Annu Projects Ltd

Subscribe

Rating: Subscribe

Issue Offer

Total issue size:
Fresh – INR 1,751 Mn (17.68 Mn Shares)

Issue Summary`	
Price Band (INR)	97-99
Face Value (INR)	10
Implied Market Cap (INR Mn)	6,483.77
Market Lot	151
Issue Opens on	25th August, 26
Issue Close on	28th August, 26
No. of share pre-issue	4,78,09,670
No. of share post issue	6,54,92,670
Listing	NSE, BSE

Issue Break-up (% of Total Issue)	
QIB Portion	50
Retail Portion	35
NII Portion	15

Book Running Lead Managers
Mefcom Capital Markets Limited

Registrar
Kfin Technologies Ltd.

Shareholding Pattern		
	Pre-Issue	Post-Issue
Promoters	89.11%	65.05%
Public & Others	10.89%	34.95%

Objects of the Issue	
Funding capital expenditure requirements of Company for purchase of machinery or equipment	15.41 Mn
Funding working capital requirements of the Company	115
General Corporate Purposes	-

Abhishek Jain
abhishek.jain@arihantcapital.com
022-67114871

Annu Projects Ltd. is an integrated Engineering, Procurement and Construction (EPC) company engaged in the design, development, implementation, operation and maintenance of overhead and underground utility infrastructure. Established in 2003, the company has over two decades of experience in executing infrastructure projects across Telecom Infrastructure, Sewerage Infrastructure, Gas Pipelines and Railway Signalling. The company has built strong execution capabilities in utility infrastructure, supported by an in-house fleet of 558+ plant and machinery. It has laid over 26,200 km of optical fibre cable, maintained more than 62,800 km of OFC networks, executed over 298 km of sewerage pipelines and laid more than 537 km of MDPE gas pipelines.

Investment Rationale

Strong Order Book Provides Revenue Visibility: Annu Projects had an outstanding order book of INR10,050.55Mn as of June 30, 2026, across 23 ongoing projects, translating into a healthy 3.89x book-to-bill ratio. Telecom infrastructure accounted for 82.9% of the order book, while sewerage infrastructure contributed 15.0%.

Established Track Record in Utility Infrastructure: Over two decades of project execution experience has enabled the company to develop strong capabilities in fibre networks, sewerage systems and gas distribution infrastructure. The company has executed projects for customers including BSNL, GAIL India, Indraprastha Gas and Gujarat Gas.

Integrated Execution Capabilities: In-house project management and ownership of specialised equipment support better control over project execution, cost and timelines. The company's equipment base includes horizontal directional drilling machines, excavators, splicing machines, OTDR machines and HDPE pipe welding machines.

Diversification into New Growth Areas: Alongside its established telecom and sewerage businesses, Annu Projects has expanded into gas pipeline infrastructure and railway signalling. The railway signalling vertical provides an additional growth opportunity as railway infrastructure spending increases.

Strong Financial Growth: Revenue from operations increased from INR1,539.82Mn in FY24 to INR2,412.48Mn in FY26, implying a CAGR of 25.2%. EBITDA increased from INR285.04Mn to INR501.94Mn, while PAT increased from INR173.87Mn to INR330.27Mn over the same period. EBITDA margin improved to 20.8% and PAT margin to 13.7% in FY26.

Strong Return Ratios: FY26 ROE and ROCE stood at 21.3% and 22.7%, respectively, reflecting healthy profitability relative to the capital employed in the business.

Valuation & Outlook

At the upper price band of INR99, the IPO implies a post-issue market capitalisation of approximately INR4,733Mn. Based on FY26 EPS of INR6.91, the issue is valued at approximately 14.3x FY26 earnings. The valuation appears reasonable considering the company's 25% revenue CAGR over FY24-FY26, improving EBITDA margins, healthy return ratios and strong order-book visibility. The key monitorables remain working-capital management, customer concentration and the ability to diversify the order book beyond telecom infrastructure. The proposed IPO proceeds will primarily be utilised towards working capital requirements and purchase of machinery/equipment, which should support execution capacity and enable the company to undertake larger projects. Hence, **we recommend a "Subscribe" rating for investors with a long-term investment horizon.**

Particulars (INR Mn)	FY24	FY25	FY26
Revenue	1539.82	1800.66	2412.48
Growth (% YoY)		*16.94%*	*33.98%*
EBITDA	285.04	321.92	501.94
Margins	*18.51%*	*17.88%*	*20.81%*
PAT	173.87	211.04	330.27
Margins	*11.29%*	*11.72%*	*13.69%*

Arihant Research Desk

Email: instresearch@arihantcapital.com

Tel. : 022-42254800

Head Office	Registered Office
#1011, Solitaire Corporate Park	
Building No. 10, 1st Floor	Arihant House
Andheri Ghatkopar Link Road	E-5 Ratlam Kothi
Chakala, Andheri (E)	Indore - 452003, (M.P.)
Mumbai – 400093	Tel: (91-731) 3016100
Tel: (91-22) 42254800	Fax: (91-731) 3016199
Fax: (91-22) 42254880	

Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

Research Analyst Registration No.	Contact	Website	Email Id
INH000002764	**SMS: 'Arihant' to 56677**	www.arihantcapital.com	instresearch@arihantcapital.com

Arihant Capital Markets Ltd.
1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800Fax. 022-42254880

Disclaimer: This disclosure statement is provided in compliance with the SEBI Research Analyst Regulations, 2014. Arihant Capital Markets Limited (ACML) is a registered stockbroker, merchant banker, and research analyst under SEBI, and is also a Point of Presence with the Pension Fund Regulatory and Development Authority (PFRDA). ACML is registered with SEBI with Research Analyst Registration Number INH000002764, Stock Broker Registration Number INZ000180939, and is a Trading Member with NSE, BSE, MCX, NCDEX, and a Depository Participant with CDSL and NSDL.

ACML and its associates may have business relationships, including investment banking, with companies covered by its Investment Research Department. The analysts of ACML, and their associates, are prohibited from holding a financial interest in securities or derivatives of companies they cover, though they may hold stock in the companies they analyze. The recommendations provided by ACML's research team are based on technical and derivative analysis and may differ from fundamental research reports.

ACML confirms that neither it nor its associates have a financial interest or material conflict concerning the companies covered in the research report at the time of publication. Furthermore, ACML, its analysts, and their relatives have no ownership greater than 1% in the subject companies as of the month prior to publication. ACML guarantees that the compensation for its research analysts is not influenced by specific securities or transactions.

ACML affirms that neither the analyst nor the company has served as an officer, director, employee, or engaged in market-making activities for any of the subject companies. Additionally, the research report does not reflect any conflict of interest and is not influenced by specific recommendations made. Neither ACML nor its analysts have received compensation for investment banking or brokerage services from the subject companies in the last 12 months.

The views expressed in this report are those of the analysts and are independent of the proprietary trading desk of ACML, which operates separately to maintain an unbiased stance. Analysts comply with SEBI Regulations when offering recommendations or opinions through public media. The report is intended for informational purposes only and is not an offer or solicitation for the purchase or sale of securities.

This report, which is confidential, may not be reproduced or shared without written consent from ACML. It is based on publicly available data believed to be reliable but has not been independently verified, and no guarantees are made about its accuracy. All opinions and information contained in the report are subject to change without notice.
ACML disclaims liability for any losses resulting from reliance on this report. The report does not constitute an offer to buy or sell securities, and ACML is not responsible for the risks involved in investments. ACML and its affiliates may have positions in the securities discussed or hold other financial interests in them.

The distribution of this report in certain jurisdictions may be restricted by law, and the report is not intended for distribution where it would violate local laws. Investors are advised to consider their financial position, risk tolerance, and investment objectives before engaging in transactions, particularly in high-risk financial products such as derivatives.

ACML reserves the right to modify this disclosure statement without prior notice. The report has been prepared using publicly available information and internally developed data, though ACML does not guarantee its completeness or accuracy. Historical price data for securities can be accessed via official exchanges like NSE or BSE.
ACML and its affiliates may conduct proprietary transactions or investment banking services for the companies mentioned in this report. In compliance with SEBI regulations, ACML maintains comprehensive records of research reports, recommendations, and the rationale for those recommendations, which are preserved for at least five years. An annual compliance audit is conducted by a member of the ICAI or ICSI to ensure adherence to applicable regulations. This report is issued in accordance with applicable SEBI regulations and does not guarantee future performance or returns.

Arihant Capital Markets Ltd.
1011, Solitaire Corporate park, Building No. 10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (E)
Tel. 022-42254800

Abhishek Jain
Head of Research
Abhishek.jain@arihantcapital.com

Abhishek Chhajed Jain
Digitally signed by Abhishek Chhajed Jain
Date: 2026.08.24 18:32:20 +05'30'