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ANNU PROJECTS LIMITED

LONG TERM SUBSCRIBE

IPO Report

25th Aug 26

Snapshot

Established in 2003, Company is engaged in the design, development, implementation, operations and maintenance of essential overhead and underground utilities infrastructure across telecom infrastructure, sewerage infrastructure vertical, gas pipeline vertical and railway signalling vertical. Company is one of the diversified companies in the EPC sector, involved in fields ranging from fiber optics to sewerage projects and also undertakes gas pipeline projects . Over the years company have gained expertise in laying the overhead and underground utilities infrastructure, and have laid (i) more than 26,200 kms of optical fibre cable(s) (“**OFC(s)**”) network and maintenance of more than 62,800 km of OFC networks in telecom infrastructure; (ii) more than 298 kms of sewerage pipes, construction and maintenance of sewerage treatment plant, construction of pumping stations, laying of house service connections in the sewerage infrastructure vertical; and (iii) more than 537 kms of MDPE laying of 20 mm to 125 mm diameter, 38,300 number of Galvanized Iron Pipes (“**GI**”) for domestic gas connections .

VALUATION

Company is bringing the issue at price band of Rs 94-99 per share at p/e multiple of 20x on post issue FY26 basis.
Company has established expertise in engineering, procurement and commissioning projects with special focus on underground and overhead utilities infrastructure . Company has strong Order Book along with strong and consistent financial performance; and. experienced leadership and strong management team.
Hence, we recommend “Long term Subscribe” to issue.

Price Band (Rs./Share)	**94-99**
Opening date of the issue	**25th Aug ‘2026**
Closing Date of the issue	**28th Aug ’2026**
No of shares pre issue	4,78,09,670 Eq Shares
Issue Size	Rs 166-175 Cr
Fresh Issue	1,76,83,000 Eq Shares
Face Value (Rs/ share)	Rs 10/share
Bid Lot	151
BIDDING DETAILS	
QIBs (Including Anchor)	10% of the offer (Approx 17,68,300 eq Shares)
Non-Institutional	40% of the offer (Approx 70,73,200 eq Shares)
Retail	50% of the offer (Approx 88,41,500 eq Shares)
Lead managers	Mefcom Capital Markets
Registrar to the issue	KFin Technologies Ltd

WHAT WE LIKE

Established expertise in engineering, procurement and commissioning projects with special focus on underground and overhead utilities infrastructure.

Company is one of the largest manufacturers of wiring harnesses for the 2W and 3W segments, with market shares that reflect both its scale and its product-critical role in electrical automotive systems. Company’s position is underpinned by an extensive product portfolio across model variants and OEM platforms and deep integration in customers’ new product development cycles.

Strong Order Book

Owing to company’s growing expertise across these infrastructure verticals, supported by a strong Order Book, strengthens company’s ability to deliver complex projects efficiently and meet the evolving requirements of its customers. As on June 30, 2026, Company has 23 ongoing projects with an aggregate Order Book value of ₹ 10,050.55 million. Additionally, Company had an Order Book of ₹ 9,386.53 million, ₹ 4,796.73 million and ₹ 7,077.65 million during Fiscals 2026, 2025, and 2024, respectively with a Book-to-Bill Ratio of 3.89 times, 2.66 times and 4.60 times during the respective periods.

Project management with integrated execution capabilities

Company have implemented project management skills for planning, monitoring, and execution, which enhance resource optimization and cost control. Owning and maintaining a modern equipment fleet and use of technology for its projects ensures better control over execution in terms of cost and quality. a CAGR of 32.84%. performance.

COMPANY BACKGROUND

Company currently classify its business majorly under the following four verticals:

- ***Telecom infrastructure***: In the telecom infrastructure vertical, company is primarily engaged in surveying, designing, and installing cabling and tower infrastructures for communication, automation, and electronic security systems. As part of company's offerings, company also undertake the laying of OFC network, both overhead and underground, for telecom operators across India. Majority of company's revenue from operations is derived from this vertical. Company serve public sector units (**"PSUs"**) and private parties by implementing OFC networks for their telecom networks. Bharat Sanchar Nigam Limited, A2Z Infra Engineering Limited, Bharat Broadband Network Limited, G R Infraprojects Limited and others are some of company's customers in telecom infrastructure sector.

- ***Sewerage infrastructure***: Company's core activities in this vertical include pipe laying, construction of manholes, construction of sewerage treatment plants, construction of pumping stations, and construction of structural facilities essential for supporting sewerage operations, construction of stormwater drainage systems and screening chambers for combined or sanitary sewers. The sewerage system typically concludes either at the inlet of a sewage treatment facility or at the designated discharge point into the environment. Company is one of the key contractors with Sewerage Infrastructure Development Corporation Limited, Madhya Pradesh Urban Development Company Limited, Bihar Urban Infrastructure Development Corporation Limited, and Jharkhand Urban Infrastructure Development Company Limited for their sewerage scheme. The projects under this vertical are funded by World Bank, Asian Development Bank, Central Government, State Government under various scheme of Namami Gange and Swachh Bharat Mission.

- ***Gas pipeline***: Company is actively engaged in laying MDPE ranging from 20 mm to 125 mm in diameter, along with 38,300 GI house connections for domestic and commercial gas supply. Company have completed projects for Indraprastha Gas Limited, Gujarat Gas Limited and GAIL India Limited. As on June 30, 2026, company is working on 4 (four) projects with GAIL India Limited in Bihar, Jharkhand, Odisha and West Bengal.

- ***Railway signalling*****:** As part of company's continued commitment to innovation and sustainable growth, company is actively exploring strategic opportunities across new transformative sectors such as railway signalling. With the growing emphasis on modernization and safety in railway infrastructure, company recognize the critical role of signalling. In line with this strategy, company have successfully won the bid for its first project in the railway sector for approximate Order Book value of ₹ 113.13 million.

Company is awarded contracts through a transparent competitive bidding process undertaken by the Central Government or State Government. Additionally, company also execute projects as sub-contractors from various private parties. Over the last 21 Fiscals (as on June 30, 2026), company have completed 362 projects related to its business. As on June 30, 2026, Company has 23 (twenty-three) ongoing projects with a Total Contract Value of ₹ 19,593.48 million, out of which, 4 (four) comprised of telecom infrastructure, 14 (fourteen) comprised of sewerage infrastructure, 4 (four) comprised of gas pipeline and 1 (one) comprised of railway signalling vertical, with a contract value of ₹ 14,815.78 million, ₹ 4,517.78 million, ₹ 126.43 million and ₹ 133.49 million, respectively. As on June 30, 2026, out of total Basic Contract Value of ₹ 16,814.91 million, company have completed work amounting to ₹ 6,764.36 million and company's outstanding Order Book is of ₹ 10,050.55 million. 'Order Book' for the purposes of this Red Herring Prospectus would mean, the contract value of projects for which Company has entered into direct contracts and sub-contracts minus the revenue already recognized from such projects.

OBJECTS OF OFFER

The Issue comprises the Fresh Issue of up to 17,683,000 Equity Shares by Company

Requirement of funds

Company proposes to utilize the Net Proceeds towards funding the following objects:

1. Funding capital expenditure requirements of Company for purchase of machinery or equipment;
2. Funding working capital requirements of Company; and
3. General corporate purposes.

RISKS

Company derived more than 90.00% of its revenue from operations from company's telecom infrastructure and sewerage infrastructure verticals during Fiscals 2026, 2025 and 2024, respectively. Any slowdown in telecom sector, sewerage sector or decrease in demand of any services provided by company could materially and adversely impact its business.

Source:RHP

Consolidated Financials

(Rs in Mn)

Financials	FY24	FY25	FY26
Total Revenue (A)	1539.82	1800.66	2412.48
Total Expenditure (B)	1254.77	1478.74	1910.54
EBIDTA	285.05	321.92	501.94
EBIDTA Margin	18.51	17.88	20.81
Other Income	14.35	22.88	33.39
Depreciation	19.66	24.81	30.98
EBIT	279.74	319.99	504.35
Interest	35.54	37.88	42.66
PBT	244.20	282.11	461.69
Share of profit in Asso	0.95	0.00	0.00
PBIT	243.25	282.11	461.69
Exceptional	0.00	0.00	0.00
PBT	243.25	282.11	461.69
Tax	70.33	71.07	131.42
PAT	172.92	211.04	330.27
NPM	18.51	17.88	20.81
ROE%	25.23	17.29	21.27
EPS	4.07	4.65	6.91
Eq Cap	26.71	478.10	478.10
Net Worth	689.26	1,220.57	1,552.62

(Source: RHP)

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