Note: Contract values are exclusive of applicable taxes. In addition, the company has recently secured L1 bidder status for a Delhi Jal Board project under AMRUT 2.0 with a contract value of ₹1,965 million, which is not included in the above order book.

- **Success Ratio of the Company:** The company's bidding track record demonstrates a healthy conversion rate across both standalone and joint venture projects. Between FY2024 and July 15, 2026**,** the company submitted 56 standalone bids, of which 20 bids were either cancelled or remained pending, resulting in 36 net bids**.** Out of these, the company secured 13 contracts**,** translating into an overall bid conversion ratio of 36.1%**.** The standalone bid conversion stood at 37.5% in FY2024**,** improved to 55.6% in FY2025, and moderated to 29.4% in FY2026, while no standalone project had been awarded during the period up to July 15, 2026.The company has also demonstrated strong execution capabilities through joint venture (JV) partnerships, particularly where it acts as the lead partner. During the same period, it submitted nine bids as the lead JV partner, with eight net bids after excluding pending bids. The company secured six contracts, resulting in an overall success ratio of 75.0%**,** including a 100.0% conversion rate in FY2024 and 75.0% in FY2026**.** As a non-lead JV partner, however, the company did not secure any project awards during the reported period, with all bid conversion ratios remaining at **0.0%**. Overall, the company's bidding performance highlights a strong capability in independently executing projects and leading strategic joint ventures for large infrastructure contracts.
- **Segment wise bifurcation of contracts secured/executed by the Company in the last 5 years:**

Business Segment	Number of Projects
Water & Wastewater Infrastructure	27
Roads & Highways	2
Electrical Transmission	1
Urban Infrastructure	1
Operation & Maintenance (O&M)	6
Total	**37**

- **Segments of the Business Operations**

  - **Water & Wastewater Infrastructure:** Water & Wastewater Infrastructure is the core business segment of Technocraft Ventures and comprises turnkey EPC execution of wastewater treatment, sewerage networks, water supply systems and advanced trenchless infrastructure projects. In the wastewater segment, the company undertakes the end-to-end design, construction and commissioning of sewerage networks and Sewage Treatment Plants (STPs), utilizing technologies such as Sequential Batch Reactor (SBR) and Upflow Anaerobic Sludge Blanket (UASB). Its capabilities include laying pipelines of various materials and diameters, construction of house connection chambers, sewage pumping stations and associated infrastructure, followed by long-term operation and maintenance contracts of up to 15 years. In the water supply segment, the company specializes in executing Water Supply Scheme Projects (WSSPs), transmission mains and underground utility infrastructure using advanced trenchless construction techniques, including microtunnelling and Horizontal Directional Drilling (HDD). These technologies enable pipeline installation with minimal surface disruption, particularly in densely populated urban areas and locations with existing utility networks. The company also undertakes testing, commissioning and construction of associated infrastructure such as manholes and access chambers, demonstrating strong technical capabilities in executing complex water and wastewater infrastructure projects.
  - **Electrical Transmission:** The Electrical Transmission segment comprises the execution of power transmission and distribution infrastructure projects for state electricity utilities. The company's capabilities span the complete project lifecycle, including survey, design, engineering, construction, testing and commissioning of transmission lines, substations and distribution networks. Its portfolio includes the installation of 33 kV and 11 kV overhead and underground transmission lines, construction of substations, power transformers, and implementation of distribution infrastructure such as Aerial Bunched Cables (ABC), XLPE cables and armored LT cables. Technocraft Ventures has executed projects under government programmes such as RGGVY and RAPDRP for utilities including PVVNL and DVVNL, while also providing power quality solutions, metering systems and street lighting automation in accordance with applicable state and central power sector standards.
  - **Roads and Highways:** The Roads & Highways segment involves the execution of EPC contracts for the construction, widening, strengthening and rehabilitation of road infrastructure under state and national road development programmes. The company has established a strong execution track record through projects undertaken for Public Works Departments (PWDs) and highway authorities, primarily in Uttar Pradesh. Its scope of work covers the entire project lifecycle, including design, procurement, earthwork, pavement construction, bituminous surfacing and final commissioning. The company also undertakes associated infrastructure works such as road signage, pavement markings, safety barriers, bus bays and other roadside amenities. A notable ongoing project is the widening and strengthening of the 40.4 km Daulatpur–Nanouta–Mangalore Road in Saharanpur, Uttar Pradesh.
  - **Urban Infrastructure:** The Urban Infrastructure segment primarily comprises the EPC execution of residential building projects. The company undertakes end-to-end civil construction activities while adhering to prescribed technical specifications, quality standards, safety requirements and project timelines. Its expertise in project planning, procurement and execution enables it to deliver durable and high-quality residential infrastructure, contributing to the development of planned urban communities.
  - **Operation & Maintenance (O&M):** The Operation & Maintenance (O&M) segment complements the company's EPC business by providing long-term management of wastewater treatment plants (WWTPs), sewage treatment plants (STPs), sewerage networks and road infrastructure. These services include plant operations, preventive and corrective maintenance, equipment monitoring and performance

optimization, ensuring efficient asset utilization throughout their lifecycle. The O&M business generates recurring revenue, strengthens client relationships and enhances earnings visibility. In addition to O&M services linked to EPC projects, the company also undertakes standalone O&M contracts, generating ₹57.7 million in revenue during FY2026.

- **Segment wise Revenue Bifurcation:** The business segment wise bifurcation of revenue for the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024 are as below:

(₹ in million, unless stated otherwise)

Revenue Segment	FY2026	% of Revenue	FY2025	% of Revenue	FY2024	% of Revenue
Water & Wastewater Infrastructure	2,948	85.4	2,243	80.2	2,055	90.9
Roads & Highways	444	12.9	20	0.7	–	0.0
Urban Infrastructure	–	–	248	8.9	–	0.0
Electrical Transmission	–	–	210	7.5	–	0.0
Operation & Maintenance (O&M)	58	1.7	25	0.9	14	0.6
Sale of Material	1	0.0	49	1.8	192	8.5
Total Revenue from Operations	**3,450**	**100.0**	**2,796**	**100.0**	**2,261**	**100.0**

- **Their Business Process:** The company's project execution process follows a structured lifecycle comprising pre-bidding, post-award execution and project completion. During the pre-bidding stage, Technocraft Ventures identifies opportunities through government e-procurement portals and evaluates tenders based on project scope, technical eligibility, commercial viability and resource availability. Where necessary, the company forms joint ventures to qualify for larger infrastructure contracts. Following detailed technical assessments, site visits, cost estimation and preparation of technical and financial bids, proposals are submitted through a competitive bidding process with a focus on disciplined pricing and profitability. Upon contract award, the company mobilizes manpower, equipment and site infrastructure while undertaking engineering design, procurement and phased construction in accordance with approved plans. Project progress is monitored through periodic measurements and milestone-based billing, with management ensuring adherence to quality, safety and delivery timelines. Upon completion, projects undergo testing, commissioning and performance validation before commercial operations commence. Contracts involving long-term Operation & Maintenance (O&M) services continue beyond commissioning, providing recurring revenue while ensuring asset performance throughout the contractual maintenance period.

Various Steps involved in the Process of their Business Operation

- **Suppliers:** The table below set forth the list of the Company's suppliers for the financial year ended on March 31, 2026, March 31, 2025 and March 31, 2024.

Top 10 Suppliers	FY26	FY25	FY24
Total Procurement from Top 10 Suppliers (₹ million)	1,106	1,331	1,038
% of Cost of Revenue from Operations	47.3%	53.9%	54.4%
Largest Supplier Contribution (₹ million)	239	657	606
Largest Supplier Contribution (% of Cost of Revenue)	10.2%	26.6%	31.8%
2nd Largest Supplier (₹ million / %)	206 / 8.8%	204 / 8.3%	99 / 5.2%
3rd Largest Supplier (₹ million / %)	141 / 6.0%	141 / 5.7%	64 / 3.4%
Remaining Top 7 Suppliers (₹ million)	520	328	270

- **Customers:** During the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024, the Company has generated majority of revenue through government tenders only. The table below sets forth their revenue from Government and Government authorities and from Private clients for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 indicated:

Particulars	FY26	FY25	FY24
Revenue from Government (₹ million)	3,449	2,275	1,742
% of Revenue from Operations	100.0%	81.4%	77.0%
Revenue from Private Sector (₹ million)	1	521	520
% of Revenue from Operations	0.0%	18.6%	23.0%
Total Revenue from Operations (₹ million)	**3,450**	**2,796**	**2,261**

The tables below set forth the list of the Company's customers for the financial year ended on March 31, 2026, March 31, 2025 and March 31, 2024.

Top 10 Customers	FY26	FY25	FY24
Revenue from Top 10 Customers (₹ million)	3,301	2,729	2,251
% of Revenue from Operations	95.7%	97.6%	99.6%
Largest Customer Contribution (₹ million)	848	644	594
Largest Customer Contribution (% of Revenue)	24.6%	23.1%	26.3%
2nd Largest Customer (₹ million / %)	840 / 24.4%	508 / 18.2%	431 / 19.1%
3rd Largest Customer (₹ million / %)	476 / 13.8%	446 / 16.0%	362 / 16.0%
Remaining Top 7 Customers (₹ million)	1,137	1,576	1,457

The details of repeated customers for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 are as mentioned below:

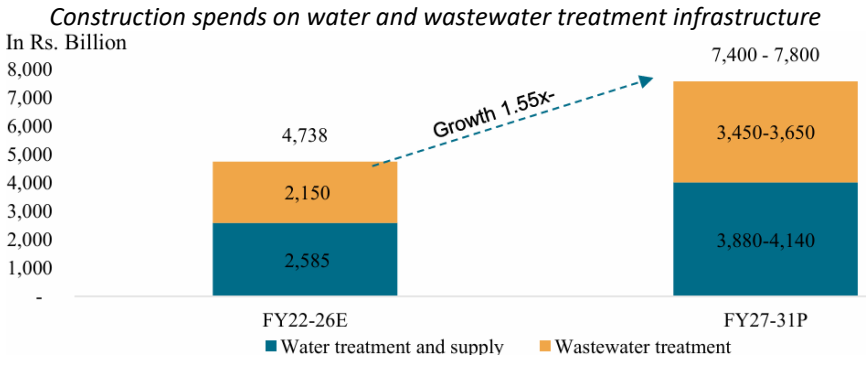
Particulars	FY26	FY25	FY24
Total Customers (PAN-wise)	19	14	11
Repeated Customers	9	10	4
Repeated Customers (%)	47.4%	71.4%	36.4%

- **SWOT Analysis**
  - **Strength:** The company is a diversified EPC contractor with expertise across water & wastewater infrastructure, roads, electrical transmission, and urban infrastructure. It has laid over 1,200 km of sewer pipelines (around 750 km commissioned) and completed major STP projects while executing projects under flagship government schemes such as AMRUT, Jal Jeevan Mission, and Namami Gange. Supported by strong in-house engineering capabilities, advanced technologies, and an unexecuted order book of ₹13,054.45 million (as of July 15, 2026), the company is well positioned for future growth.
  - **Weakness:** The company's operations are geographically concentrated in Northern India, increasing regional risk exposure. It derives nearly all revenue from government contracts, making it vulnerable to policy changes and payment delays. Large EPC projects require significant working capital, while fluctuations in raw material prices and subcontractor performance may affect margins. Additionally, its brand recognition remains limited in the private sector, restricting diversification opportunities.
  - **Opportunity:** The company is well-positioned to benefit from rising government spending on water, sanitation, and urban infrastructure through schemes such as AMRUT 2.0, Jal Jeevan Mission, and Namami Gange. Growing adoption of smart infrastructure solutions, expansion into new geographies and private-sector EPC projects, increasing Public-Private Partnership (PPP) opportunities, and the integration of renewable energy and circular economy initiatives provide significant long-term growth potential.
  - **Threat:** The company faces risks from changes in government policies and regulations, intense competition in the infrastructure sector, and climate-related disruptions affecting project execution. Challenges such as skilled manpower shortages, supply chain delays, and rising technology adoption could increase costs, reduce margins, and require continuous investment to remain competitive.

➢ **Industry Snapshot:**

- **Overview of construction spend on Water Treatment, Wastewater Treatment and Supply Market:** India's water treatment, wastewater treatment, and water supply market has witnessed strong growth over the past five years, driven by increased government investments in water and sanitation infrastructure. Urban infrastructure investments recorded a 22% CAGR between Fiscal 2022 and Fiscal 2026, supported by flagship programs such as Jal Jeevan Mission, AMRUT, and Swachh Bharat Mission. According to CRISIL Intelligence, construction spending on water treatment, water supply, and wastewater treatment is projected at ₹7,400–7,800 billion during Fiscal 2027–2031, approximately 1.55–1.65 times the investment made in the previous five years. Water and wastewater projects are expected to account for over half of total urban infrastructure investments, led by state governments and centrally sponsored schemes. Growth has been supported by expansion of water treatment plants, renovation of existing facilities, pipeline network development, and adoption of technologies such as SCADA and leakage detection systems. With rising urbanization and increasing demand for clean water, future growth is expected to be driven by urban initiatives focused on 24x7 water supply and reduction of non-revenue water (NRW).

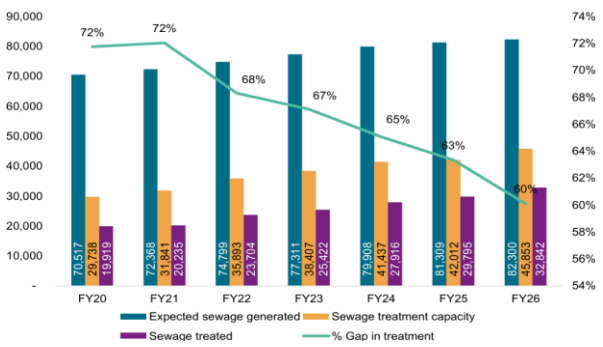
Construction spends on water and wastewater treatment infrastructure



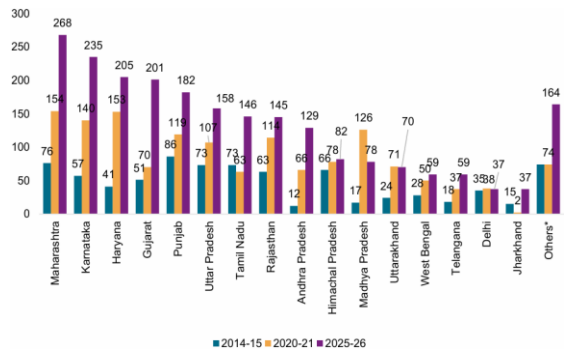
- **Overview of Wastewater Treatment landscape in India:** India's wastewater treatment sector is becoming increasingly important due to rising water demand, rapid urbanization, and growing environmental concerns. Water demand is projected to reach around 1,180 billion cubic metres by 2050, while nearly 600 million people already face high water stress. Although river water quality has improved, with contaminated rivers declining from 70% in 2015 to 46% in 2022, untreated municipal sewage and industrial effluents remain major pollution sources. By 2030, water demand is expected to exceed available supply, highlighting the urgent need for investments in wastewater treatment, recycling, and reuse infrastructure to support sustainable water management and economic growth.

- *Wastewater generation and treatment capacity in India:* India's wastewater generation has increased steadily from 70,517 MLD in Fiscal 2020 to an estimated 82,300 MLD by Fiscal 2026, driven by population growth and rapid urbanisation. Over the same period, sewage treatment capacity expanded from 29,738 MLD to 45,853 MLD, while actual sewage treated increased from 19,919 MLD to 32,842 MLD, reflecting improved utilisation of treatment infrastructure. Despite this progress, a significant treatment gap remains due to inadequate sewerage networks, ageing pipelines, and transmission losses that limit the volume of sewage reaching treatment plants. Maharashtra, Gujarat, Uttar Pradesh, Delhi, and Karnataka together account for more than half of the country's treatment capacity, supported by strong state-level investments and policy initiatives. Improved coordination between Public Health Engineering Departments (PHEDs) and Urban Local Bodies (ULBs), along with continued expansion of sewerage infrastructure and treatment facilities, is expected to enhance STP utilisation and strengthen India's wastewater management capabilities in the coming years.

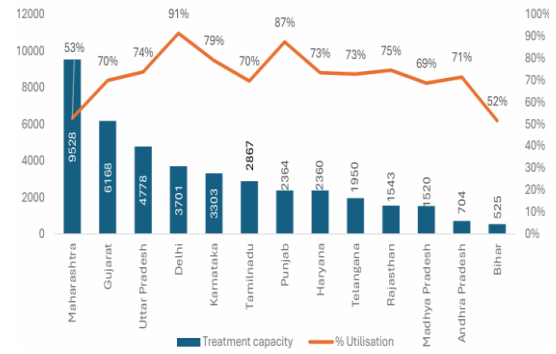
STP capacity vs utilisation (In MLD, %)



Number of STPs across states



STP capacity across states (FY25-26)



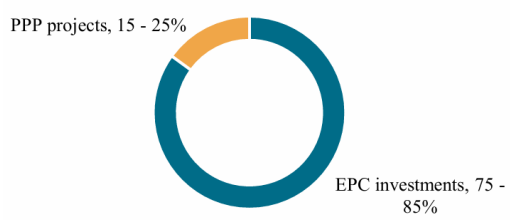
- *Wastewater treatment technologies:* The wastewater treatment industry employs various advanced technologies to remove contaminants and pollutants from water. Key treatment methods include the Activated Sludge Process (ASP), which uses microorganisms to decompose organic matter, and Membrane Bio Reactor (MBR), which combines biological treatment with membrane filtration. Moving Bed Bio Reactor (MBBR) uses biomass carriers for efficient microbial growth, while Sequencing Batch Reactor (SBR) performs multiple treatment stages within a single tank. Other technologies include trickling filters, Rotating Biological Contactors (RBC), UASB reactors, constructed wetlands, and advanced oxidation processes. In India, wastewater projects are primarily implemented through EPC, PPP, and PPP-HAM models, with increasing adoption of PPP-HAM.

- **Overview of EPC Mode:** The EPC (Engineering, Procurement, and Construction) model has evolved as infrastructure projects have become more complex, shifting project management responsibilities from owners to contractors. Under EPC contracts, contractors are responsible for project design, procurement, construction, and commissioning while bearing risks related to cost and time overruns. These contracts integrate design and procurement activities, reducing project timelines and protecting owners from currency and interest rate fluctuations. EPC projects typically include civil works, equipment installation, and customized solutions based on client requirements. Selection of EPC contractors depends on experience, financial strength, credit rating, workmanship, technological capabilities, and project execution record. In India, EPC contractors are generally selected through a two-stage bidding process involving technical and financial evaluations, assessing industry expertise, resources, turnover, net worth, and working capital requirements.

  - *Overview of entry barriers for EPC industry in India:* The EPC industry in India has significant entry barriers due to the complexity and scale of infrastructure projects. High capital requirements for equipment, technology, and skilled manpower make it difficult for new players to compete. Strict regulatory and compliance requirements related to safety, environment, and labour further increase challenges. EPC projects require specialized technical expertise, strong project management capabilities, and financial stability to manage risks such as cost overruns and delays. Additionally, the presence of established players with strong industry relationships and market experience creates intense competition, making market entry challenging for new companies.

- **Overview of of PPP model:** The Public Private Partnership (PPP) model has become an important approach for implementing water and wastewater treatment projects in India, enabling collaboration between government authorities and private sector players. Among various PPP structures, the Hybrid Annuity Model (HAM) has gained significant popularity due to its balanced risk-sharing mechanism. Under HAM, the government provides 40% of the project cost during the construction phase, while the remaining 60% is paid to the private developer through annuity payments during the operation period along with applicable interest. Other PPP models include Design-Build-Operate-Transfer (DBOT), Design-Build-Operate (DBO), Build-Own-Operate-Transfer (BOOT), Design-Build-Finance-Operate-Transfer (DBFOT), and Build-Operate-Transfer (BOT), where private entities undertake varying levels of responsibility for designing, financing, constructing, and operating projects.Despite the increasing adoption of PPP models, EPC (Engineering, Procurement, and Construction) continues to dominate the water infrastructure sector. Assessment of water supply, sanitation, wastewater management, and treatment projects indicates that approximately 75–85% of investments are executed through the EPC route, while PPP projects account for around 15–25%. In water supply projects alone, more than 95% of investments are implemented through EPC contracts due to their simpler execution structure and lower operational risks. EPC remains the preferred model for most projects, while PPP models are gradually gaining traction for large-scale and long-term infrastructure developments.

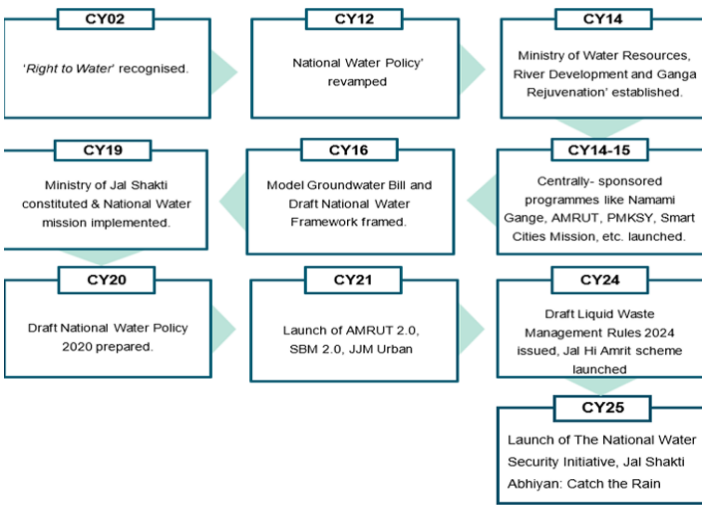
EPC investments in the water (irrigation + WSS) sectors



- **Key projects across Water and Wastewater Treatment Sector in India:** The Indian water and wastewater treatment sector has witnessed substantial growth, supported by several large-scale infrastructure projects across water supply, treatment, desalination, and wastewater management segments. These projects aim to address increasing water demand, improve urban water availability, and enhance wastewater management capabilities across various states. In the water treatment and supply segment, major projects include the Bhandup Water Treatment Plant in Maharashtra with a capacity of 2,000 MLD, one of the largest projects under execution, and the Wazirabad Water Treatment Plant in Delhi with a capacity of 455 MLD. Other significant projects include the Bilga Water Treatment Plant in Punjab (580 MLD), Aluva Water Treatment Plant in Kerala (190 MLD), Indore Water Supply Scheme in Madhya Pradesh (400 MLD), and the Telangana Drinking Water Supply Scheme covering multiple districts through extensive networks of pipelines, pumping stations, and treatment plants. The desalination segment is gaining importance due to increasing water scarcity and coastal water requirements. Key upcoming and ongoing projects include the Manori Desalination Plant in Maharashtra with a capacity of 400 MLD, Vadinar Desalination Plant in Gujarat, Visakhapatnam Desalination Plant in Andhra Pradesh, and Karedu and Kona desalination projects in Andhra Pradesh. In the wastewater treatment sector, several major projects are being developed to improve sewage management and environmental sustainability. Important projects include the Worli Wastewater Treatment Plant in Maharashtra with a capacity of 500 MLD, Malad Wastewater Treatment Plant with 454 MLD capacity, Dharavi Wastewater Treatment Plant with 418 MLD capacity, and Bandra Wastewater Treatment Plant with 360 MLD capacity. Other projects include sewage treatment plants in Hyderabad, Gujarat, and Uttar Pradesh. These investments demonstrate India's increasing focus on strengthening water infrastructure and improving wastewater treatment capabilities.

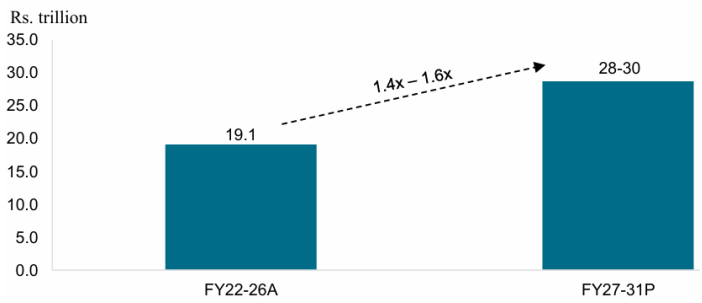
- **Key Growth Drivers:** The Indian water treatment, supply, and wastewater treatment market is expected to grow due to several key drivers. Innovative financial models such as the Hybrid Annuity Model (HAM), government support, international funding from organisations like the World Bank and Asian Development Bank, and increasing private sector participation are improving project viability. Wastewater reuse regulations and the creation of markets for treated water and sludge-based compost are unlocking additional revenue opportunities. Integrated water management initiatives, energy-efficient technologies, and government focus on water security are further supporting sector development. Initiatives such as 24x7 water supply programmes, river interlinking projects, and advanced technologies like SCADA systems, smart meters, and predictive maintenance are enhancing efficiency. Growing private participation through performance-based contracts and efforts to reduce non-revenue water (NRW) through improved metering systems are also contributing to sustainable growth in India's water infrastructure sector.

- **Government Policies and Regulatory Framework & Initiatives in India:** The Indian government has implemented various policies and regulatory frameworks to support the development of the water management sector. While water management is primarily a state government responsibility, the central government provides financial and technical support through several national initiatives. The National Water Mission focuses on water conservation, rainwater harvesting, and improving water-use efficiency to ensure sustainable water resource management. A key initiative is the Jal Jeevan Mission (JJM), launched in 2019, which aims to provide Functional Household Tap Connections (FHTCs) to all rural households. The mission promotes community participation, sustainable water management, and technological innovations such as solar-powered water supply systems. Funding support varies across regions, with higher central funding provided to Himalayan, northeastern states, and Union Territories. The mission has significantly increased rural tap water coverage through infrastructure development and capacity building. The AMRUT 2.0 scheme, launched in 2021, focuses on making cities water secure through universal piped water supply, sewerage management, wastewater reuse, and rejuvenation of water bodies. The scheme encourages technology adoption and public-private partnerships, particularly in larger cities. It also promotes a circular economy by encouraging recycling and reuse of treated wastewater. The Namami Gange Programme, launched in 2014, aims to restore the quality of the Ganga River through pollution control, sewerage infrastructure development, industrial wastewater management, and community participation. The programme has supported the construction of treatment facilities and implemented advanced monitoring technologies to improve river conservation. Additionally, the Smart Cities Mission promotes sustainable urban development through improved water supply, sanitation, digital solutions, and efficient infrastructure management. These government initiatives collectively strengthen India's water security, improve wastewater management, and encourage private sector participation in the sector.

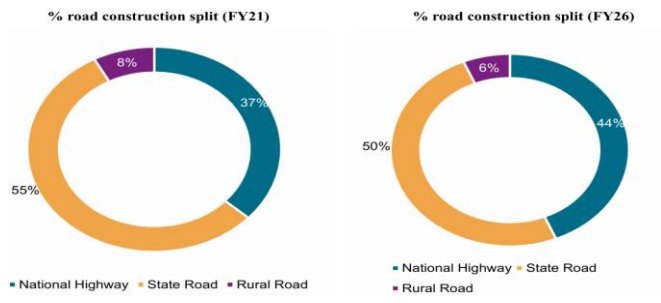


- **Overview of spend on Road Construction:** Investment in India's road construction sector grew at a CAGR of approximately 9% between FY21 and FY24, supported by strong national highway project approvals and execution. However, highway awarding declined by 31% in FY24 to 8,581 km and remained subdued in FY25, with a similar trend expected in FY26. Since construction generally begins around 18 months after project approval, this slowdown is likely to impact highway construction activity during FY27 and FY28. Despite this, capital expenditure is projected to grow at a CAGR of 8–10% between FY26 and FY28, driven by the government's focus on expanding high-capacity highways and developing 20,000 km of High-Speed Corridors. The revival of the Build-Operate-Transfer (BOT) model and increasing private sector participation are expected to support future investments. Additionally, asset monetisation through Toll-Operate-Transfer (TOT) and Infrastructure Investment Trusts (InvITs) is helping finance new projects. State roads are expected to account for nearly 50% of road sector capital expenditure in FY26, while the spending mix has gradually shifted from national highways towards state roads, reflecting their growing importance in supporting regional connectivity and economic development.

- *Spend on Road Construction*

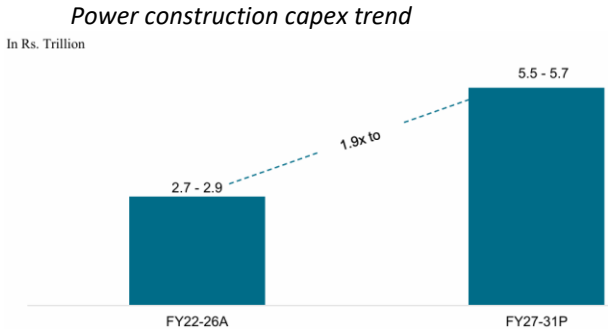


% Spend split in road construction

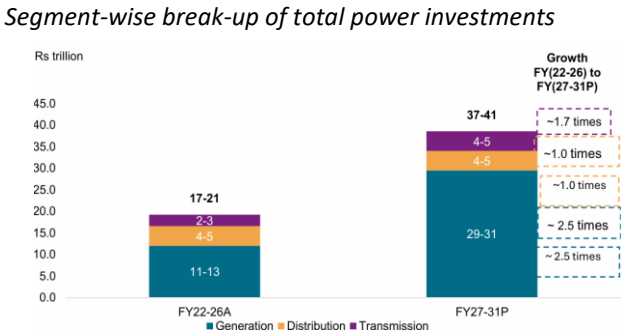


- **<u>Overview of Construction spends in Indian Power Sector:</u>** India's power sector is expected to witness strong investment growth, driven primarily by renewable energy expansion and improvements in transmission and distribution (T&D) infrastructure. Construction spending in the sector is estimated to have increased significantly in FY26 due to rapid renewable energy capacity additions. Renewable capacity is projected to reach nearly 319 GW by FY28, reflecting India's transition toward cleaner sources of energy. Although construction spending is expected to moderate during FY27–FY28, overall investments will remain robust, with total power sector investments of ₹37–41 trillion projected during FY27–FY31. Power generation investments are expected to increase nearly 2.5 times compared to FY22–FY26, with renewable energy accounting for more than half of total generation investments. Capacity additions of 260–270 GW from renewable sources and 35–40 GW from coal-based plants are anticipated during FY27–FY31 to balance clean energy growth with base-load power requirements. Transmission investments of ₹4–5 trillion will support renewable energy integration through expansion of interstate transmission networks, while distribution investments of a similar magnitude will focus on infrastructure upgrades and smart meter deployment under the Revamped Distribution Sector Scheme (RDSS). However, challenges such as transmission project delays, land acquisition issues, Right of Way (RoW) constraints, and rising material and labour costs continue to impact project execution and increase capital expenditure.

Power construction capex trend



Segment-wise break-up of total power investments



- **<u>Overview of Power Generation Capacity in India:</u>** India's installed power generation capacity reached approximately 543 GW as of June 2026, with thermal power contributing around 252 GW, renewable energy sources accounting for 283 GW, and nuclear power about 9 GW. Renewable capacity has expanded rapidly in recent years, driven by increased investments in solar, wind, and other non-fossil energy sources. By FY32, India's total installed capacity is projected to reach around 900 GW, with renewable energy contributing nearly 596 GW, representing about two-thirds of total capacity. The country is also expected to achieve its target of 500 GW of non-fossil energy capacity by 2030, supported by continued renewable investments and the expansion of energy storage systems such as pumped storage projects (PSP) and battery energy storage systems (BESS).

- **<u>Overview of Power Demand Capacity in India:</u>** India's power demand is expected to maintain strong growth, with electricity consumption projected to grow at a 5–7% CAGR during FY27–FY31. Demand is expected to be driven by economic growth, rising industrial activity, urbanization, higher disposable incomes, and increasing electricity access. The industrial and commercial sectors will remain the largest consumers, supported by manufacturing expansion under the Production-Linked Incentive (PLI) scheme, infrastructure development, and growth in services. Rising temperatures and increased use of air conditioning are expected to boost residential electricity demand, while railway electrification, electric vehicle adoption, metro projects, and smart city initiatives will further increase consumption. Continued government initiatives promoting universal electrification and 24×7 power supply are also expected to support long-term growth in electricity demand.

➢ **<u>Key Strengths:</u>**

- **Diversified EPC capabilities across Core Infrastructure Sectors:** The company is a diversified EPC contractor with expertise across water & wastewater infrastructure, roads & highways, electrical transmission, urban infrastructure, and long-term O&M services, enabling it to execute projects on an end-to-end basis. It has established a strong execution track record, having laid over 1,200 km of sewer pipelines across multiple cities, with around 750 km commissioned as of July 15, 2026. Its capabilities extend to water transmission infrastructure, including underground and elevated reservoirs, water pipelines, and advanced microtunnelling projects such as the Bhagirathi Water Treatment Plant transmission mains in Delhi. The company has successfully completed major STP projects in Ghaziabad (56 MLD), Pilkhuwa (3 MLD), and Shahjahanpur (40 MLD), while also undertaking long-term O&M contracts. It has executed projects under flagship government programs including AMRUT, Namami Gange, Jal Jeevan Mission, UIDSSMT, and JNNURM, serving reputed government clients such as Delhi Jal Board, RUDSICO, Uttar Pradesh Jal Nigam, PVVNL, DVVNL, and PWD.
- **Execution capabilities demonstrated through High-Value Government and Multilateral Projects, with strong Financial Growth:** The company possesses diversified EPC capabilities across multiple infrastructure segments, including water & wastewater infrastructure, roads & highways, electrical transmission, urban infrastructure, and long-term O&M services. It has developed strong expertise in executing turnkey projects involving water supply schemes, sewerage networks, STPs, WWTPs, reservoirs, transmission mains, and advanced trenchless and microtunnelling works. As of July 15, 2026, it had laid over 1,200 km of sewer pipelines, with around 750 km commissioned, and completed major STP projects in

Ghaziabad, Pilkhuwa, and Shahjahanpur. The company has also demonstrated its ability to execute complex, high-value government and multilateral-funded projects, including an ADB-funded Udaipur sewerage project with a 10-year O&M commitment. As of the RHP date, it is executing 19 government projects (including 5 O&M projects) and has recently secured L1 status for a Delhi Jal Board AMRUT 2.0 project worth ₹1,965 million. Its strong execution capabilities have driven robust revenue, EBITDA, and PAT growth over FY24–FY26.

- **In-House Engineering Strength with Technological Adaptation**: The company's execution capabilities are supported by an in-house engineering team of 78 professionals across civil, mechanical, electrical, instrumentation, and environmental disciplines, led by the Vice President (Engineering). The team enables efficient project planning, design, and execution across diverse infrastructure segments. It has successfully deployed advanced micro-tunnelling and trenchless technologies for laying large-diameter underground pipelines in densely populated urban areas, minimizing surface disruption. These technologies have been applied across projects in Delhi, Shahjahanpur, Jaunpur, Kotputli, Kota, Bikaner, Agra, Ghaziabad, Etah, Pilakhuwa, and Udaipur. They also utilize engineering software such as AutoCAD to enhance project monitoring, resource planning, execution accuracy, and timely delivery of technically complex infrastructure projects.
- **Regulatory-Approved Electrical works Capabilities with Statewide Licenses**: The Company holds Class A Electrical Contractor Licenses from the Electrical Inspectorate Department, Government of Rajasthan, and the Department of Electrical Safety, Government of Uttarakhand, authorizing it to independently execute high-tension (HT) and extra high-tension (EHT) electrical infrastructure projects. Its capabilities include substation construction, transformer installation, and HT/LT transmission and distribution works. The Company has successfully executed electrification projects under government schemes such as RAPDRP and RGGVY for utilities including PVVNL and DVVNL. Its experience in delivering electrical infrastructure projects and coordinating with state utilities positions the Company to capitalize on future opportunities under programs such as RDSS and DDUGJY.
- **Robust Order Book:** As on July 15, 2026, the Company had an unexecuted order book of ₹13,054.45 million and 5 O&M projects with a balance value of ₹152.87 million. Additionally, the Company has recently secured L1 status for a ₹1,964.68 million project awarded by the Delhi Jal Board under AMRUT 2.0. The Company believes its growing order book reflects its strong project execution capabilities, technical expertise, competitive pricing, timely delivery, and financial strength, which have enabled it to consistently secure new infrastructure projects across its core business segments.

➢ **Key Strategies:**

- **Strategic Expansion of Project Scale and Capacity to Enhance Market Position:** The Company intends to expand the scale and capacity of its infrastructure projects to strengthen its market position and capitalize on increasing investments in water and wastewater infrastructure. With over two decades of experience in executing technically complex EPC projects, the Company has established a strong presence in northern India and aims to undertake larger, high-value projects across the country. It has successfully executed STPs ranging from 3 MLD to 56 MLD and plans to expand into Common Effluent Treatment Plants (CETPs) with a target capacity of 50 MLD and 200 MLD STPs. Larger projects are expected to offer higher margins, reduced competitive intensity, economies of scale, and improved operational efficiency while enhancing the Company's pre-qualification for complex EPC and Hybrid Annuity Model (HAM) projects. This strategy aligns with government initiatives such as Jal Jeevan Mission and AMRUT 2.0, creating significant opportunities for long-term growth in the water infrastructure sector.

- **Expanding Geographic Presence to Capitalize on Infrastructure Demand:** The Company intends to expand its geographic presence beyond its established markets of Uttar Pradesh, Rajasthan, Uttarakhand, and the National Capital Territory of Delhi, while building on its recent expansion into Madhya Pradesh, Bihar, and Odisha. It plans to enter high-growth states such as West Bengal, Chhattisgarh, Jharkhand, and Maharashtra, driven by increasing urbanization and government investments in infrastructure. The Company aims to capitalize on opportunities arising from schemes such as AMRUT 2.0, Jal Jeevan Mission, Namami Gange, PM GatiShakti, and RDSS, which support water, wastewater, sewerage, and electrical infrastructure development. Leveraging its experience in executing large-scale STP, sewerage, and electrical projects, the Company seeks to strengthen its participation in these initiatives while addressing the growing demand for sustainable urban infrastructure. This geographic diversification strategy is expected to reduce regional concentration risk, broaden its revenue base, and support long-term business growth. The state wise bifurcation of revenue for the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024 are as below:

(₹ in million, unless stated otherwise)

State	Fiscal 2026 Revenue (₹ million)	% of Revenue	Fiscal 2025 Revenue (₹ million)	% of Revenue	Fiscal 2024 Revenue (₹ million)	% of Revenue
Uttar Pradesh	881.0	25.5%	756.4	27.1%	1,382.7	61.2%
Rajasthan	2,175.3	63.1%	1,665.4	59.6%	730.6	32.3%
Delhi	355.2	10.3%	163.5	5.9%	147.7	6.5%
Uttarakhand	–	–	210.3	7.5%	–	–
Madhya Pradesh	38.5	1.1%	–	–	–	–
Total	**3,450.0**	**100.0%**	**2,795.6**	**100.0%**	**2,261.0**	**100.0%**

- **On-site Renewable Energy Generation to Support Project Execution and Reduce Costs:** The Company aims to integrate renewable energy solutions into its infrastructure projects to improve operational efficiency, reduce energy costs, and support sustainability objectives. As part of this strategy, it is implementing solar power systems at STPs in Kota, Bikaner, and Kotputli under the AMRUT 2.0 scheme to supply power for plant operations and lower dependence on external electricity sources. The initiative is expected to generate long-term cost savings while supporting environmentally sustainable project execution. Going forward, the Company plans to expand solar installations across its wastewater treatment portfolio and future STP projects, leveraging government incentives for renewable energy adoption. It also intends to explore opportunities under the PM-KUSUM Yojana to strengthen its capabilities in solar power generation. Through these initiatives, the Company seeks to enhance operational efficiency, reduce its environmental footprint, and align its infrastructure projects with India's clean energy and climate sustainability objectives.

- **Capitalize on Government Policy Initiatives:** The Company aims to capitalize on the significant opportunities created by the Government of India's continued focus on infrastructure development, particularly in the water and wastewater sectors. Increasing urbanization and rising demand for clean water, sewerage, and sanitation infrastructure are expected to drive sustained investments in these areas. The Company intends to leverage its experience in executing public infrastructure projects to participate in key government programs, including Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Namami Gange, Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Swachh Bharat Mission (Urban), and Jal Jeevan Mission (JJM). As of the date of the Red Herring Prospectus, the Company is executing six projects under the AMRUT scheme, demonstrating its established presence in government-led infrastructure initiatives. By aligning its capabilities with these policy-driven programs, the Company seeks to strengthen its order book, expand its market presence, and achieve sustainable long-term growth.

- **Strategic diversification into High-Growth Sectors aligned with National Infrastructure Goals:** The Company intends to diversify its business into high-growth infrastructure segments that complement its core EPC capabilities and align with India's long-term infrastructure priorities. Its growth strategy focuses on renewable energy, solid waste management, satellite city development, and water resource optimization. The Company plans to expand the deployment of solar power solutions across its projects, building on ongoing installations at STPs in Kota, Bikaner, and Kotputli under AMRUT 2.0, while also exploring opportunities under the PM-KUSUM Yojana. It also aims to participate in the development of satellite cities by delivering integrated infrastructure solutions, including roads, water supply, sanitation, and power networks. In addition, the Company plans to enter the municipal solid waste management sector, including waste-to-energy solutions, to support sustainable urban development. It also intends to leverage its expertise in water transmission infrastructure to participate in the River Interlinking Project. Through this diversification strategy, the Company seeks to broaden its service offerings, reduce project concentration risk, and position itself for long-term growth in line with India's evolving infrastructure requirements.

- **Continue to enhance their core strengths by attracting, retaining and training qualified personnel:** The Company recognizes that skilled manpower is critical to maintaining quality, controlling costs, and ensuring timely project execution. To strengthen its execution capabilities, it focuses on continuous training and skill development of its engineering and technical workforce. Employees are provided with diverse project exposure, regular technical training, and opportunities to upgrade their knowledge of the latest construction systems, technologies, and engineering practices, enabling the Company to remain competitive and efficiently execute complex infrastructure projects.

➢ Financial & Operational Performance Indicators

Details of the KPIs for the Financial Years ended March 31, 2026, March 31, 2025, and March 31, 2024, are set out below:

(₹ in million, unless stated otherwise)

Key Financial Indicators	FY2026	FY2025	FY2024
Revenue from Operations	3,450	2,796	2,261
Total Income	3,470	2,810	2,273
EBITDA	722	496	350
EBITDA Margin (%)	20.9	17.8	15.5
Profit After Tax (PAT)	433	282	191
PAT Margin (%)	12.6	10.1	8.4
Operating Cash Flows	287	217	14
Net Worth	1,634	1,200	918
Net Debt	767	869	790
Debt-to-Equity (x)	0.6	0.7	0.9
Return on Equity (RoE) (%)	26.5	23.5	20.8
Return on Capital Employed (RoCE) (%)	27.7	23.1	19.8

➢ Peer Comparison

Company Name	Face Value (₹/Share)	Revenue from Operations (FY26) (₹ million)	EPS - Basic (₹)	EPS - Diluted (₹)	P/E (x)	NAV (₹/Share)	RoNW (%)
Technocraft Ventures Limited	10	3,450	14.39	14.39	**19.4**	54.28	26.5
Listed Peers							
EMS Limited	10	7,327	16.30	16.30	24.3	190.57	8.6
VA Tech Wabag Limited	2	39,442	59.51	59.51	31.9	415.11	14.4
Enviro Infra Engineers Limited	10	11,456	22.81	22.81	14.8	171.91	13.3
Denta Water and Infra Solutions Limited	10	2,504	10.41	10.41	20.8	58.72	15.2

➢ Key Risks:

- The company is significantly dependent on government contracts and programmes. Any delay or failure in securing new contracts, executing existing projects, receiving project approvals, or collecting payments from government authorities could materially impact revenue visibility, cash flows, profitability, and overall financial performance.
- The company's growth depends on securing government tenders, with a solo bid conversion rate of 29.41% in FY26 (8 of 17 net bids). Lower bid success, tender cancellations, qualification changes, or delays in project awards could adversely impact the order book, revenue visibility, and profitability.
- The company has a high geographic concentration, with Rajasthan and Uttar Pradesh contributing 88.58% and 86.63% of revenue in FY26 and FY25, respectively. Any adverse regulatory changes, political developments, or slowdown in infrastructure spending in these states could materially impact business operations and financial performance.

- The company operates in a working capital-intensive business, with working capital requirements of ₹1,338.16 million in FY26 and an estimated ₹2,909.29 million for FY27. Delays in customer payments, milestone certifications, or funding availability could strain liquidity, increase borrowings, and impact project execution and profitability.
- The company's business is exposed to execution and growth risks arising from seasonal disruptions and its dependence on government-led water and wastewater infrastructure projects. Adverse weather conditions, lower government spending, policy changes, or delays in project implementation could affect project execution, order inflows, revenue growth, and profitability.
- Inability to meet performance standards or retain skilled staff in their Operations and Maintenance (O&M) segment may adversely impact long-term contracts and client relationships.
- The company depends on external suppliers and joint venture partners for critical project inputs and execution. Any supply disruptions, delays, quality issues, or failure of joint venture partners to meet contractual obligations could delay project completion, increase costs, and adversely impact profitability and financial performance.
- Increases in the cost of raw materials, labour, and contract execution charges may impact their profitability and cash flows.
- The company relies on advanced and evolving technologies for wastewater treatment and water supply projects. Failure to adopt new technologies or meet evolving technical specifications could reduce competitiveness, lead to tender disqualification, and adversely affect future order inflows and profitability.
- The average cost of acquisition of Equity Shares by the company's promoters is lower than the floor price.

➢ **Valuation:**

- Technocraft Ventures Limited is a diversified EPC infrastructure company with over two decades of execution experience across water and wastewater infrastructure, roads and highways, electrical transmission, urban infrastructure and operation & maintenance services. The company has established a strong presence across Northern and Central India, supported by its integrated execution capabilities, long-standing relationships with government authorities and proven track record in executing complex public infrastructure projects.
- At the upper price band, the company is valued at a P/E of 19.4x based on its FY26 annualized EPS of ₹14.39, implying a post-issue market capitalization of approximately ₹8,397 million.
- Its diversified order book, expanding geographical presence and integrated EPC capabilities provide visibility for long-term growth. However, considering the proposed valuation relative to listed peers, the IPO appears **fairly valued.**

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Ratings Guide (12 months)	Buy	Hold	Sell
Large Caps (Top 100 companies)	**>15%**	**0%-15%**	**Below 0%**
Mid Caps (101st-250th company)	>20%	0%-20%	Below 0%
Small caps (251st company onwards)	>25%	0%-25%	Below 0%

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- **Statements on ownership and material conflicts of interest, compensation - ARSSBL and Associates**
- **Answers to the Best of the knowledge and belief of ARSSBL/ its Associates/ Research Analyst who is preparing this report**

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