

Techno Electric & Engineering Company Ltd. is a leading player in India's power infrastructure space, with a strong presence across transmission EPC, asset ownership (TBCB) and emerging businesses such as smart metering and data centers. The company has built deep execution capabilities in complex EHV projects (up to 765 kV), enabling it to consistently deliver superior margins relative to peers. With a prudent capital allocation strategy, selective bidding approach and a calibrated expansion into high-growth adjacencies like digital infrastructure, Techno is steadily transitioning from a pure EPC contractor to a diversified infrastructure and services platform.

We Initiate Coverage on Techno Electric & Engineering Company Ltd with "BUY" rating and a target price of ₹1,530 valuing it at a PE multiple of 30 X of its FY27E EPS of ₹51.

Investment Rationale

- Techno is transitioning from a pure-play EPC contractor to a digital infrastructure platform owning data centers and smart metering assets, a structural shift that could re-rate earnings multiples as annuity revenues scale.
- India's power transmission boom (INR 2.99 lakh crore Budget allocation, +39% YoY) and the data center demand surge (1.2 GW+ operational capacity, 80% utilization) both directly benefit Techno — an uncommon combination for a single company.
- Management guides FY27 standalone EPS of INR 75 vs INR 50 in FY26, a jump driven by data center ramp-up, while Q3 FY26 already showed PAT growing at 45% YoY with profit outpacing revenue growth.
- Zero debt with INR 2,600 Cr in cash enables self-funded data center capex (INR 5,000 Cr targeted by 2030) and smart metering rollout without equity dilution or high-cost borrowing.
- An order book of INR 9,581 Cr providing 2.5–3x revenue cover anchors near-term EPC earnings, with L1 positions of INR 750 Cr and a healthy TBCB pipeline supporting continued inflows.
- By focusing exclusively on complex EHV/765 kV projects and capping order intake, Techno consistently earns 13–15% EBITDA margins versus single digits at peers, generating the cash that funds its new verticals.
- 2.24 million smart meters under a 120-month DBFOOT concession (93 months of O&M) will generate stable, recurring cash flows once installations complete, adding a third predictable income stream to the business.
- Data center revenues carry 50–60% EBITDA margins versus 13–15% in EPC; even modest revenue addition from this segment will be materially accretive to blended profitability.
- A 20-year revenue-sharing partnership with RailTel to deploy 102 edge data centers across 23 states is a hard-to-replicate first-mover asset, with Gurgaon already fully occupied and cloud services commenced.
- Budget 2026's tax holiday on foreign cloud income until 2047, the INR 2.5 lakh crore national transmission investment requirement and the RDSS smart metering scheme together create a decade-long demand runway across all three verticals.



Source: TradingView

Key Stock Data	
CMP (₹) (01.04.2026)	1,031
Industry	Construction
Market Cap (₹ in Crore)	11,978.86
52 Week High/Low (₹)	1,655 / 785
PE Ratio	24.28
BSE Code	542141
Bloomberg	TECHNOE:IN

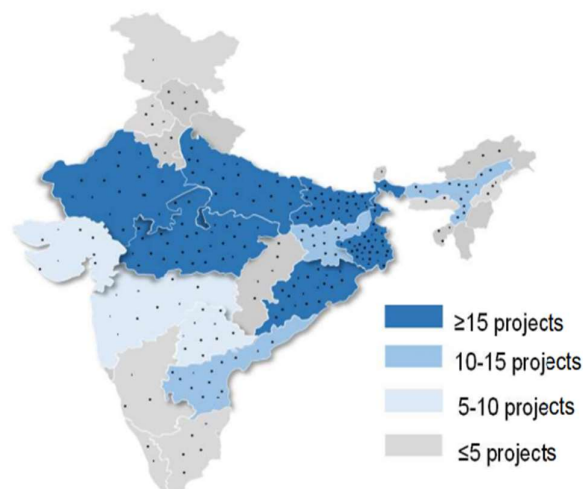
Financial Data (₹ in Crores/ Unless stated otherwise)

Particulars	FY24	FY25	9MFY26	FY26E	FY27E
Rev. from operations	1,502	2,269	2,241	3,300	4,290
EBITDA	210	339	329	523	723
EBITDA Margin (%)	14	15	15	16	17
PAT	268	423	359	489	593
PATM (%)	18	19	16	15	14
EPS (₹)	25.18	33.25	28.73	42.07	50.99

Shareholding pattern (%)

Particular	December 2025	FY25	FY24	FY23
Promoters	56.93	56.93	61.52	61.52
FII	8.53	9.33	3.85	2.10
DII	23.05	24.50	23.76	25.03
Public	11.47	9.24	10.86	11.35

TEECL Experience across India



Source: Company, RHP, Screener, NSE

Financial Performance

- The company reported its highest-ever Q3 standalone revenue of ₹857 Cr, registering a strong YoY growth of 26.8%, while 9M FY26 revenue reached ₹2,209 Cr (+39% YoY), nearly matching the full-year FY25 revenue of ₹2,402 Cr, indicating sustained growth momentum.
- Profitability outpaced topline expansion, with Q3 PAT rising 45.2% YoY to ₹152 Cr versus revenue growth of 26.8%, reflecting robust operating leverage driven by disciplined project selection and a favorable execution mix.
- EBITDA margin witnessed a marginal YoY decline to 14.14% in Q3 (vs. 14.68% in Q3FY25), primarily due to one-off operating expenses related to the rollout of the EBS Connect platform, which management highlighted as a strategic digital investment rather than a structural margin pressure.
- On Standalone basis, Finance costs increased significantly to ₹38 Cr in 9M FY26 from ₹6 Cr in the corresponding period last year, reflecting funding requirements for ongoing capex in smart meter and data centre projects via SPVs, with further increases expected as investments scale up.
- Consolidated PAT for Q3FY26 stood at ₹119 Cr, lower than standalone PAT of ₹152 Cr, primarily due to losses and investments in subsidiaries (data centre and smart meter SPVs) currently in the ramp-up phase; this gap is expected to narrow as these assets become operational.
- The company maintains a strong financial position, being debt-free with a healthy cash balance of ₹2,600 crore.

Company Overview

Techno Electric & Engineering Company Limited (TEECL) is a Kolkata-headquartered, BSE and NSE-listed infrastructure company with a 45-year legacy at the intersection of India's power and digital economy. Having completed 450+ projects since inception and executed over \$1 billion in power transmission, AMI and FGD projects cumulatively, the company has established itself as one of the most trusted names in India's power sector. Notably, the majority of its business continues to be driven by its core power transmission and distribution segment, which remains the backbone of its operations.

The Foundation Built on India's power backbone TEECL helped establish NTPC's first power station and has constructed over 160 of PGCIL's 276 substations, accounting for more than half of India's national grid. Having developed \$600 million in PPP transmission assets and commissioned 207 MW of renewable energy TEECL is among India's first to earn UNFCCC carbon credits.

The Financials That Stand Out Zero debt. AA (Stable) credit rating. Profitable for 20+ consecutive years. In a capital-intensive industry where balance sheet stress is the norm, TEECL is an exception.

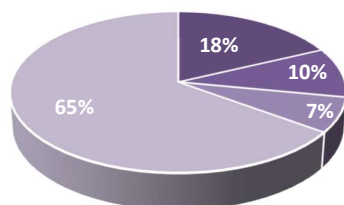
The Strategic Pivot FY23 marked a deliberate turning point. TEECL exited its wind power generation business to sharpen focus on higher-return verticals. Capital freed from that exit is now being redeployed into three high-growth businesses:

Vertical	Opportunity	Target
Data Centers	Digital infrastructure demand surge	250 MW portfolio by FY2030
Smart Metering	RDSS-driven national rollout	1 million installs/year
TBCB Transmission	Annuity income, BOOT model	Long-term recurring cash flows

What distinguishes the "New Techno Electric" is a deliberate strategic evolution — from a pure-play EPC contractor to a diversified digital infrastructure platform. This transition is designed to layer recurring, annuity-style revenues onto its established EPC earnings base, fundamentally changing the quality, visibility and longevity of the company's cash flow profile.

Order Book as on 31st December 2025

Business Vertical -wise order book



- Smart Meter (DBFOT/TOTEX)
- Others
- Transmission TBCB Asset
- Transmission

Customer	Rs In Millions	Weightage
Power Grid Corporation of India Ltd.	24,193.43	25.25%
Adani Energy Solutions Limited	13,379.57	13.96%
Rajasthan Rajya Vidyut Prasaran Nigam Ltd.	8,651.16	9.03%
Smart meter from J&K DISCOM	7,000.38	7.31%
Nepal MCA	7,524.27	7.85%
RESONIA LIMITED (Formerly Sterlite Grid 32 Limited)	6,609.76	6.90%
Indigrid (Ishanagar and Dhule)	4,339.32	4.53%
Assam Electricity Grid Corporation Limited	3,921.65	4.09%
Smart meter from Ranchi DISCOM	4,292.01	4.48%
NERES XVI, POWER TRANSMISSION LTD, GOGAMUKH	4,443.20	4.64%
Smart meter from Tripura DISCOM	3,181.33	3.32%
Smart meter from Indore DISCOM	2,129.59	2.22%
Sterlite Grid 18 Limited	1,500.74	1.57%
Smart meter from J&K DISCOM	480.48	0.50%
DVC Command Area (Digitisattion)	659.94	0.69%
Others	3,507.31	3.66%
Total	95,814.16	100.00%

Source: Company, RHP, Screener, NSE

Evolving Business Model & Growth Drivers

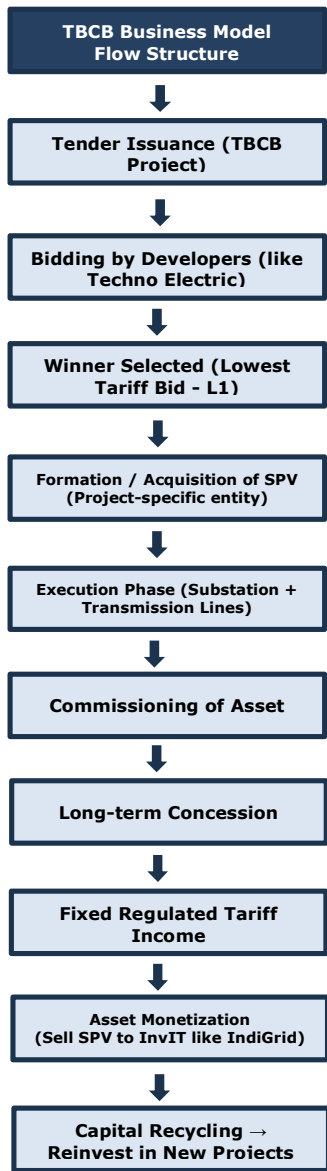
- **Strong EPC Core with Margin Discipline**

Techno Electric's Transmission EPC business remains the core earnings driver, contributing 65% of the order book, with capabilities spanning EHV infrastructure including substations (up to 765 kV), transmission lines, FGD, STATCOM, and renewable evacuation solutions on a turnkey basis. Its focus on the high-voltage (400–765 kV) segment, characterized by strong entry barriers, positions the company competitively in complex, execution-intensive projects.

The segment offers strong growth visibility, backed by a robust order book of ₹62.7 bn and incremental inflows of ₹2,500 crore (with ₹750+ crore in L1 pipeline), keeping it on track to meet its ₹3,000 crore FY26 target. Importantly, management's calibrated order intake strategy (₹3,000–3,500 crore annually) prioritizes margin discipline over aggressive growth, sustaining EBITDA margins of 13–15%, structurally above peers. With India's rising transmission capex and evacuation needs, Techno Electric is leveraging its 40-year expertise and improved execution speed (quarterly vs earlier annual output) to drive faster revenue conversion, reinforcing Transmission EPC as a steady, margin-accretive growth engine.

Capital Allocation Aligned to Emerging Growth Segments

The exit from the wind power segment has enabled Techno Electric to reallocate capital towards transmission, smart metering, and data centers, improving growth visibility and return ratios, while accelerating the transition from a pure EPC model to a more annuity-driven business mix.



TBCB Platform Driving Annuity Income Transition

Techno Electric’s foray into the TBCB (Tariff-Based Competitive Bidding) model marks a strategic shift from pure EPC execution to asset ownership under the BOOT framework, enabling a transition towards stable, long-term annuity income through regulated tariffs. The company has secured 4 TBCB projects to date, with 3 already commissioned and monetized, while NERES XVI (Gogamukh), a ₹460 crore project comprising a 400/220/132 kV substation (1,400 MVA) and 45 km transmission lines is under development and targeted for commissioning by December 2026. Additionally, Ishanagar (IPTL) and Dhule (DPTL) projects are under execution in partnership with IndiGrid, with total investment in the TBCB platform at ₹500 crore till date and an order book of ₹6,700 mn.

This segment is evolving as a key long-term value driver, supported by strong policy tailwinds, with the Draft National Electricity Plan 2026 designating TBCB as the default mode for transmission project awards, creating a large and growing pipeline of bidding opportunities. Techno Electric’s strategy of monetizing operational assets through its IndiGrid partnership enables capital recycling and balance sheet efficiency, allowing reinvestment into new opportunities. Unlike the EPC segment, the company remains open to scaling this platform aggressively, supported by active participation in upcoming bids, expansion into inter-state and renewable evacuation corridors and potential platform-level investor partnerships to jointly develop and own transmission assets, positioning TBCB as a scalable annuity-led growth engine.

Emerging Long-Duration Growth Engine - Data Center

The data center segment is evolving into a key driver of future growth, with a targeted capacity of 250 MW by FY30. The strategy combines hyperscale capacity (Chennai, Noida, Kolkata) with a distributed edge network (102 locations under RailTel partnership), enabling participation across both core and low-latency demand segments. Early traction—strong utilization at Chennai Phase 1 and 95% occupancy at Gurgaon edge—indicates demand validation. The gradual shift toward ownership-led assets and higher-value services (cloud, managed services) is expected to enhance revenue visibility and improve earnings stability over time.

Data Center Portfolio – Capacity & Execution Timeline:

Facility	Total Capacity	Status / Timeline
Hyperscale Hubs		
Chennai Campus	36 MW	Sept 2025 (Phase 1 Live - 6MW)
Noida Campus	16 MW	Phase 1 (500 KW) live from Feb 2026; scaling to 5 MW by Mar 2027
Kolkata Campus	16 MW	FY 2027 – 2028
Edge Data Centers (EDC)		
Gurgaon EDC	—	Active (95% Occupied)
Mumbai EDC	—	Operational by FY26
Indore, Bhubaneswar, Ahmedabad, Lucknow	—	Future phases

Source: Company

Integrated Capabilities and Efficiency Advantage in Data Centers

The data center business benefits from an integrated service offering across colocation, cloud, managed services and security, supported by centralized NOC/SOC and standardized operations, enabling scalability and consistent performance. Infrastructure designed for high-density and AI workloads, along with a competitive PUE of 1.35 and 75% water savings, enhances cost efficiency and strengthens its appeal to sustainability-focused global clients, supporting utilization growth. Additionally, increasing digital infrastructure requirements and data localization trends support long-term growth visibility for the data center segment.

Smart Metering Transition to Annuity Revenue Model

The smart metering segment is evolving from an execution-led business to a stable annuity-driven revenue stream, supported by an order book of 2.24 million meters (₹2,612 crore), with 50% already executed. As projects across key states near completion by FY26, the revenue mix is expected to gradually shift toward long-term, recurring cash flows under the DBFOOT model, improving earnings visibility and reducing volatility. The segment's growth is underpinned by the government-backed RDSS program, which provides a structured and relatively de-risked framework for large-scale smart meter deployment across DISCOMs. With a total planned capex of ₹1,500 crore (of which ₹1,000 crore is already deployed/committed), the company is executing in a phased and calibrated manner, aligned with the execution ramp-up of pending concessions, ensuring efficient capital allocation while maintaining execution momentum across multiple states.

DBFOOT Framework: From Capex Deployment to Annuity Generation:

Phase	What Happens	Duration	Cash Impact
Design + Build	TEECL designs the full AMI system — meters, communication network, servers, software.	27 months	Cash outflow — TEECL's capex. EPC revenue recognized in standalone P&L.
Finance + Own	TEECL funds everything. No upfront payment from DISCOM. All meters and infrastructure are TEECL's property for 10 years. Government grant partially reimburses capex during installation.	120 months	Government grant inflow (60-90% of eligible cost).
Operate (Core Phase)	TEECL runs the entire system — 24/7 monitoring, remote connect/disconnect; tamper detection, meter replacement, consumer helpline, data reporting to DISCOM.	93 months	PMPM fee from DISCOM — every month, every active meter. 20% EBITDA margin.
Transfer	At end of 10 years, all assets handed to DISCOM. SPV wound up.	Month 120	Clean exit.

Smart Metering Order Book: Execution Progress and Annuity Transition Timeline

State / DISCOM	Contract Value	% Installed	Completion	Status
J&K JKPDD — Lot B	₹383 Cr	100%	Done	LIVE — earning PMPM every month
Jharkhand JBVNL (Ranchi)	₹429 Cr	52%	Jun '26	Active installation
J&K JKPDD — Additional Lot	₹748 Cr	34%	Dec '26	Active installation
Tripura TSECL	₹318 Cr	31%	Dec '26	Active installation
Indore DISCOM (MP)	₹213 Cr	86%	Mar '26	Implementation phase

Source: Company

Industry Outlook

Power Transmission: Entering a Structural Capex Supercycle

India's power system is undergoing a fundamental transformation, with installed capacity targeted to reach 777 GW by 2030, including 500 GW from renewable sources, and further scaling to 2,100 GW by 2047. This sharp increase in generation capacity, particularly from geographically concentrated renewable sources, necessitates a significant expansion of the transmission backbone. To support this transition, the country is expected to invest approximately ₹9.16 lakh crore in transmission infrastructure through 2032, along with the addition of 1.14 lakh circuit kilometres of transmission lines between 2022 and 2027.



Parameter	Current / Target
Installed Capacity (2030)	777 GW
Renewable Capacity Target (2030)	500 GW
Installed Capacity (2047)	2,100 GW
Transmission Capex (till 2032)	₹9.16 lakh crore
Planned Line Additions (2022–27)	1.14 lakh ckm
Current Network Size	>5 lakh ckm
Transformation Capacity	1,407 GVA (71.6% growth since 2014)
T&D Growth CAGR (2024-30)	5.2%
Stranded RE Capacity	50 GW

Source: Company, PIB

Renewable Evacuation Bottleneck Creating Immediate Opportunity

A key near-term driver for transmission investment is the growing renewable evacuation bottleneck, with over 50 GW of capacity currently stranded due to inadequate transmission infrastructure in resource-rich but remote regions. Addressing this bottleneck will require an estimated investment of ₹2.5 lakh crore, creating a strong and immediate project pipeline.

Policy Support and State-Level Pipeline Strengthening Execution Visibility

A supportive policy environment, including a ₹2.99 lakh crore allocation to the power sector in Union Budget FY27 (+39% YoY), the Draft NEP 2026 proposing TBCB as the default bidding route, and Right of Way reforms (21-day resolution), is accelerating project execution. Additionally, regulatory support for cross-border transmission is opening new growth avenues, while large state-led programmes such as Gujarat's GEC-III (₹29,000 crore) and Kerala's TransGrid 2.0 (₹599 crore), along with strong tendering activity in renewable-rich states like Rajasthan and Gujarat, provide robust near-term project visibility.

Technology Shift Enhancing Project Economics

The sector is gradually transitioning from Air Insulated Switchgear (AIS) to Gas Insulated Switchgear (GIS) substations, which offer compact, modular solutions with lower land requirements, especially in urban areas. This shift increases project complexity and enables better margin opportunities for capable EPC players.

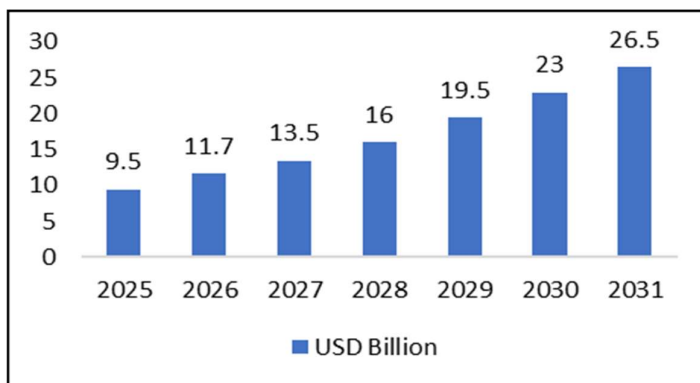
India's Data Center Opportunity: Scaling with Digital Demand

The data center market outlook remains robust, underpinned by strong structural demand and capacity expansion. The market is projected to reach over \$11.7 billion by 2026, implying a healthy growth trajectory with a CAGR exceeding 15%. This growth is supported by a steady increase in market size over the medium term, reflecting sustained digital adoption and rising data consumption. Operational IT load capacity was expected to reach 1,520 MW by end-2025, with an additional 350 MW capacity planned in 2026, indicating continued investments to meet rising demand and a clear pipeline for expansion.



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Market Growth (USD Billion):



Source: Company

Structural Demand Drivers Growth is being driven by multiple structural tailwinds, including increasing AI integration requiring high-density infrastructure, accelerating cloud migration by enterprises and hyperscalers, and rapid 5G rollout boosting data consumption. Policy support through data localization norms and tax incentives, along with improved power availability, is further facilitating faster execution of projects. Demand remains diversified across end-user segments such as telecom, cloud providers, BFSI, government, e-commerce, and media, each contributing to rising data storage, processing, and low-latency requirements, thereby reinforcing a strong and sustainable outlook for the sector.

Policy Support & Emerging Opportunity: Budget 2026 has introduced favorable tax provisions / incentives on qualifying foreign cloud income with a long-term policy horizon—applicable primarily to foreign cloud companies utilizing India-based data centres—which enables global workloads to be served from India-based data centers through local reseller structures. This helps mitigate permanent establishment-related risks for hyperscalers and is likely to accelerate the migration of long-term compute demand to India, thereby expanding the addressable opportunity for domestic data center platforms. Domestic players (Indian data centre operators and resellers) benefit indirectly — through increased localization of demand and more efficient onshore structuring (including reseller models) and improving transfer pricing clarity under evolving frameworks — rather than through a direct tax exemption. Techno Electric is well-positioned at the intersection of rising digital infrastructure demand and power ecosystem capabilities, strengthening its positioning as a critical beneficiary of India’s accelerating data center build-out.

Smart Metering Industry Outlook

The smart metering industry in India is witnessing strong structural growth, driven by the government’s continued focus on power distribution reforms and grid digitalization under schemes such as RDSS. The sector is transitioning from conventional metering to Advanced Metering Infrastructure (AMI), enabling real-time monitoring, improved billing efficiency and reduction in AT&C losses for DISCOMs, thereby supporting overall grid modernization. Additionally, the industry is evolving toward a service-based annuity model (DBFOOT/TOTEX), wherein companies invest upfront and generate recurring revenues over the contract lifecycle, replacing the traditional one-time EPC model.

The Government of India has set an ambitious target of installing 25 crore smart meters, with execution likely extending toward FY28–FY30, while the overall industry opportunity is estimated at 39–42 crore meters by 2030, indicating a large multi-year growth runway. With large-scale rollouts across multiple states and strong nationwide tendering activity, the segment offers significant long-term growth potential. This outlook is further reinforced by strong policy support, with the Union Budget FY27 allocating ₹29,997 crore to the Ministry of Power (39% YoY increase), reflecting an accelerated push toward infrastructure development, energy security and digital grid initiatives, including smart metering, thereby creating sustained opportunities for industry participants.





Future Outlook & Management Guidance

Management has guided for FY26 standalone revenue of INR 3,300–3,400 crore with EPS of INR 50, with Q4 expected to be the strongest quarter; FY27 standalone EPS is projected at INR 75 with no major execution concerns.

Treasury income of INR 150 crore annually is expected to provide steady support, while consolidated financials are likely to remain within $\pm 5\%$ of standalone performance.

Management has guided for FY26 order inflows of INR 3,000 crore, with strong visibility already in place (INR 2,500 crore secured and L1 in INR 750 crore). The company will continue a calibrated, selective bidding strategy, capping annual inflows at INR 3,000–3,500 crore until revenues scale beyond INR 5,000 crore, prioritising execution quality and margins over aggressive growth.

Strategic focus remains on complex EHV transmission projects (400 kV and 765 kV), supporting sustainable EBITDA margins of 13–15%. Management also highlighted a strong medium-term opportunity pipeline driven by India’s renewable energy evacuation constraints, with significant transmission capex expected.

In the TBCB segment, NERES XVI is targeted for commissioning by December 2026. The company is actively bidding for new projects and evaluating platform-level and asset-level investor partnerships to scale its transmission asset portfolio.

Management has guided total capex of INR 1,500 crore for the 2.24 million meter rollout (with INR 1,000 crore already invested), targeting 1.4 million meter installations by March 2026. Project timelines remain on track, with Indore and Ranchi expected to be completed by March and June 2026 respectively, and Kashmir and Tripura by December 2026.

The company is adopting a strict “profit over volume” approach in new tenders due to margin pressures, becoming increasingly selective in bidding. Over the long term, management sees smart metering as a strategic shift from EPC to a service-led model, building a data platform for future energy services, with scope to scale beyond 2.24 million meters subject to commercial viability.

Management has outlined an aggressive expansion roadmap for Data Center with cumulative capex of at least INR 5,000 crore by 2030, including near-term investments of INR 500–600 crore across FY26–FY27, with an estimated build cost of INR 40 crore per MW. While the current capacity target is 250 MW, this may be revised upward supported by favourable policy tailwinds, including potential expansion of the Chennai facility to 45 MW.

The data center business is expected to scale meaningfully, with revenues guided at INR 100+ crore in FY27 and ramping up to INR 300–400 crore over the next 2–3 years. Management expects structurally higher profitability, with EBITDA margins of 50–60%, significantly above the EPC segment.

For the Data Center segment, the company targets a 70–80% revenue share from colocation and 20–30% from bare metal and cloud services, resulting in blended EBITDA margins of 50–60%, with these services generating 3x higher revenue per MW but at slightly lower margins, along with network services enabled by a Department of Telecom license in Chennai (40–50% margins). On capital allocation, management does not intend asset monetisation in the near term (2–3 years), focusing instead on scaling the platform and potentially bringing in investors at a platform level.



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Board of Directors & Management Overview

Name	Designation	Description
Mr. Padam Prakash Gupta	Managing Director	Holds an Engineering degree and a Master's in Business Management from IIM Ahmedabad. He has over 44 years of experience, with prior roles at BHEL and ANZ Grindlays Bank, and currently served as Vice President of IEEMA.
Mr. Ankit Saraiya	Whole-Time Director & CEO	Holds a degree in Corporate Finance and Accounting from Bentley University, USA. He has over 11 years of experience and has played a key role in the Company's diversification into anti-emission and digital infrastructure initiatives.
Ms. Avantika Gupta	Non-Executive Director	Ms. Gupta is a science graduate from Bentley University, USA, with a focus on Economics and Finance. She has over nine years of experience and brings strong financial and commercial expertise.
Mr. Shailesh Kumar Mishra	Professional Director	Mr. Mishra brings over 39 years of experience in the power sector and was appointed as an Additional Independent Director on November 10. He has held key roles at NTPC, Power Grid, and SECL.
Mr. Samarendra Nath Roy	Independent Director	A graduate of IIT Kharagpur, Mr. Roy began his career at IOCL as a Management Trainee before transitioning to BHEL in 1978. His long and successful tenure at BHEL was marked by significant growth, leading to his leadership role as Executive Director in 2003.

Source: Company

Risk

- High dependence on government and PSU clients exposes TEECL to risks of order delays and revenue volatility arising from policy changes, budget constraints, or slower tendering activity.
- A large, concurrent capex pipeline across AMI, data centers and transmission assets could strain liquidity and increase reliance on external funding if returns are delayed.
- Simultaneous expansion across data centers, smart metering, and transmission assets introduces execution and capital allocation risks amid a multi-business model transition.
- High dependence on PSU-driven receivables continues to pose working capital and liquidity risks in case of collection delays.
- High sectoral and client concentration, with a majority of revenues from T&D and FGD and 56% of the order book linked to the top five clients, exposes the company to risks from capex slowdown or policy changes.
- Escalating global conflicts can disrupt supply chains and create unpredictability in the pricing of key raw materials, potentially affecting cost structures and earnings visibility.

Peer Comparison:

Company	CMP (₹)	Revenue FY25 (₹ Cr)	Face Value (₹)	Market Cap (₹ Cr)	EV / EBITDA (x)	D/E Ratio	ROE (%)	P/E (x)
Techno Electric & Engineering Ltd.	1031	2,269	2.00	11,989	18.99	0.02	12.8	24.3
Peer Companies:								
KEC International Ltd.	522	21,847	2.00	13,886	10.49	0.94	12.0	20.4
Kalpataru Projects International Ltd.	1,084	22,316	2.00	18,515	9.9	0.69	9.9	22.3
Larsen & Toubro Ltd.	3,608	2,55,734	2.00	4,96,238	14.9	1.32	16.6	30.5
Adani Energy Solutions Ltd.	956	23,767	10.00	1,14,881	18.1	1.95	13.6	51.1

Source: Company, Screener
#PE has been annualised

Disclosure under SEBI Research Analyst Regulations 2014:

Sr.no.	Particulars	Yes/No
1)	Research Analyst or his/her relative's or Ajcon Global Services Limited financial interest in the subject company(ies):	No
2)	Research Analyst or his/her relative or Ajcon Global Services Limited actual/beneficial ownership of 1% or more securities of the subject company (ies) at the end of the month immediately preceding the date of publication of the Research report	No
3)	Research Analyst or his/her relative or Ajcon Global Services Limited has any other material conflict of interest at the time of publication of the Research Report	No
4)	Research Analyst has served as an officer, director or employee of the subject company(ies)	No
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6)	Ajcon Global Services Limited has received any compensation for investment banking, or merchant banking, or brokerage services from the subject company in the past twelve months	No
7)	Ajcon Global Services Limited has received any compensation for products or services other than investment banking, or merchant banking, or brokerage services from the subject company in the past twelve months	No
8)	Ajcon Global Services Limited has received any compensation or other benefits from the subject company or third party in connection with the research report	No
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10)	Research Analyst or Ajcon Global Services Limited has been engaged in market making activity for the subject company(ies)	No

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Buy – Absolute return of 15% and above

Accumulate – Absolute return between 10% and 15%

HOLD - Absolute return between 0% and 10%

Book profits: On achieving the price target given in the research report for a particular Company or on a occurrence of a specific event leading to change in fundamentals of the Company recommended



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