TECHNOCRAFT VENTURES LIMITED

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IPO Report

09th Aug 26

Snapshot

Company is a multidisciplinary public infrastructure development company engaged in the execution of turnkey Engineering, Procurement and Construction ("EPC") contracts. Company operate across various infrastructure segments, including Water & Wastewater Infrastructure such as Water Supply Scheme Projects ("WSSPs"), Sewerage Networks, Sewerage Treatment Plants ("STPs"), Wastewater Treatment Plants ("WWTPs"), Transmission mains, Reservoirs, Trenchless & Micro tunnelling Works, Roads and Highways work, Electrical Transmission work, Urban Infrastructure which includes sector-level planning and execution of residential building projects and Operation and Maintenance ("O&M") of public utilities. Company execute projects primarily for state governments and government agencies across Northern & Central India, including Uttar Pradesh, Uttarakhand, Rajasthan and the National Capital Territory of Delhi.

VALUATION
Company is bringing the issue at price band of Rs 200-212 per share at p/e multiple of 19x on post issue FY26 basis.
Company is diversified EPC capabilities across core infrastructure sectors with execution of high value government and multilateral funded projects along with regulatory approved electrical EPC capabilities with statewide license.
Hence, we recommend "Subscribe" to issue.

Price Band (Rs./Share)	**200-212**
Opening date of the issue	**07th Aug '2026**
Closing Date of the issue	**11th Aug '2026**
No of shares pre issue	3,01,01,200 Eq Shares
Issue Size	Rs 238-252 Cr
Fresh Issue	95,05,000 Eq Shares
OFS	23,76,000 Eq Shares
Face Value (Rs/ share)	Rs 10/share
Bid Lot	70
BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer (Approx 59,40,500 eq Shares)
Non-Institutional	15% of the offer (Approx 17,82,150 eq Shares)
Retail	35% of the offer (Approx 41,58,350 eq Shares)
Lead managers	Khambatta Securities
Registrar to the issue	Bigshare Services Pvt Ltd

WHAT WE LIKE

Strong Order Book

The value of the balance work for its Ongoing Projects is ₹ 13,207.32 million (including O&M to be executed after completion of respective projects) as on July 15, 2026, out of which, company is executing 7 projects with the unexecuted value of ₹ 9,176.24 million under the joint ventures.

Diversified EPC capabilities across Core Infrastructure Sectors

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Consistent Revenue Growth and Strengthening Profitability

Revenue from operations grew from ₹ 2,261.02 million in FY 2024 to ₹ 3,449.96 million in FY 2026, representing a compound annual growth rate (CAGR) of approximately 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 ₹ 190.54 million in FY 2024 to ₹ 433.15 million in FY 2026. Correspondingly, PAT margins improved from 8.43% in FY 2024 to 12.56% in FY 2026, underscoring Company's ability to scale operations efficiently while maintaining healthy bottom-line performance.

COMPANY BACKGROUND

Recently, company have expanded its footprint in the State of Madhya Pradesh, Bihar and Odisha. Company's project execution model is predominantly tender-based, with contracts awarded by state agencies, public works departments, urban local bodies, and other government bodies. Company operate across multiple project locations and operate through dedicated site teams aligned with the nature and geography of individual contracts.

Incorporated in the year1998, Company commenced it's operations in Uttar Pradesh with residential and road construction projects, including the development of planned housing colonies, sector-level layouts, and execution of road construction, widening and strengthening works under Public Works Departments ("**PWD**") and National Highways programs. These early projects laid the foundation for company's subsequent diversification into wastewater management and other public utility infrastructure.

Company have executed projects under key central and state-sponsored schemes including the Atal Mission for Rejuvenation and Urban Transformation ("**AMRUT**"), Jawaharlal Nehru National Urban Renewal Mission ("**JNNURM**"), Urban Infrastructure Development Scheme in Satellite Towns ("**UIDSST**"), Namami Gange Programme ("**Namami Gange**"), Jal Jeevan Mission ("**JJM**"), and Pradhan Mantri Gram Sadak Yojana ("**PMGSY**"). Company also have experience in implementing infrastructure project funded Asian Development Bank ("**ADB**"), which require compliance with rigorous technical and environmental standards.

Company's integrated in-house capabilities span civil project designing, construction, mechanical and electrical integration, and commissioning. These enable company to offer comprehensive infrastructure solutions from concept to delivery. Additionally, company support long-term asset sustainability through its operations and maintenance ("**O&M**") services across WWTP, STP and road projects, reinforcing company's lifecycle approach to public infrastructure.

OBJECTS OF OFFER

The Offer comprises of a Fresh Issue of up to 9,505,000 Equity Shares, by company and an offer for sale of up to 2,376,000 Equity Shares of face value of ₹ 10 each, by Kartikey Constructions, a partnership firm ("Promoter Selling Shareholder")

Fresh Issue

The net proceeds of the Fresh Issue, i.e. gross proceeds of the Fresh Issue less the offer expenses apportioned to Company ("Net Proceeds") are proposed to be utilised in the following manner:

i Funding of working capital requirements of Company; and

ii General corporate purposes.

RISKS

Company's business is significantly dependent on contracts awarded by Government authorities under Government programmes, and any failure or delay in securing, executing or collecting payments under such contracts could materially and adversely affect company's business, financial condition, cash flows and results of operations.

Source:RHP

Consolidated Financials

(Rs in Mn)

Financials	FY24	FY25	FY26
Total Revenue (A)	2261.02	2795.64	3449.96
Total Expenditure (B)	1925.55	2318.96	2751.36
EBIDTA	335.47	476.68	698.60
EBIDTA Margin	14.84	17.05	20.25
Other Income	11.96	14.40	20.02
Depreciation	10.36	18.24	20.04
EBIT	337.07	472.84	698.58
Interest	79.29	92.39	115.02
PBT	257.78	380.45	583.56
Share of profit in Asso	2.82	5.19	3.13
PBIT	260.60	385.64	586.69
Exceptional	0.00	0.00	0.00
PBT	260.60	385.64	586.69
Tax	70.06	103.61	153.54
PAT	190.54	282.03	433.15
NPM	8.43	10.09	12.56
ROE%	20.76	23.51	26.51
EPS	6.33	9.37	14.39
Eq Cap	75.26	75.25	301.01
Net Worth	917.79	1,199.82	1,633.75

(Source: RHP)

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