AXIS CAPITAL

TECHNOCRAFT VENTURES LIMITED

IPO NOTE

August 2026

ISSUE HIGHLIGHTS

- **Technocraft Ventures Ltd (TVL)** was incorporated in **1998**, beginning with **residential and road construction projects** in Uttar Pradesh under **PWD and National Highways programs**. In the **early 2000s**, the company established a presence in **road construction** through projects from **PWD Uttar Pradesh, Noida Authority, and Ghaziabad Development Authority**.
- In **2007**, TVL achieved an annual turnover of ₹45 Cr, marking its first major operational milestone. In 2008, it entered into a partnership with Krishna Contractors for EPC assignments, which continued until its dissolution in December 2024. By 2009, the company expanded into wastewater treatment through the formation of **Ultratech Engineers**, enabling participation in government contracts.
- In **2012**, TVL diversified into **electrical transmission** with contracts worth about ₹89.14 Cr from PVVNL and DVVNL, and in FY 2013, turnover exceeded ₹100 Cr, supported by contracts for 33/11 kV substations. In 2016, TVL acquired the ongoing business of **Ultratech Engineers**, strengthening technical capabilities and enhancing eligibility for larger projects.
- In **2017**, the company executed an **ADB-funded sewerage network project in Udaipur, Rajasthan**, valued at about **₹82.81 Cr**, which also included a **10-year O&M component**, marking entry into projects funded by multilateral agencies. In 2022, TVL entered into a **joint venture 'TESPL LRS TCPL JV'** with **Trenchless Engineering Services Pvt. Ltd.** and **L.R. Sharma & Co.** for bidding on a **Delhi Jal Board project** involving replacement of transmission mains by **micro tunnelling**. This JV was later constituted as a **partnership firm in May 2023** for execution of the awarded project.
- In **2023**, turnover exceeded **₹175 Cr**, supported by two **AMRUT 2.0 projects in Kota and Bikaner**, with an aggregate contract value of about ₹473.44 Cr awarded by RUDSICO, including an O&M component.
- The company was also awarded a **wastewater infrastructure project in Kotputli, Rajasthan**, valued at about ₹155.86 Cr. In 2024, turnover crossed ₹225.00 Cr, and in 2025, turnover exceeded ₹270 Cr, supported by a road widening and strengthening project under PWD Uttar Pradesh valued at about ₹66.50 Cr.
- In **2026**, TVL achieved turnover exceeding **₹340 Cr** and expanded its geographic footprint into **Madhya Pradesh, Bihar, and Odisha**.

BRIEF FINANCIAL DETAILS*

(₹ In Cr)

Particular	As at Mar' 31, 2026	2025	2024
Equity Share Capital	30.10	7.53	7.53
Reserves	133.27	112.46	84.25
Net Worth	163.38	119.98	91.78
Total Borrowings	89.76	87.43	80.11
Revenue from operations	345.00	279.56	226.10
Revenue Growth (%)	23.41%	23.64%	-
EBITDA	72.18	49.63	35.03
EBITDA Margin (%)	20.92%	17.75%	15.49%
Net Profit for the Year	43.32	28.20	19.05
Net Profit Margin (%) stated	12.56%	10.09%	8.43%
EPS – Basic & Diluted (₹)	14.39	9.37	6.33
RONW (%)	26.51%	23.51%	20.76%
NAV - (₹)	54.28	39.86	30.49
Cash flow from operating activities	28.70	21.68	1.40
Cash flow from investing activities	(7.59)	(12.64)	0.26
Cash flow from financing activities	(8.52)	(9.66)	(3.26)

*Source: RHP, * Restated Summary*

Issue Details

Fresh Issue of upto 95,05,000 Equity Shares and Offer for Sale of up to 23,76,000 Shares

Issue size: ₹ 238 Cr - ₹ 252 Cr
Face value: ₹ 10/-

Price band: ₹ 200 - 212
Bid Lot: 70 Shares and in multiples

Post Issue Implied Market Cap:
₹ 792 - 840 Cr

BRLMs: Khambatta Securities
Registrar: Bigshare Services Pvt Ltd

Issue opens on: Friday, 7th August, 2026
Issue closes on: Tuesday, 11th August, 2026

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	12-08-2026
Refunds/Unblocking ASBA Fund	13-08-2026
Credit of equity shares to DP A/c	13-08-2026
Trading commences	14-08-2026

Issue Break-up

	No. of Shares	₹ In Cr @Lower	₹ In Cr @Upper	% of Issue
QIB	59,40,500	118.81	125.94	**50%**
NIB	17,82,150	35.64	37.78	**15%**
-NIB2	*11,88,100*	23.76	25.19	-
-NIB1	*5,94,050*	11.88	12.59	-
RET	41,58,350	83.17	88.16	**35%**
Total	**1,18,81,000**	**237.62**	**251.88**	**100%**

NIB-2 =NII Bid Above ₹ 10 Lakhs
NIB-1=NII Bid between ₹ 2 to 10 Lakhs

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII - Bid Above ₹ 10 Lakhs
Minimum Bid Lot (Shares)	70 Shares	980 Shares	4,760 Shares
Minimum Bid Lot Amount (₹)	₹ 14,840^	₹ 2,07,760^	₹ 10,09,120^
Appl for 1x	59,405 Applications	606 Applications	1,212 Applications

Listing: BSE & NSE

Shareholding (No. of Shares)

Pre-issue	Post-issue
3,01,01,200	3,96,06,200

~@Lower price Band ^@ Upper Price Band

Shareholding (%)

	Pre-Issue	Post-Issue
Promoters	97.38%	68.01%
Promoter Group	2.62%	1.99%
Public	-	30.00%
Total	**100.00%**	**100.00%**

BACKGROUND

The company was originally incorporated as *'Technocraft Construction Private Limited'* on October 21, 1998. Sanjay Tyagi, Rekha Tyagi, Kartikey Tyagi, Kartikey Constructions (Partnership Firm); and Sanjay Tyagi HUF are the Promoters of the company. Currently, the promoters hold 29,311,400 Equity Shares of the company, representing 97.38% of the pre-offer issued, subscribed and paid-up Equity Share Capital of the company.

Directors and Senior Management Personnel

Sanjay Tyagi is one of the Promoters and the Managing Director of the Company, and has been associated since 2007. He has over 35 years of experience

Rekha Tyagi is one of the Promoters and an Executive Director of the Company, and has been associated since its incorporation. She has over 26 years of experience.

Kartikey Tyagi is one of the Promoters and Whole-Time Director and Chief Financial Officer of the Company, and has been associated since January 2021. He has over 5 years of experience.

Mukesh Kumar Garg is an Independent Director of the Company. He has over 34 years of experience.

Bhawna Saunkhiya is an Independent Director of the Company and has been associated since 2024. She has over 7 years of experience.

Shruti Gupta is an Independent Director of the Company and has been associated since 2024. She has over 5 years of experience.

Shefali Kesarwani is the Company Secretary and Compliance Officer of the Company and has been associated since November 2024. She has over 7 years of experience.

OBJECTS OF THE ISSUE

Objects	Amount (₹ Cr)
• Funding of working capital requirements of the company;	150.00
• General Corporate Purposes	[·]
Total	[·]

SHAREHOLDING PATTERN

Shareholders	Pre-offer		Fresh Issue and Offer for Sale Shares	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoters	*2,93,11,400*	*97.38%*	*23,76,000*	*2,69,35,400*	*68.01%*
Promoter Group	7,89,800	2.62%	-	7,89,800	1.99%
Total for Promoters and Promoter Group	**3,01,01,200**	**100.00%**	**23,76,000**	**2,77,25,200**	**70.00%**
Total for Public Shareholders	**-**	**-**	**95,05,000**	**1,18,81,000**	**30.00%**
Total Equity Share Capital	**3,01,01,200**	**100.00%**	**1,18,81,000**	**3,96,06,200**	**100.00%**

Source: RHP

BUSINESS OVERVIEW

Technocraft Ventures Ltd ("**TVL**") is a multidisciplinary public infrastructure development company engaged in turnkey EPC contracts across water supply schemes, sewerage networks, STPs, WWTPs, reservoirs, trenchless works, roads, highways, electrical transmission, and urban infrastructure projects. They primarily execute projects for state governments and agencies in Northern and Central India, with recent expansion into Madhya Pradesh, Bihar, and Odisha.

Incorporated in 1998, the company began with residential and road construction projects in Uttar Pradesh under PWD and National Highways programs, later diversifying into wastewater management and public utility infrastructure. Over the years, they have delivered projects under major schemes such as AMRUT, JNNURM, UIDSST, Namami Gange, Jal Jeevan Mission, and PMGSY, along with ADB-funded projects requiring rigorous technical and environmental compliance.

Their integrated in-house capabilities include civil design, construction, mechanical and electrical integration, and commissioning, supported by O&M services for WWTPs, STPs, and roads. This lifecycle approach ensures long-term asset sustainability.

The company's growth has been guided by Managing Director Sanjay Tyagi, who joined in 2007 after serving at Ghaziabad Development Authority. His expertise in civil engineering and government contract execution has been pivotal in diversifying into specialized EPC segments, including wastewater treatment infrastructure, strengthened by the acquisition of Ultratech Engineers in 2016, enabling qualification for larger and complex tenders.

The details of Services offered by the company:

Segment	Core Services
Water & Wastewater Infrastructure	EPC of Water Supply Scheme Projects (WSSPs), Sewerage Networks, STPs, WWTPs, Transmission mains, Reservoirs, Trenchless & Micro tunnelling works
Roads and Highways	EPC of roads and highways
Electrical Transmission	Electrification schemes, substations, and transmission lines
Urban Infrastructure	Sector-level planning and execution of residential buildings
Operation & Maintenance (O&M)	Long-term O&M of STPs, WSSPs, sewerage networks, substations, roads, and highways

Key Milestones in the growth and evolution of the Company since its incorporation

Since incorporation, TVL has followed a steady growth trajectory marked by diversification across infrastructure sectors. In the early 2000s, they established a presence in road construction by securing projects from PWD Uttar Pradesh, Noida Authority, and Ghaziabad Development Authority.

In 2007, the company crossed an annual turnover of ₹45 Cr, marking a key operational milestone. The following year, they entered into a partnership with Krishna Contractors to undertake EPC assignments, which continued until its dissolution in December 2024.

In 2009, they expanded into wastewater treatment through the formation of Ultratech Engineers, enabling participation in government contracts in this segment. By 2012, they diversified into electrical transmission with contracts worth about ₹89.14 Cr from PVVNL and DVVNL. In FY 2013, turnover exceeded ₹100 Cr, supported by contracts for 33/11 kV substations.

In 2016, the company acquired the ongoing business of Ultratech Engineers, strengthening technical capabilities and enhancing eligibility for larger projects. Their geographic footprint expanded further in 2017 with an ADB-funded sewerage network project in Udaipur, Rajasthan, valued at about ₹82.81 Cr, which also included a 10-year O&M component. This marked their entry into projects funded by multilateral agencies.

In 2022, the company entered into a joint venture under the trade name 'TESPL-LRS-TCPL JV' with Trenchless Engineering Services Private Limited and L.R. Sharma & Co. for bidding on a Delhi Jal Board project involving replacement of transmission mains by micro-tunnelling. This JV was later constituted as a partnership firm in May 2023 for execution of the awarded project.

In 2023, the company achieved an annual turnover exceeding ₹175 Cr and secured two AMRUT 2.0 projects in Kota and Bikaner, with an aggregate contract value of about ₹473.44 Cr, awarded by RUDSICO, including an O&M component. They were also awarded a wastewater infrastructure project in Kotputli, Rajasthan, valued at about ₹155.86 Cr.

In 2024, turnover crossed ₹225 Cr, reflecting continued expansion in infrastructure execution. In 2025, turnover exceeded ₹270 Cr, supported by a road widening and strengthening project under PWD Uttar Pradesh valued at about ₹66.50 Cr.

In 2026, the company achieved turnover exceeding ₹340 Cr and expanded its footprint into Madhya Pradesh, Bihar, and Odisha.

ORDER BOOK

As on July 15, 2026, the company's unexecuted order book stood at ₹1,305.45 Cr, along with 5 O&M projects valued at ₹15.29 Cr. Out of this, seven ongoing projects are being executed under joint ventures, with an unexecuted value of ₹917.62 Cr. In addition, the company was recently awarded L1 status by Delhi Jal Board under AMRUT 2.0 for a project worth ₹196.47 Cr.

The consistent growth in the order book reflects the company's ability to design, engineer, construct, and maintain projects with strong technical capabilities, timely performance, quality reputation, financial strength, and competitive pricing, enabling successful bidding and project wins.

SEGMENT-WISE COMPANY'S BUSINESS OVERVIEW

- **Water & Wastewater Infrastructure:**
  - **Wastewater Treatment and Sewerage Network Projects (WWTs):** The company operates as a turnkey executor for sewerage networks and wastewater treatment infrastructure, providing end-to-end solutions for sustainable urban water management. They design and install pipelines of varied materials and diameters, ensuring efficient sewage

conveyance and reliable connectivity to treatment facilities. They construct STPs using technologies such as SBR and UASB, meeting effluent quality norms set by regulators, with treated water suitable for non-potable uses. Post-construction, they manage long-term O&M responsibilities for STPs and SPSs, typically spanning 5–15 years, covering performance monitoring, maintenance, and compliance.

- **Water Supply Scheme Projects (WSSPs), Micro-tunnelling and Trenchless Methods:**
  The company has built strong expertise in executing water supply projects, delivering transmission infrastructure that ensures reliable access to treated water in urban areas. Using advanced trenchless construction methods, they minimize disruption to roads, utilities, and public spaces while ensuring efficient project delivery.

  A key strength lies in micro-tunnelling technology, which enables installation of large-diameter pipelines in dense or sensitive zones with minimal environmental impact. Where unsuitable, Horizontal Directional Drilling (HDD) is deployed for smaller pipelines, also reducing inconvenience.

  Post-installation, the company conducts pressure and flow testing to ensure safety and performance, along with constructing manholes and access chambers for future maintenance. Their trenchless expertise allows successful execution in high-density and complex utility areas, demonstrated by the Delhi Jal Board project involving transmission mains from the Bhagirathi Water Treatment Plant.

- **Electrical Transmission**

  The company's operations in the electrical infrastructure domain cover the development of transmission and distribution networks along with construction of substations. Projects have been executed under schemes such as RGGVY and RAPDRP for state utilities like PVVNL and DVVNL, spanning the full lifecycle from survey and design to commissioning.

  Transmission works include construction of 33 kV and 11 kV lines using overhead and underground systems with ACSR conductors and XLPE cables, while distribution involves new installations and upgrades with ABC and armored LT cables. Substation projects range from 33/11 kV units to mobile trolley-mounted substations, supported by transformers from 25 kVA to 10 MVA.

  Beyond core infrastructure, the company delivers power quality and automation solutions such as capacitor banks with APFC panels, metering systems, consumer service connections, and street lighting automation. All projects are executed in alignment with state electricity board standards and central power sector policies, ensuring compliance and reliability.

- **Roads and Highways**

  The company has an established presence in the road and highway construction sector, with a strong execution record under state and national programs. Projects include new road construction as well as widening and strengthening works across Uttar Pradesh under PWD and National Highway authorities, delivered through end-to-end execution from design to commissioning.

  A recent contract involves widening and strengthening the Daulatpur–Nanouta–Mangalore Road (State Road No. 167) in Saharanpur district, covering 40.42 km up to the Uttarakhand border. Typical scope includes subgrade preparation, laying of GSB, WMM, and successive bituminous layers such as DBM, BM, and SDBC/BC, ensuring durability and compliance with design standards.

  These projects also incorporate road furniture like signage, pavement markings, and safety barriers, along with roadside amenities such as bus bays and rest shelters. All works are executed in line with government specifications and safety norms, reinforcing the company's capability in delivering reliable road infrastructure.

- **Urban Infrastructure**

  The company undertakes EPC contracts for residential building projects as part of its urban infrastructure business. These projects are executed in line with prescribed technical specifications, quality standards, and safety requirements, ensuring timely delivery.

  With experience in residential construction, the company delivers durable and functional housing infrastructure while effectively managing planning, procurement, and resource deployment. Through this segment, it contributes to the development of residential communities by providing infrastructure solutions tailored to client and end-user needs.

- **Operation & Maintenance (O&M)**

  The company undertakes O&M services for WWTPs, STPs, sewerage networks, and road projects, ensuring efficient operation of assets. Services include plant operation, preventive and corrective maintenance, equipment monitoring, sludge management, process optimization, and routine inspections to maintain performance across the lifecycle.

  This segment complements EPC activities by optimizing plant performance, enhancing equipment reliability, reducing downtime, and improving resource efficiency. It also generates recurring revenue through long-term contracts, strengthens client relationships, and provides operational insights for future EPC projects. In FY 2026, standalone O&M contracts contributed ₹5.77 Cr in revenue, with an active pipeline of ₹15.29 Cr as of July 15, 2026.

Revenue from Operations

(₹ Cr)

Particulars	Financial Year ended March 31,		
	2026	**2025**	**2024**
Sewerage Construction Contracts	278.14	207.91	158.01
Operation & Maintenance of Sewerage Works	5.62	2.34	1.31
Road & Highway Construction & Maintenance	44.56	2.15	0.07
Building Construction Work	–	24.84	–
Water Supply Work	16.63	16.35	47.54
Electrical Work	–	21.03	–
Sale of Material (Other Operating Revenues)	0.06	4.95	19.18
Total	**345.00**	**279.56**	**226.10**

Competition

The company operates in the competitive infrastructure development sector, focusing on wastewater treatment plants, water supply schemes, and public infrastructure projects. The sector is influenced by government spending, policy mandates, and tender-based procurement. Projects in water and wastewater are implemented under EPC, PPP, and HAM models, with PPP-HAM gaining traction, though EPC remains dominant in the WSS segment.

The Company's business model relies on competitive bidding, with success dependent on pricing strategy, pre-qualification credentials, past project experience, financial strength, and execution capacity. Industry competition includes **Denta Water, VA Tech Wabag Ltd, EMS Ltd, and Enviro Infra Engineers Ltd**, who operate in similar segments under national programs.

SWOT Analysis

Strength	*Weaknesses*	*Opportunities*	*Threats*
• Diversified EPC capabilities across Core Infra Sectors. • Execution capabilities demonstrated through High-Value Government and Multilateral Projects. • In-House Engineering Strength with Technological Adaptation • Consistent Revenue Growth and Strengthening Profitability • Regulatory-Approved Electrical works Capabilities • Promoter-Led Business with strong execution capabilities • Robust Order Book	• Geographical Concentration Risk • High Dependence on Government Contracts • Working Capital Intensity. • Exposure to Raw Material and Subcontractor Risks • Limited Brand Recognition Outside Government Sector	• Increased Government Spending on Urban and Rural Infrastructure, • Growing Demand for Digitally Enabled Infrastructure • Expansion into New Geographies and Sectors • Public-Private Partnership (PPP) Models • Renewable Energy Integration and Circular Economy	• Policy and Regulatory Uncertainty • Intensifying Competition • Climate-related and Environmental Risks • Execution and Manpower Challenges • Technological Obsolescence Risk

Competitive Strengths

- ***Diversified EPC Capabilities across Core Infrastructure Sectors***

As of July 15, 2026, TVL has laid over 1,200 KMs of sewer pipelines across cities such as Ghaziabad, Agra, Udaipur, Etah, Pilakhuwa, Jaunpur and Shahjahanpur out of which ~750 KMs have been commissioned as on date. They have completed Sewage Treatment Plant Projects from 3 MLD to 56 MLD.

- ***Execution of High Value Government and Multilateral Funded Projects***

They have demonstrated the technical and financial capacity to execute complex, large-scale public infrastructure projects awarded by central government agencies and multilateral institutions. As on July 15, 2026, the company is currently executing 14 government projects & 5 government O&M projects.

- ***In-House Engineering Strength with Technological Adaptation***

The company's execution model is supported by an in-house engineering team of 78 professionals across civil, mechanical, electrical, instrumentation, and environmental disciplines, led by Vice President (Engineering) Mr. Vinay Kumar Shukla. This team enables integration of advanced technologies into project workflows.

Micro-tunnelling and trenchless pipeline installation have been deployed in high-density urban areas to minimize disruption while installing large-diameter pipelines. These technologies have been applied in projects across Delhi, Shahjahanpur, Jaunpur, Kotputli, Kota, Bikaner, Agra, Ghaziabad, Etah, Pilakhuwa, and Udaipur. Digital tools such as AutoCAD are used for monitoring site execution, managing records, and optimizing resource allocation. These capabilities improve precision, efficiency, and timely delivery of complex projects.

- ***Consistent Revenue Growth and Strengthening Profitability***

The company has demonstrated a consistent upward growth in both revenue and profitability over the past three financial years, reflecting strong execution capabilities and financial discipline. Revenue from operations grew from ₹ 226.10 crore in FY2024 to ₹ 345 crore in FY 2026, representing a CAGR of ~23.52%. This growth was primarily driven by timely project execution and an expanding portfolio under government-led infrastructure schemes. Profitability has also improved significantly, with Profit After Tax (PAT) increasing from ₹ 19.05 crore in FY 2024 to ₹ 43.32 crore in FY2026, representing a CAGR in PAT of ~50.77%. Correspondingly, PAT margins improved from 8.43% in FY 2024 to 12.56% in FY 2026.

- ***Regulatory Approved Electrical EPC Capabilities with Statewide Licenses***

They hold 'Class A' Electrical Contractor's Licenses from the Electrical Inspectorate Department, Government of Rajasthan, and the Department of Electrical Safety, Government of Uttarakhand among the highest categories required to execute high-tension (HT) and extra high-tension (EHT) transmission and distribution projects. Their track record includes execution of electrification projects under the RAPDRP, RGGVY and various electrification schemes implemented by state utilities such as PVVNL and DVVNL in UP.

- ***Promoter - Led Business with Strong Execution Capabilities***

Their business is led by their Managing Director, Sanjay Tyagi, who has over 35 years of experience in the infrastructure sector, including extensive tenure in government contracting and public works execution.

KEY BUSINESS STRATEGIES

- ***Strategic Expansion of Project Scale and Capacity to Enhance Market Position***

The company has built its brand over 20 years through consistent execution of complex public sector infrastructure projects, particularly in northern India, enabling expansion across geographies with a pan-India pipeline. It is focusing on high-capacity water and wastewater treatment plants, having delivered STPs from 3 MLD to 56 MLD, and now targeting CETPs up to 50 MLD and STPs up to 200 MLD to leverage economies of scale and higher margins. Targeting larger projects enhances pre-qualification status, positioning the company for complex, high-value contracts and strengthening its standing as a leading infrastructure player.

- ***Expanding the presence in other States and Leveraging the Infrastructure Demand***

The company has expanded its footprint beyond Uttar Pradesh, Rajasthan, Uttarakhand, and Delhi, where it has executed large-scale projects for clients such as Delhi Jal Board, Uttar Pradesh Jal Nigam, RUIDP, RUDSICO, and UP PWD. Recently, operations have extended into Madhya Pradesh, Bihar, and Odisha. The next phase of growth targets West Bengal, Chhattisgarh, Jharkhand, and Maharashtra, driven by urbanization and demand under AMRUT 2.0, Jal_Jeevan_Mission, and Namami_Gange. These states present scalable opportunities in water supply, STPs, WWTPs, and sewerage systems. Together, Jal Jeevan Mission and AMRUT 2.0 allocate over ₹3,66,670 crore towards water and wastewater infrastructure, enabling a robust pipeline across underserved areas. The company also aims to align with PM GatiShakti, National River Interlinking, and the Revamped Distribution Sector Scheme, complementing its strengths in water, wastewater, and EPC.

- ***On-site Renewable Energy Generation to support Project Execution and reduce Costs***

The company is integrating solar power into infrastructure projects to enhance sustainability and reduce grid dependence. Installations at STPs in Kota, Bikaner, and Kotputli under AMRUT 2.0 are already underway, delivering cost savings and clean energy. These initiatives align with the National Action Plan on Climate Change and India's renewable energy goals, with plans to expand solar deployment across future STPs nationwide. The company also intends to leverage PM-KUSUM Yojana to strengthen solar adoption in agriculture, positioning itself as a responsible developer committed to sustainable, energy-efficient solutions.

- ***Capitalize on Government policy initiatives***

Government Initiatives such as Jawaharlal Nehru National Urban Renewal Mission, Namami Gange, AMRUT, Swachh Bharat Mission, and Jal Jeevan Mission are central to India's infrastructure growth. Currently, the company is executing six projects under AMRUT. India, with a population of 1.38 billion, has 65% living in rural areas and 35% in urban centres. Metropolitan cities are expanding rapidly due to economic reforms, making efficient planning and provision of utilities like sewerage and clean water essential. By 2050, water demand is expected to reach 1,180 billion cubic metres, with ~70% for agriculture, ~9% for drinking, ~7% for industries, and ~6% for energy generation. This highlights the critical need for sustainable water management and infrastructure development.

- ***Strategic diversification into High-Growth Sectors aligned with National Infrastructure Goals***

The company plans to leverage national infrastructure priorities by diversifying into renewable energy integration, solid waste management, satellite city development, and water resource optimization. It aims to participate in satellite city development through integrated delivery of roads, power, water supply, and sanitation, supporting decentralized growth. India's River Interlinking Project is another critical area, where the company's experience in water transmission infrastructure positions it to contribute to optimizing water resources nationwide. By diversifying into these high-growth segments, the company seeks to strengthen sectoral presence, reduce risk, and align with evolving infrastructure needs of a rapidly urbanizing India.

- ***Continue to enhance the core strengths by attracting, retaining and training qualified personnel.***

The company's success depends on effective project execution and management, with quality, cost control, and timely completion linked to employee skill and workmanship. To address rising competition for qualified personnel, the company focuses on staff training to strengthen competitiveness. Engineering and technical teams are provided diverse work experience and continuous training in latest systems, techniques, and knowledge upgradation to enhance capability and project delivery.

FACTORS AFFECTING RESULT OF OPERATIONS

- ***Increasing Demand for Working Capital Requirements****:* The company's operations across water, wastewater, roads, electrical networks, and civil construction are inherently working capital intensive due to upfront procurement and mobilization costs. Their working capital requirements were ₹133.82 crore in FY 2026, ₹140.01 crore in FY 2025, and ₹128.07 crore in FY 2024. For FY 2027, requirements are estimated at ₹290.93 crore, of which ₹150 crore will be funded from fresh equity proceeds, with the balance arranged through internal accruals and/or borrowings.
- ***Cost and availability of Raw material, labour and other inputs****:* The company's operations across wastewater treatment, water supply, roads, housing, electrical works, and micro-tunnelling require significant raw materials, equipment, and labour. Inputs such as steel, cement, pipes, electrical components, and fuel are critical, with costs influenced by supply-demand dynamics, sourcing, transport, and geopolitical factors. For FY 2026, FY 2025, and FY 2024, cost of revenue adjusted to inventory changes amounted to ₹257.94 crore, ₹217.05 crore, and ₹183.99 crore, representing 74.76%, 77.64%, and 81.38% respectively.
- ***Seasonal fluctuations lead to delays or disruptions to their operations during critical periods:*** The company's Business operations may be affected by seasonal factors that restrict construction activities, laying of water pipes, and utilization of resources. In particular, the monsoon season may adversely impact project activities and resource utilization, leading to slowdown in construction and deferral of revenue and profit recognition to subsequent quarters.
- ***Largely concentrated to two states ("States") and is affected by various factors associated with these states:*** The company's project portfolio is largely concentrated in Uttar Pradesh and Rajasthan, though projects are also undertaken in Uttarakhand, Madhya Pradesh, Bihar, Odisha, and Delhi. This concentration exposes the business to risks such as regional slowdowns, policy changes, diversification constraints, and perception as a regional player. Currently, 18 projects have been executed (16 in Uttar Pradesh), and 19 are currently underway (8 in Uttar Pradesh). While no disqualification or cancellation has occurred, future risks remain that could affect business, financial condition, and results of operations.
- ***Increasing share of business from government and government initiatives in the water and wastewater infrastructure sector:*** As of July 15, 2026, the company is executing six projects under AMRUT 2.0 and has recently been awarded L1 status. Continued participation in government-led initiatives is crucial for maintaining project flow and growth. Securing contracts depends on eligibility norms, resource availability, and responsiveness to tender requirements, with risks of delays or execution challenges potentially affecting growth. Future prospects also rely on government budgetary allocations and policy priorities, where changes such as shifts to PPP or HAM frameworks could impact project availability.

COMPARISON WITH LISTED INDUSTRY PEERS *(FOR THE YEAR ENDED ON MARCH 31, 2026)*

Name of the Company	Consolidated/ Standalone	Face Value (₹)	Closing Price as on 29-07-2026 (₹)	Revenue from Operations (₹ Cr)	EPS		NAV (₹)	P/E Ratio	RoNW (%)
					Basic (₹)	Diluted (₹)			
Technocraft Ventures Ltd	**Consolidated**	**10**	**[●]**	**344.996**	**14.39**	**14.39**	**54.28**	**[●]**	**26.51**
EMS Ltd	Consolidated	10	396.10	732.747	16.30	16.30	190.57	24.30	8.62
VA Tech Wabag Ltd	Consolidated	2	1,876.70	3,944.20	59.51	58.72	415.11	31.96	14.37
Enviro Infra Engineers Ltd	Consolidated	10	216.07	1,145.596	10.42	10.41	7.05	20.76	15.22
Denta Water and Infra Solutions Ltd	Consolidated	10	337.75	250.379	22.81	22.81	171.91	14.81	13.27

Source: RHP

Comparison of Key Performance Indicators with listed industry peers

Indicator	Financial Year ended March 31,2026					Financial Year ended March 31,2025				
	Technocraft Ventures	EMS	VA Tech Wabag	Enviro Infra Engineers	Denta Water and Infra Solutions	Technocraft Ventures	EMS	VA Tech Wabag	Enviro Infra Engineers	Denta Water and Infra Solutions
Revenue from Operations (₹ Cr)	345.00	732.75	3,944.20	1,145.60	250.38	279.56	965.83	3,294.00	1,066.06	203.29
Total Income (₹ Cr)	347.00	745.00	4,038.50	1,187.97	259.57	281.00	981.70	3,338.60	1,085.47	208.03
EBITDA (₹ Cr)	72.18	152.68	567.70	310.43	83.49	49.63	267.04	469.10	287.18	72.43
EBITDA Margin (%)	20.92	20.84	14.39	27.10	33.34	17.75	27.65	14.24	26.94	35.63
PAT (₹ Cr)	43.32	91.19	369.80	188.39	60.90	28.20	183.78	294.80	177.15	52.89
PAT Margin (%)	12.56	12.45	9.38	16.44	24.32	10.09	19.03	8.95	16.62	26.02
Operating Cash Flows (₹ Cr)	28.70	(14.90)	206.70	(63.09)	(34.50)	21.68	33.54	355.20	(46.60)	(71.89)
Net Worth (₹ Cr)	163.38	1,058.28	2,573.70	1,237.43	458.99	119.98	975.68	2,139.90	994.51	408.77
Net Debt (₹ Cr)	76.66	137.00	(556.70)	370.33	(14.48)	86.92	(8.31)	(356.00)	71.74	(60.78)
Debt-Equity Ratio (times)	0.55	0.15	0.09	0.34	0.03	0.73	0.09	0.17	0.24	0.00
Return on Equity (%)	26.51	8.62	14.37	15.22	13.27	23.51	18.79	13.74	17.83	12.94
Return on Capital Employed (%)	27.72	11.75	20.04	17.21	17.61	23.05	24.19	18.48	22.62	17.57

Restated Summary Statement of Cash Flows

(₹ Cr)

Particulars	Year ended March 31,		
	2026	2025	2024
Profit before tax	**58.67**	**38.56**	**26.10**
Adjustments Related to Non-Cash & Non-Operating Items	11.42	9.12	7.51
Operating Profits before Working Capital Changes	70.09	47.68	33.61
Adjustments for Changes in Working Capital	(32.97)	(14.90)	(28.51)
Net cash generated from operations before tax	37.12	32.78	5.10
Income tax (paid)/Refund, (net)	8.42	11.10	3.70
Net cash generated from operating activities	**28.70**	**21.68**	**1.40**
Net cash used in investing activities	**(7.59)**	**(12.64)**	**0.26**
Net cash used in financing activities	**(8.52)**	**(9.65)**	**(3.25)**
Net (decrease)/ increase in cash and cash equivalents during the period	12.59	(0.61)	(1.59)
Cash and Cash Equivalents at the beginning of the year	0.51	1.12	2.72
Cash and cash equivalents as at the end of the period	**13.10**	**0.51**	**1.13**