

Ankit Shah
ankitshah1@rathi.com

Issue Details

Issue Details	
Issue Size (Value in ₹`million, Upper Band)	3,000
Fresh Issue (No. of Shares in Lakhs)	80
Bid/Issue opens on	23-Sept-26
Bid/Issue closes on	25-Sept-26
Face Value	Rs. 10
Price Band	350-375
Minimum Lot	40

Objects of the Issue:

➤ **Fresh Issue: ₹3,000 Million**

- Expansion of business by procuring new Government/PSU projects.
- Funding working capital requirements
- Prepayment or repayment of certain outstanding borrowings availed by the Company.
- General corporate purposes

Book Running Lead Managers	
Khandwala Securities Limited	
Saffron Capital Advisors Private Limited	
Registrar to the Offer	
Cameo Corporate Services Limited	

Capital Structure (₹` Million)	Aggregate Value
Authorized share Capital	400
Subscribed paid up Capital (Pre-Offer)	237
Paid up capital (Post - Offer)	317

Share Holding Pattern %	Pre Issue	Post Issue
Promoters & Promoter group	92.7	69.3
Public	7.3	30.7
Total	100.0%	100.0%

Financials

Particulars (Rs. In Million)	FY26	FY25	FY24
Revenue from operations	13,966	13,133	10,206
Operating expenses	13,210	12,547	9,490
EBIDTA	756	586	716
Other Income	135	25	34
Depreciation	32	12	45
EBIT	859	599	705
Finance cost	249	67	67
PBT	610	532	638
Tax	155	115	137
Consolidated PAT	455	417	501
EPS	14.3	13.1	15.8
Ratio	FY26	FY25	FY24
EBITDAM	5.4%	4.5%	7.0%
PATM	3.3%	3.2%	4.9%
Sales growth	6.3%	28.7%	

Sector - Information Technology Industry

Company Description

ArMee Infotech Limited is an IT infrastructure and IT managed services Company, which has ventured into the retail sales space through Experience Zones engaged in the sale of IT, consumer electronics, and gaming and merchandise products, and engaged in the Renewable Energy Space, including engineering, procurement and construction ("EPC") of solar power projects and development of solar power projects under power purchase agreements ("PPAs") and Battery Energy Storage System ("BESS"). The company is headquartered in Ahmedabad, Gujarat and services both Government/public sector undertakings (PSUs) and private sector clients including wherein the end users are Government / PSUs which operate across a wide variety of industries. A majority of the company's revenues are currently derived from servicing Government/PSU projects.

The company provides IT hardware and software, installation and integration, maintenance and functional training under its IT Infrastructure category, while IT Managed Services include technical manpower, skill development training and annual maintenance services. The company has also expanded into Renewable Energy EPC, Renewable Energy PPA and Renewable Energy BESS projects and operates two single-brand exclusive Experience Zones in Ahmedabad. As on June 30, 2026, the company had 99 Ongoing Projects, comprising 65 IT Infrastructure projects, 21 IT Managed Services projects, 10 Renewable Energy EPC projects, 1 Renewable Energy PPA project and 2 Renewable Energy BESS projects. The company's Ongoing Projects had an aggregate order value of ₹2,66,344.35 lakh, with Renewable Energy EPC, PPA and BESS projects accounting for a significant portion of the order book.

Valuation

ArMee Infotech Limited has demonstrated a sizeable scale of operations, with revenue from operations increasing from ₹10,206 million in FY24 to ₹13,133 million in FY25 and ₹13,966 million in FY26. EBITDA stood at ₹716 million, ₹586 million and ₹756 million during FY24, FY25 and FY26, respectively, while PAT stood at ₹501 million, ₹417 million and ₹455 million, respectively. The company has also maintained a strong presence in Government/PSU projects, with Government/PSU clients and projects wherein the end users are Government/PSU clients contributing 83.8% of revenue from operations in FY26.

The company is also expanding its presence in the Renewable Energy Space, including EPC, PPA and BESS projects, which provides an additional avenue for diversification beyond its traditional IT Infrastructure and IT Managed Services business. As of June 30, 2026, the company had 10 Renewable Energy EPC projects, 1 Renewable Energy PPA project and 2 Renewable Energy BESS projects. The company intends to expand its geographical footprint, continue to bid for Government/PSU projects while also engaging with private clients, and expand its products and services portfolio across areas such as Experience Zones, payment devices, data migration, STEM Labs and Atal Tinkering Labs and BESS

At the upper price band, the company is valued at 26.2x FY26 P/E and 17.83x FY26 EV/EBITDA, implying a post-issue market capitalization of ₹11,899 million. The company's established presence in IT Infrastructure and IT Managed Services, sizeable Government/PSU client base, strong ongoing project pipeline and expansion into Renewable Energy provide multiple avenues for growth. Accordingly, we recommend a "Subscribe – Long Term" rating for the issue.

➤ **Description of Business**• **Business Overview**

The company is an IT infrastructure and IT managed services Company, which has ventured into the retail sales space through Experience Zones engaged in the sale of IT, consumer electronics, and gaming and merchandise products, and engaged in the Renewable Energy Space, including engineering, procurement and construction (“EPC”) of solar power projects and development of solar power projects under power purchase agreements (“PPAs”) and Battery Energy Storage System (“BESS”). The company is headquartered in Ahmedabad, Gujarat. The company services both Government/public sector undertakings (PSUs) and private sector clients including wherein the end users are Government / PSUs which operate across a wide variety of industries. A majority of the company’s revenues are currently derived from servicing Government/PSU projects.

Under the IT Infrastructure category, the company provides IT hardware and software (e.g., computers, servers, interactive panels and their peripherals), work on the installation and integration of the hardware and software as per client requirements, and also provide maintenance of the IT Infrastructure installed by the company for periods as may be specified under the relevant contracts. To ensure seamless transition for clients, the company also provide functional training of the IT Infrastructure installed by the company. The company has undertaken multiple projects under the IT Infrastructure segment including setting up of ICT labs, smart classes, installing digital infrastructure for the public distribution system under the National Food Security Act, 2013, and supplying and/or installing IT hardware to various Government entities. The projects undertaken by the company are for specific contractual periods.

IT Infrastructure

Particulars	FY26	FY25	FY24
Revenue generated from operations (₹ million)	11,985	12,243	9,350
% of total revenue from operations	85.8%	93.2%	91.6%

Under the IT managed services category, in addition to providing IT Infrastructure as mentioned above, the company also provides technical manpower, skill development training and offers annual maintenance services. The employees provide on-site and off-site operational support and maintenance of the IT infrastructure, as may be specified under the relevant contracts. IT managed services are typically delivered under a service level agreement and payments are made at pre-defined intervals or as per contractual terms.

IT Managed Services

Particulars	FY26	FY25	FY24
Revenue generated from operations (₹ million)	734	890	856
% of total revenue from operations	5.3%	6.8%	8.4%

In the projects undertaken by the company, certain activities such as site preparation, electrification, installation, commissioning and maintenance of IT Infrastructure are provided by third-party service providers, including ArMee Technology Services Private Limited, the Company's Wholly Owned Subsidiary.

The company undertakes EPC and PPA projects in the renewable energy sector. India's solar power sector has demonstrated robust growth, marked by a significant increase in installed capacity over the past six fiscal years. Beginning at 35.6 GW in FY 2020, the country's solar power capacity surged to 150.3 GW by FY 2026, reflecting a notable compound annual growth rate (CAGR) of 27.1%. As of July 2026, India had achieved a cumulative installed solar power capacity of 164.59 GW. The company also engages as a developer in Renewable Energy BESS projects on a PPA basis.

• **Renewable Energy EPC**

Renewable Energy EPC business involves the execution of engineering, procurement, and construction activities for solar power projects. Accordingly, the company undertakes end-to-end responsibility for project assessment, design, procurement of equipment, construction, commissioning, and handover of solar power plants. Project management includes coordination with stakeholders, management of timelines and costs, and adherence to applicable industry standards. Operations extend to contract execution with both public and private sector clients for the establishment of solar generation infrastructure.

Particulars	FY26	FY25	FY24
Amount (₹ million)	1,247	-	-
% of total revenue from operations	8.9%	-	-

Renewable Energy PPA business consists of developing, owning, operating, and maintaining solar power assets under long-term arrangements with clients. The company enters into agreements for the supply of electricity generated by these solar assets at predetermined tariffs, for a specified duration. Responsibility for operation and maintenance of the solar plant rests with the company, in accordance with contractual terms. Under Renewable Energy BESS, the company enters into long-term contracts for supply of energy from its battery storage system at a pre-determined rate for a specified duration. Under this arrangement, the company is also responsible for operation and maintenance of BESS plants. As on the date of this Red Herring Prospectus, the company has secured Renewable Energy EPC and Renewable Energy BESS projects from private clients, including projects wherein the end users are Government entities/PSUs. The company has also secured projects for solar Renewable Energy PPA from State Electricity Board(s), where the company is responsible for the development, generation and supply of electricity to power distribution companies.

The company carries out its renewable energy operations through the Company and its Subsidiaries, namely ArMee BESS Private Limited, ArMee MH Renewable Energy Private Limited, ArMee UP Renewable Energy Private Limited and ArMee MP Renewable Energy Private Limited, which have been established for the purpose of executing and managing projects in this sector. As on June 30, 2026, the company has 10 ongoing projects under the

Renewable Energy EPC segment, 1 project under the Renewable Energy PPA segment and 2 projects under the Renewable Energy BESS segment. The renewable energy segment represents a strategic area of growth and diversification. While the company has limited experience in this sector, the company is leveraging its system integration project management capabilities, existing operational infrastructure, and partnerships to execute these projects. As per the EPC contracts awarded by ArMee MH Renewable Energy Private Limited and ArMee UP Renewable Energy Private Limited to the Company for setting up the respective renewable energy power projects on a turnkey basis, such arrangements are commercial EPC contracts and are neither revenue-sharing nor commission-based arrangements.

Further, the EPC consideration payable to the Company has been determined on a commercial and arm's-length basis, considering prevailing market rates for comparable scope of work and the technical and commercial requirements of the respective projects. The Company is entitled to receive the agreed EPC consideration upon achievement of contractual milestones and fulfilment of its obligations under the respective EPC contracts.

• Experience Zones

As on the date of this Red Herring Prospectus, the company has two operational Experience Zones in Ahmedabad. The Acer Agreement further appoints the Company as the exclusive authorized business associate in relation to the single-brand exclusive Experience Zones established under the Acer Agreement. The company-operated Experience Zones are single-brand exclusive Experience Zones which are governed by an Authorized Re-Seller Agreement effective since December 26, 2024 ("Acer Re-Seller Agreement"). Further, the Company and Acer have entered into a Master Agreement for Customer Experience Zone dated January 2, 2025 ("Acer Agreement"). The payment terms are governed by the Acer Re-Seller Agreement agreed upon from time to time. Some of the salient terms are that demo support is payable based on the RBP (excluding GST) for one demo unit per store per category, subject to prescribed purchase, quarterly MOU, planogram, display, and audit requirements. The payout is slab-based and linked to the audit score, with non-qualifying scores resulting in forfeiture. Eligible claims are communicated by the Claims Cell based on the T1/Estore Sell-through Report, following which the partner is required to raise a GST-compliant invoice within the stipulated timeline. Payment is released in the designated month, subject to applicable TDS. Infrastructure support and additional hygiene bonuses are also linked to prescribed audit outcomes.

• Government / PSU Client Exposure

As of June 30, 2026, a significant number of the company's projects are with the Government/PSU clients.

Particulars	FY26	FY25	FY24
Government / PSU clients (₹ million)	3,212	7,548	9,283
% of revenue from operations	23.0%	57.5%	91.0%
Wherein end users are Government / PSU clients (₹ million)	8,498	4,392	-
% of revenue from operations	60.9%	33.4%	0%
Total (₹ million)	11,710	11,940	9,283
% of revenue from operations	83.8%	90.9%	91.0%

The company classifies Ongoing Projects as projects wherein the company has received contract/purchase orders and there is a pending obligation either for supply and/or installation and/or maintenance and/or outstanding warranty periods as per the terms and conditions of the contract/purchase orders. As on June 30, 2026, the company has 99 Ongoing Projects, out of which 65 are under the IT Infrastructure category, 21 are under the IT Managed Services category, 10 are under the Renewable Energy EPC category, 1 is under the Renewable Energy PPA category and 2 are under the Renewable Energy BESS category. Further, as on June 30, 2026, the company has 464 Ongoing Projects wherein the company has completed its contractual obligations with respect to project execution and received the corresponding payment in full, but the term of the project with respect to the warranty period was still extant. The warranty period for these 464 Ongoing Projects generally ranges from three to five years, depending upon the terms of the contract.

The company classifies projects as completed when, following the receipt of contract/purchase orders from clients, the company has booked and realised the consideration amount against such contract/purchase orders and completed the corresponding warranty obligations, as per the terms of the contract/purchase orders. Over the last three Fiscals, the company has completed 267 projects under the IT Infrastructure category, 8 projects under the IT Managed Services category for Government entities/PSUs and nil projects under the Renewable Energy segment.

Order Book

(In ₹ million, except for percentages)

Service Categories	As of 30 June 2026			As of 31 Mar 2026				
	No. of Projects	Order Book	Order Book %	No. of Projects	Order Book	Order Book %	Order Book as % of Revenue	Revenue from Operations
IT Infrastructure	65	1,663	6.3%	88	2,674	22.4%	18.4%	11,978
IT Managed Services	21	1,431	5.4%	9	865	7.2%	5.9%	653
Renewable Energy - EPC	10	13,773	51.7%	7	4,606	38.5%	31.6%	1,927
Renewable Energy - PPA	1	3,816	14.3%	1	3,816	31.9%	26.2%	-
Renewable Energy - BESS	2	5,952	22.4%	-	-	-	-	-
Total	99	26,634	100.0%	105	11,961	100.0%	82.2%	14,558

The projects undertaken by the company have different billing cycles and are majorly billed on milestone basis. Further, the company is required to furnish performance bank guarantees (including earnest money deposit) to the clients which generally ranges from 3% to 10% of the project value, depending upon contractual terms, and are released by the clients only upon completion of the operation & maintenance support period.

As of June 30, 2026, out of the company's 99 Ongoing Projects, 74 projects are based in the state of Gujarat, 11 in Maharashtra, 2 each in Bihar, Andhra Pradesh, Uttar Pradesh, Madhya Pradesh and Rajasthan and 1 each is based in Telangana, Tamil Nadu, Uttarakhand, and New Delhi.

➤ **Strengths:**

• **Proven track record in executing projects for Government / PSU clients**

The Company has a proven track record in executing projects for Government/PSU clients. The number of projects serviced and completed by the Company for Government and PSU clients is as follows:

Particulars	FY26	FY25	FY24
Number of projects	116	97	62

The revenue from operations generated from Government/PSU clients is as follows:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from operations generated from Government / PSU clients (₹ million)	3,212	7,548	9,283
Percentage of total revenue from operations (%)	23.0%	57.5%	91.0%

The company obtains most of its business through a competitive bidding process and undertakes multi-locational projects providing IT Infrastructure and IT Managed Services to various departments of different State Governments and PSUs. Further, the Company has been part of the successful implementation of Government schemes such as E-Gram Vishwagram Project by the Government of Gujarat, Deen Dayal Upadhyaya Grameen Kaushalya Yojana by the Central Government, Gyankunj Scheme, a digitization program of the Government of Gujarat, and Samagra Shiksha Abhiyan by the Central Government, among others. Under the Renewable Energy segment as well, the company obtains most of its business through a competitive bidding process for various Government/PSU clients.

Government projects tend to be large-scale and often involve multi-year contracts. This provides stability and recurring revenue for infrastructure providers, allowing them to invest in research and development and expand their capabilities. Projects executed for Government and PSU clients are time-bound and generally offer greater certainty of payments. Further, the Company's ability to execute Government/PSU projects enables the Company to deliver projects in a time-efficient and cost-efficient manner. As of June 30, 2026, out of the Company's 99 Ongoing Projects, 74 projects are based in the State of Gujarat, 11 in Maharashtra, 2 each in Bihar, Andhra Pradesh, Uttar Pradesh, Madhya Pradesh and Rajasthan, and 1 each in Telangana, Tamil Nadu, Uttarakhand and New Delhi.

• **Consistent track record of financial performance**

The Company has a strong balance sheet and has successfully demonstrated consistent growth in terms of revenues and profitability. The Company has experienced sustained growth across various financial indicators. The table below sets forth some of the Company's key financial indicators for Fiscal 2026, Fiscal 2025 and Fiscal 2024.

Particulars (₹ lakh)	FY26	FY25	FY24
Revenue from operations	13,966	13,133	10,206
EBITDA	756	586	716
EBITDA margin	5.42%	4.47%	7.01%
PBT	610	532	638
PBT margin	4.37%	4.05%	6.25%
PAT	455	417	501
PAT margin	3.26%	3.17%	4.91%

• **Ability to service clients and projects across diverse sectors**

Apart from being an IT Infrastructure and IT Managed Services company, the Company has also ventured into Renewable Energy EPC, Renewable Energy PPA, Renewable Energy BESS projects and Experience Zones.

The Company is sector-agnostic and has serviced a wide variety of projects for both Government/PSU and private-sector clients, including projects where the end users are Government entities/PSUs. One of the Company's strengths lies in its ability to provide IT Infrastructure and IT Managed Services to clients operating across diverse sectors. The Company has provided IT Infrastructure and IT Managed Services to various sectors including education, healthcare, public distribution systems, rural and urban development, and science and technology. As a result, the Company is able to quickly adapt to the requirements of different sectors.

Further, the Company has secured projects in the Renewable Energy segment. The Company also has experience in setting up single-brand exclusive Experience Zones. Under its Ongoing Projects, the Company provides services to various departments of different State Governments and operates under various Government schemes. During Fiscal 2026, Fiscal 2025 and Fiscal 2024, the Company provided services to various State Government departments and PSUs and operated under multiple Government schemes. Being sector-agnostic helps the Company mitigate risks associated with specific industries that may experience downturns or economic fluctuations and provides flexibility and adaptability to enter new sectors.

- **Experienced Board of Directors and management with extensive domain knowledge**

The Company's operations are conducted by an experienced management team with significant expertise across all aspects of the Company's business operations. The Promoters, Kiritkumar Chimanbhai Patel and Ami Ridhish Patel, have been associated with the Company since its inception and have more than two decades of experience. Promoter Ridhish Kiritbhai Patel joined the operations of the Company as an Executive Director on May 22, 2012 and has over a decade of experience.

In addition to their expertise, the senior management team includes personnel with prior experience in business development and engagement with industry bodies. The team oversees the implementation of renewable energy projects through the Company and its subsidiaries. The Promoters and management are actively involved in various aspects of the Company's business. The experienced senior management team has contributed significantly to the growth of the business, and its experience and industry knowledge provide the Company with a significant competitive advantage. The senior management team is supported by qualified personnel with relevant domain expertise, providing the Company with additional competitive advantages, including functional expertise relevant to the Company's business operations.

The combination of an experienced Board of Directors and a dynamic management team positions the Company well to capitalize on future growth opportunities. Their industry experience enables the Company to anticipate and address client needs, manage and expand operations, maintain and leverage client relationships, and respond effectively to changes in client preferences. In addition, the Company is supported by experienced and qualified employees possessing expertise across a range of disciplines.

➤ **Key Strategies:**

- **Expanding and augmenting the products and services portfolio**

The company offers a wide-ranging and diversified bouquet of product and service offerings and classifies its IT business into two verticals, namely IT Infrastructure and IT Managed Services. The company also intends to leverage upcoming technological advancements in segments such as Experience Zones, payment devices and data migration. Further, the company is also engaged in the Renewable Energy segment.

1. **Experience Zone:** Experience zones are interactive spaces designed to engage all five senses and create a deeper connection between brands and consumers. Experience zones provide a unique platform for brands to differentiate themselves from competitors by showcasing product functionalities, highlighting brand values and creating a lasting impression. Experience zones are poised for significant growth in India due to increasing urbanization, rising living standards and a growing tech-savvy population. As on the date of the Red Herring Prospectus, the company has two operational Experience Zones in Ahmedabad, Gujarat.
2. **Payment Devices:** India is witnessing a significant rise in digital payments, transforming the financial landscape through government initiatives, infrastructure development and a growing ecosystem of participants. As per RBI data cited in the D&B Report, digital transactions reached 28,174 crore in FY 2026. Government initiatives such as Jan Dhan Yojana, Digital India Mission, Unified Payments Interface (UPI) and Aadhaar-enabled Payment Systems have supported this growth. The company has worked on projects in the payment device sector, including automation of fair price shops on a BOO model basis and integration services on PoS devices used for online electricity bill collection. As digital payment solutions continue to evolve and offer greater convenience and security, their penetration is expected to increase further. The company intends to expand its product portfolio and focus on this segment in the coming years.
3. **Data Migration:** Data migration, which involves transferring data from one storage system to another, has evolved significantly in India with the shift from physical media to cloud-based and digital storage solutions. This transition has created growing demand for data migration services. In addition to IT Infrastructure and IT Managed Services, the company offers data migration services to clients and plans to undertake more such projects in the future. As businesses continue to embrace cloud adoption and digital transformation, the company intends to expand its presence in this segment.
4. **STEM Labs and Atal Tinkering Labs (ATLs):** Driven by government initiatives and the increasing importance of technology in education, more schools and colleges are expected to adopt STEM labs. ATLs provide dedicated workspaces that allow students to explore STEM concepts through practical and hands-on learning activities using robotics kits, electronics, microcontrollers, sensors, 3D printers and computers. The ATL program has established more than 10,000 labs across 722 districts in 35 states and union territories. The company has experience servicing clients involved in setting up STEM Labs and ATLs and intends to continue exploring opportunities in this space.
5. **Renewable Energy - Battery Energy Storage System (BESS):** BESS technologies store electrical energy in rechargeable batteries for use at a later time. They facilitate the storage of electricity when generation exceeds demand and enable discharge when demand exceeds supply. This makes BESS an important component of modern power systems, particularly with increasing renewable energy adoption. In line with its diversification strategy, the company has undertaken renewable energy projects, particularly solar energy projects on an EPC basis. These projects are executed directly by the Company and through its subsidiaries. The Company intends to explore opportunities in BESS, a segment aligned with evolving grid stability and renewable energy integration requirements. BESS solutions are expected to complement solar power generation by enabling efficient storage and dispatch of electricity based on demand.

- **Continue to expand geographical footprint**

The Company is headquartered in Gujarat and has branch offices in Haryana and Maharashtra. The Government of India has increasingly recognized the importance of IT Infrastructure in bridging the digital divide and promoting socio-economic development in rural India. Rising digital literacy and increased adoption of technology are expected to drive demand for internet-based services such as e-commerce, online education and telemedicine, creating opportunities for managed service providers. Further, India's solar power sector has witnessed strong growth and Experience Zones are expected to benefit from increasing urbanization and consumer demand.

The Company has a significant presence in Gujarat and Maharashtra. As of June 30, 2026, out of 99 Ongoing Projects, 74 projects were based in Gujarat, 11 in Maharashtra, 2 each in Bihar, Andhra Pradesh, Uttar Pradesh, Madhya Pradesh and Rajasthan, and 1 each in Telangana, Tamil Nadu, Uttarakhand and New Delhi. The Company intends to increase its pan-India presence by securing and servicing projects in other states and routinely participates in bids across multiple states.

- **Continue to bid for Government/PSU projects while also engaging with private clients**

As of March 31, 2026, a significant number of the Company's projects were with Government entities and PSUs. The Company undertakes projects under various models such as O&M, BOO and BOOT, including projects where the end users are Government/PSU clients.

Revenue from Government / PSU Clients

Particulars	Fiscal 2026 (₹ mn)	% of Revenue	Fiscal 2025 (₹ mn)	% of Revenue	Fiscal 2024 (₹ mn)	% of Revenue
Government / PSU Clients	3,212	23.0%	7,548	57.5%	9,283	91.0%
End Users are Government / PSU Clients	8,498	60.9%	4,392	33.4%	-	0.0%
Total	11,710	83.8%	11,940	90.9%	9,283	91.0%

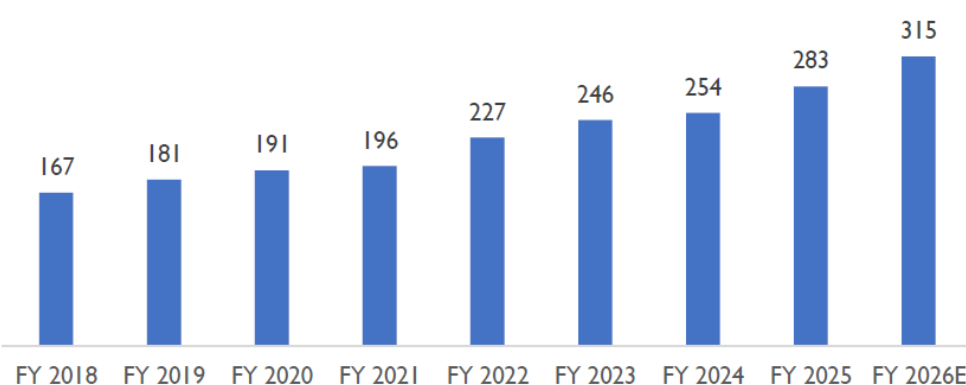
While the Company will continue to focus on and service Government/PSU clients, it also intends to maintain efforts to engage with private clients to ensure a healthy mix of Government/PSU and private sector business. The Company aims to scale operations by leveraging its expertise and experience in executing and managing projects across sectors and geographies. The Company has established branch offices in Gurugram, Haryana and Mumbai, Maharashtra with the objective of strengthening sales and marketing efforts and acquiring new clients.

➤ Industry Snapshot:

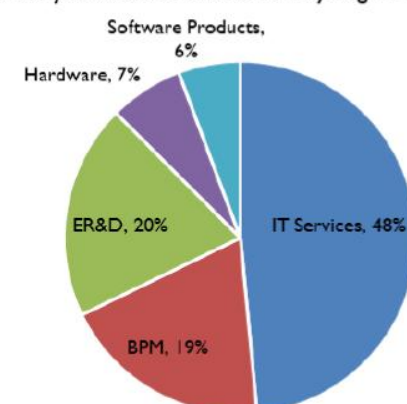
- **Indian Information Technology Industry**

1. Market Size & Historical Growth Trend: According to NASSCOM, the Indian technology industry is expected to surpass the USD 315 billion revenue mark in FY2026, reflecting a year-on-year growth of approximately 6.1% over FY2025. The industry has continued to demonstrate resilience despite global macroeconomic uncertainties, supported by growing demand for artificial intelligence (AI)-led services, engineering R&D, digital transformation initiatives, and the expansion of Global Capability Centres (GCCs). India's technology sector is increasingly shifting from a scale-led growth model to one driven by innovation, value creation, and AI-enabled solutions. Export revenues are expected to exceed USD 246 billion in FY2026, while direct employment in the sector is projected to reach nearly 6 million professionals. Engineering R&D (ER&D) and Business Process Management (BPM) are expected to remain among the fastest growing segments, supported by increasing enterprise investments in AI, digital engineering, and product innovation.

Annual Revenue Turnover of Indian IT-BPM Industry (In USD Billion)



IT Industry Revenue Contribution by Segment, FY 2025E



2. Market Segmentation: Nearly half of the annual industry revenue is contributed by IT services, which is the umbrella term used to categorize the wide range of services & systems that are provided to clients directly to support their information and technology infrastructure. In FY 2025, IT services brought in nearly 48% of the industry revenue. Engineering, Research & Development (ER&D) services that includes embedded systems, IoT, automotive software, semiconductors, and smart manufacturing formed the second largest component, accounting for nearly 20% of the industry turnover in FY 2025. Business Process Management (BPM) which forms the low value non-core services offered accounted for nearly 19% of the revenue while the remaining was contributed by software products and hardware.

a. IT Services: The IT Services segment remains the backbone of the Indian IT-BPM industry, contributing nearly half of the total revenue. This segment includes offerings such as application development and maintenance (ADM), systems integration, consulting, infrastructure management, and support services. Demand is being fuelled by enterprises globally that are accelerating their digital transformation, cloud migration, and cybersecurity initiatives. Indian IT firms are increasingly moving up the value chain, offering end-to-end digital solutions, platform-based services, and industry-specific IT consulting to drive enterprise efficiency and innovation.

b. Engineering Research & Development (ER&D): For the first time, ER&D has overtaken BPM in revenue, reaching USD 55.7 billion with a growth rate of nearly 30%. The ER&D segment is the fastest-growing in the IT-BPM landscape, reflecting a global trend of outsourcing high-end product engineering and design services. This includes areas like embedded systems, IoT, automotive software, semiconductors, and smart manufacturing. With increased global investment in innovation, especially in sectors like automotive (EVs), healthcare, aerospace, and industrial automation, Indian firms are being seen as strategic partners for product lifecycle management. The segment is increasingly driven by IP-led solutions, platform engineering, and industry 4.0 adoption.

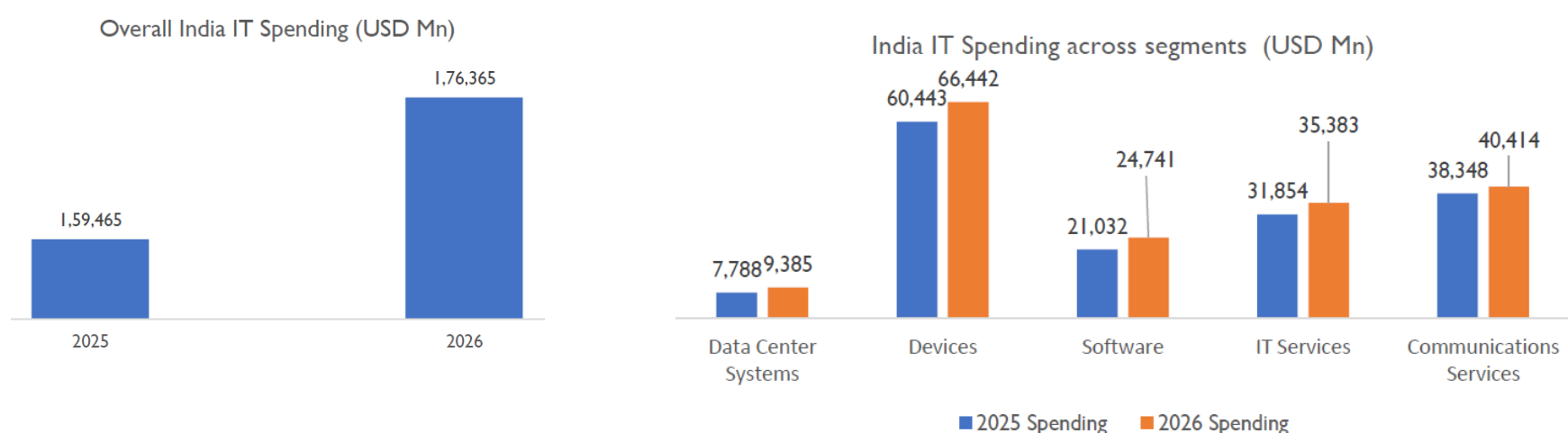
- c. **Business Process Management (BPM):** The BPM segment plays a vital role in outsourcing non-core processes like customer support, finance and accounting, human resources, and procurement. Its growth is driven by cost optimization pressures and a shift towards value-added services such as intelligent automation, robotic process automation (RPA), and analytics-driven decision-making. India continues to be a global leader in BPM, benefiting from its skilled, English-speaking workforce, and process excellence. BPM services are evolving from labor-arbitrage models to “digital BPM” models that focus on customer experience, real-time insights, and cognitive automation.
- d. **Hardware and Software Products:** Hardware accounted for nearly 7% in FY 2025, translating into USD 19.2 billion in revenue. Renewed government push under initiatives like “Make in India” and the Production Linked Incentive (PLI) Scheme for IT hardware is aimed at reviving local manufacturing and reducing import dependency. The hardware market is also expected to benefit from digital public infrastructure expansion, increased government and educational IT spending, and adoption of advanced technologies such as 5G, edge computing, and IoT that require hardware backbone upgrades. Software Products accounted for nearly 6% in FY 2025, translating into USD 16.1 billion in revenue. While traditionally a smaller contributor, this segment is gaining momentum with a surge in Indian software-as-a-service (SaaS) startups and product innovation. Indian SaaS companies like Zoho, Freshworks, and many vertical-focused startups are expanding their global footprint.

• Export Revenue

India’s digital economy continued to witness strong growth, driven by sustained expansion in domestic technology spending, increasing enterprise digitalisation, and rising adoption of cloud-based solutions. Domestic technology revenues outpaced export growth for the second consecutive year, supported by higher investments in enterprise software, artificial intelligence, cybersecurity, and digital infrastructure. The export revenue of India’s IT-BPM industry increased from approximately USD 233 billion in FY 2025 to an estimated USD 246 billion in FY 2026, registering a growth of nearly 5.6% year-on-year. The continued growth in export revenues was supported by strong global demand for outsourcing services, cost competitiveness, business risk mitigation strategies, utilisation improvement, and India’s large skilled technology workforce. Increasing adoption of cloud computing, analytics, generative AI, and digital engineering services also contributed significantly to the expansion of the Indian IT-BPM export market.

• Domestic IT Spending in India

The Indian IT sector is expected to maintain its strong growth trajectory, with overall IT spending projected to reach USD 1,76,365 million in 2026, reflecting a 10.6% increase over 2025. Growth is being driven by continued investments in cloud technologies, AI infrastructure, cybersecurity, application modernization, and digital transformation initiatives across enterprises. All major segments, including Data Center Systems, Devices, Software, IT Services, and Communication Services, are expected to contribute to this expansion. Among all segments, Data Center Systems is forecast to record the highest growth rate of 20.5% in 2026, reaching USD 9,385 million. This growth is primarily driven by substantial investments in AI infrastructure, increasing demand for local data processing capabilities, and initiatives supporting India’s AI ecosystem. Additionally, evolving data privacy regulations and sovereign cloud requirements are prompting enterprises to invest in domestic data center capacity. The Software segment is expected to grow by 17.6%, reaching USD 24,741 million in 2026. The Devices segment is projected to reach USD 66,442 million, reflecting a growth of 9.9% in 2026. IT Services, a key pillar of the Indian technology industry, is forecast to grow by 11.1%, reaching USD 35,383 million. Meanwhile, Communication Services spending is expected to increase by 5.4%, reaching USD 40,414 million.



• Private Sector IT Spending Trends in India

In recent years, India's corporate sector has embarked on a transformative journey driven by IT modernization and digital transformation. This paradigm shift has been catalyzed by rapid technological advancements, changing consumer behaviors, and evolving market dynamics. As organizations across various industries strive to stay competitive and relevant in an increasingly digital world, the adoption of innovative technologies and digital strategies has become imperative. Digital transformation encompasses the integration of digital technologies across all aspects of business operations, including customer engagement, product development, supply chain management, and workforce collaboration. In India, digital transformation has emerged as a strategic imperative for organizations seeking to enhance agility, drive innovation, and deliver superior customer experiences in a rapidly evolving marketplace.

• Digital Transformation Initiatives

1. **E-commerce and Omnichannel Strategies:** With the proliferation of smartphones and internet connectivity, e-commerce has emerged as a pivotal driver of digital transformation in the corporate sector of India. Organizations are investing in robust e-commerce platforms and omnichannel strategies to reach customers across multiple touchpoints seamlessly.

2. **Cloud Computing and Infrastructure Modernization:** Cloud computing has revolutionized the way businesses manage and deploy IT infrastructure, enabling scalability, flexibility, and cost efficiency. Organizations in India are migrating their workloads to cloud platforms such as Amazon Web Services (AWS), Microsoft Azure, and Google Cloud Platform to streamline operations, accelerate innovation, and drive digital transformation.
3. **Data Analytics and Business Intelligence:** Data has emerged as a strategic asset for organizations seeking to gain actionable insights and make informed decisions. Digital transformation initiatives in India's corporate sector include investments in data analytics and business intelligence tools to harness the power of data.
4. **Artificial Intelligence and Machine Learning:** Artificial intelligence (AI) and machine learning (ML) are transforming business processes and customer experiences across industries. In India, organizations are leveraging AI and ML technologies to automate repetitive tasks, personalize customer interactions, and optimize operations.
5. **Cybersecurity and Risk Management:** As digitalization accelerates, cybersecurity has become a top priority for organizations looking to protect their assets, data, and reputation. Digital transformation initiatives in India's corporate sector include investments in cybersecurity solutions and risk management frameworks to mitigate threats and vulnerabilities.

- **IT Infrastructure Industry**

The IT industry plays a pivotal role in driving India's overall economic growth. The industry contributed 7% to India's national GDP in FY 2026. In FY2026, direct employment in India's technology sector is projected to reach approximately 6 million, up 2.3% from FY2025, following the net addition of 135,000 employees. IT infrastructure services provide the foundation for India's digital transformation by building and managing data centers, networks, and cloud platforms. Reliable and secure IT infrastructure facilitates the adoption of digital technologies like cloud computing, AI, and IoT across sectors like healthcare, education, banking, and agriculture. Government initiatives like Digital India rely heavily on robust IT infrastructure for delivering citizen-centric services like e-KYC, e-payments, and online education platforms.

- **IT Infrastructure Management Services**

IT Infrastructure Management Services (IMS) encompass a range of services focused on the planning, design, implementation, operation, and ongoing management of an organization's IT infrastructure. This includes hardware, software, networks, data centers, and the associated processes necessary to deliver reliable and efficient IT services. IMS are critical for ensuring the smooth operation, security, and optimization of the technical backbone that supports businesses in India's rapidly expanding digital economy. Key offerings include managed data center services, network management services and cloud infrastructure services.

- **Transition in IT Infrastructure Industry**

Cloud computing has revolutionized the way businesses manage their IT infrastructure. The shift from traditional on-premises setups to cloud-based models has fundamentally altered how IT resources are provisioned, managed, and consumed.

I. Traditional Hardware-Dominated Infrastructure

1. **Capital Expenditure (CapEx) model:** Businesses had to invest heavily in procuring and maintaining physical IT infrastructure, including servers, storage, networking equipment, and data centers.
2. **Capacity Planning:** Organizations needed to forecast their future needs, often overprovisioning resources to handle peak demand, leading to underutilized capacity.
3. **In-House Management:** IT teams were responsible for the entire hardware and software lifecycle – procurement, deployment, maintenance, upgrades, and troubleshooting.
4. **Limited Scalability:** Scaling IT resources up or down to match changing needs was often a time-consuming and expensive process.
5. **Security & Compliance Challenges:** Ensuring robust security and meeting compliance standards in a traditional on-premises environment could be complex and demanding.

II. The Rise of Cloud Infrastructure

1. **Operational Expenditure (OpEx) model:** The cloud introduced a pay-as-you-go approach where businesses pay for only the computing resources they use, converting IT costs into operational expenses.
2. **On-Demand Provisioning:** Businesses can quickly provision resources as needed, without upfront investments or capacity planning concerns.
3. **Managed Services:** Cloud providers handle much of the IT infrastructure management, including hardware maintenance, software updates, and security patching, freeing up internal IT resources.
4. **Rapid Scalability:** Cloud infrastructure provides near-instant scalability to accommodate fluctuating workloads, eliminating the need for overprovisioning and supporting business agility.
5. **Enhanced Security & Compliance:** Cloud providers invest heavily in advanced security measures and often offer compliance-ready solutions, easing the burden on organizations.

III. Driving Factors for Cloud Adoption

1. **Cost Savings:** The pay-as-you-go model eliminates significant upfront capital expenditures and reduces ongoing IT management costs.
2. **Agility & Flexibility:** Cloud allows businesses to experiment, innovate, and adapt quickly to market demands by readily scaling resources to support growth or new initiatives.
3. **Focus on Core Business:** Reduced IT management burden allows organizations to focus on their core competencies and business goals.
4. **Accessibility:** Cloud-based resources can be accessed from anywhere, enabling remote work and collaboration.
5. **Technological Advancements:** Continuous innovation and improvements in cloud technology, such as microservices and containerization, offer greater flexibility and better performance.

IV. Challenges and Considerations

1. **Vendor Lock-in:** Migrating to the cloud can sometimes create potential dependency on a specific cloud provider, making switching difficult.

2. **Security & Privacy Concerns:** While cloud providers implement robust security measures, some organizations still have reservations about storing sensitive data in the cloud.

3. **Regulatory Compliance:** Understanding and adhering to compliance requirements specific to the cloud and the industry is crucial.

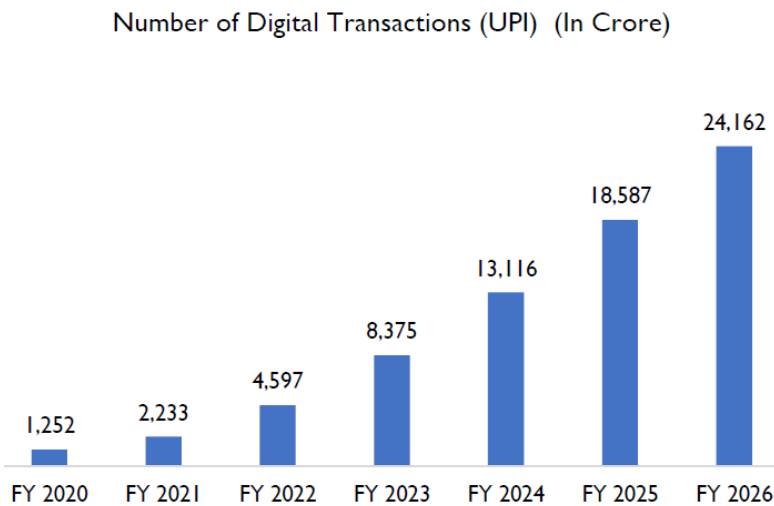
4. **Hybrid Cloud Landscapes:** Many organizations adopt a hybrid cloud approach, blending on- premise infrastructure with cloud services, leading to increased complexity.

Start-Up Segment and its Impact in IT Infrastructure Industry

India has emerged as a hub for technology start-ups in recent years, with a growing ecosystem fostering innovation and entrepreneurship. This surge in start-up activity has not only transformed the business landscape but also significantly impacted the IT infrastructure industry. India's technology start-up ecosystem has witnessed exponential growth fueled by factors such as increasing internet penetration, availability of skilled talent, supportive government policies, and access to venture capital funding. Start-ups across various sectors including e-commerce, fintech, health tech, edtech, and SaaS have proliferated, leveraging technology to address diverse market needs. As of 31 March 2026, the country was home to more than 2.236 lakh DPIIT-recognised start-ups, with over 55,200 start-ups recognised in FY2025-26. India is also recognised as the world's third-largest start-up ecosystem.

IT Infrastructure Modernization in BFSI Domain

In recent years, the BFSI sector has witnessed a rapid shift towards digitalization, driven by changing consumer preferences, technological advancements, and regulatory mandates. The adoption of digital technologies has revolutionized banking, financial services, and insurance operations, enabling organizations to streamline processes, expand market reach, and deliver personalized services to customers. Moreover, IT infrastructure modernization has become imperative to support the growing demands of digital banking, data analytics, and cybersecurity. India's digital payments ecosystem processed 26,819 crore transactions in 2025, reflecting strong growth from 6,437 crore transactions in 2021. UPI processed a record 24,161.69 crore transactions during FY 2025-26, representing an annual growth of approximately 30% over FY 2024-25. The value of UPI transactions reached INR 314.23 lakh crore during FY 2025-26.



IT Infrastructure Modernization Initiatives

With the exponential growth of data and increasing customer expectations for real-time services, BFSI organizations are under pressure to modernize their IT infrastructure. This modernization effort encompasses hardware, software, networking, and cybersecurity systems. Cloud solutions offer scalability, flexibility, and cost-effectiveness, allowing organizations to optimize resource utilization, improve data management, and enhance operational agility. Furthermore, the proliferation of digital channels and the increasing volume of online transactions have heightened the importance of cybersecurity in the BFSI sector.

Digital Transformation Initiatives

One of the primary digital transformation initiatives in the BFSI sector is the development and deployment of mobile banking applications. Furthermore, BFSI organizations are leveraging advanced analytics and artificial intelligence (AI) technologies to gain actionable insights from vast amounts of data. AI-powered chatbots and virtual assistants are being deployed to provide personalized recommendations, address customer queries, and facilitate self-service transactions. BFSI organizations are also exploring blockchain technology, open banking and API (Application Programming Interface) ecosystems to facilitate collaboration and innovation in the industry.

Growth Forecast

The Indian IT-BPM (Information Technology- Business Process Management) industry revenue is estimated to grow from USD 315.0 billion in FY 2026E and USD 378 billion by FY 2030. This positive trend reflects the sector's continued expansion, driven by digital transformation, rising global outsourcing demand, and increasing investments in cloud, AI, and cybersecurity technologies. The CAGR (Compound Annual Growth Rate) is marked at 4.7%, indicating a consistent pace of industry development. Contributing factors include the rise of Software as a Service (SaaS), global capability centres (GCCs), and government policies supporting digital public infrastructure and innovation. Compared to developed economies, India offers competitive rates for IT services, making it an attractive option for businesses worldwide. This advantage, coupled with a large pool of skilled professionals, continues to attract global clients. The rise of technologies like artificial intelligence, blockchain, and the Internet of Things (IoT) is creating new opportunities for the Indian IT industry.

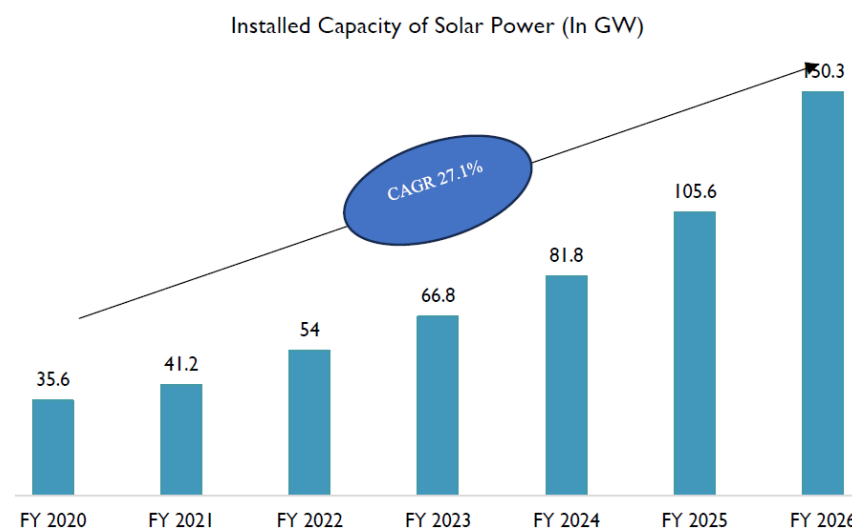
- Renewable Energy Industry Overview

India has emerged as a global leader in renewable energy, ranking 3rd globally in renewable energy installed capacity, additions, 4th in installed wind power capacity. At COP26, India pledged to achieve 500 GW of non-fossil fuel-based energy by 2030, marking the world's largest renewable energy expansion plan. As of July, 2026, India's installed non-fossil fuel capacity stands at over 300.51 GW, which is more than 54% of the country's total power capacity. Solar power remained the principal driver of the expansion, with installed capacity of 164.59 GW by July 2026. The renewable energy sector in India benefits from favourable government policies, including 100% Foreign Direct Investment (FDI) under the automatic route. The government has also allocated INR 32,914.7 crore to the Ministry of New and Renewable Energy in the Union Budget 2026-27, a 30% increase from the previous year. Additional support includes INR 22,000 crore for the PM Surya Ghar: Muft Bijli Yojana and targeted customs-duty concessions for selected solar-manufacturing, battery-storage and critical-mineral-processing inputs.

India's renewable energy capacity, which includes wind, solar, biomass, hydro, and waste-to-energy, totals approximately 291.73 GW. With solar power accounting for 164.59 GW and wind power contributing 58.14 GW, India is well-positioned to meet its ambitious goals of reducing carbon emissions, with a commitment to achieve net-zero by 2070. As of February 2026, the government had sanctioned 55 solar parks with a combined capacity of approximately 39.97 GW, of which 16.12 GW had been commissioned by December 2025. Offshore wind energy and the National Green Hydrogen Mission are key growth areas, targeting 30 GW of wind capacity and 5 MMT of green hydrogen production by 2030. The Production Linked Incentive (PLI) Scheme is a crucial initiative supporting India's renewable energy sector, specifically targeting solar PV manufacturing. Launched under the Atmanirbhar Bharat initiative, the scheme aims to build 65 GW of annual manufacturing capacity, providing direct and indirect employment opportunities while promoting import substitution. The renewable energy landscape in India continues to attract significant investment, with numerous projects and opportunities, reflecting the country's strong commitment to sustainable growth and energy security.

- Solar Power Generation Scenario in India

India has rapidly ascended as a global leader in solar power generation, ranking 3rd globally in solar power capacity and 3rd in renewable energy installations, including large hydro. As of July 2026, India has achieved a cumulative installed solar power capacity of 164.59 GW. This includes 122.57 GW from ground-mounted solar plants, 30.74 GW from grid-connected solar rooftop systems, 4.77 GW from the solar component of hybrid projects, and 6.51 GW from off-grid solar installations. India has witnessed remarkable technological advancements in solar power, with the installed solar capacity growing 30 times over the past nine years. A new study by The Energy and Resources Institute (TERI) has estimated India's total solar potential at 10,830 GW, a sharp increase from the 748 GW assessed in 2014 by the Ministry of New and Renewable Energy (MNRE), highlighting not only the vast scope across the country's 300 sunny days annually but also additional opportunities beyond conventional deployment on barren and unculturable lands.



India's solar power sector has demonstrated robust growth, marked by a significant increase in installed capacity over the past six fiscal years. Beginning at 35.6 GW in FY 2020, the country's solar power capacity surged to 150.3 GW by FY 2026, reflecting a notable compound annual growth rate (CAGR) of 27.1%. As of 2026, India aims to achieve a solar power capacity of 280 GW by 2030, with current installations reaching 150.3 GW. Rajasthan leads with 42.17 GW, driven by projects like the Bhadla Solar Park, the world's largest fully operational solar park. Gujarat follows with 32.30 GW, emphasizing projects like the Charanka Solar Park and plans for a massive renewable energy park in Kutch. Maharashtra ranks third with 20.26 GW, anchored by the Maha Solar Park. Tamil Nadu and Karnataka round out the top five states with 13.90 GW and 11.34 GW, respectively.

- Solar Power: Technologies Deployed

Solar power harnesses energy from the sun using various technologies, each suited for different applications and environments. The primary technologies deployed in solar power generation in India include Solar Photovoltaic (PV) Technology, Concentrated Solar Power (CSP), Solar Thermal Systems, Building-Integrated Photovoltaics (BIPV), Floating Solar Farms, Hybrid Solar Systems and Agrivoltaics.

- Solar Photovoltaic (PV) Technology:** Solar Photovoltaic (PV) technology converts sunlight directly into electricity using semiconductor materials, primarily silicon, and is the most widely deployed technology in India, significantly contributing to the country's installed capacity. PV systems include monocrystalline solar panels, polycrystalline solar panels and thin-film solar panels. Rooftop solar systems have gained popularity for residential and commercial buildings due to government incentives and net metering policies, while large-scale ground-mounted solar farms, known as solar parks, include notable examples like Bhadla Solar Park and Pavagada Solar Park.
- Concentrated Solar Power (CSP):** CSP technology utilizes mirrors or lenses to concentrate sunlight onto a small area, generating heat that is then used to produce electricity through steam turbines. One of the key advantages of CSP is the ability to incorporate thermal energy

storage systems, providing a more stable and reliable energy supply. Although CSP technology is less common than photovoltaic (PV) technology in India, it is increasingly being explored for its potential to provide effective energy storage solutions.

3. **Building-Integrated Photovoltaics (BIPV):** BIPV systems incorporate solar cells into building materials, such as windows, roofs, and facades, enabling buildings to generate energy while maintaining aesthetic appeal. This innovative technology serves the dual purpose of energy generation and structural support.
4. **Floating Solar Farms:** Floating solar farms consist of solar panels mounted on floating structures on bodies of water. This innovative approach helps reduce land use, minimizes evaporation, and can enhance the efficiency of solar panels due to the cooling effects provided by the water.
5. **Hybrid Solar Systems:** Hybrid solar systems combine different solar technologies or integrate solar power with other renewable energy sources to optimize energy generation and enhance reliability. Solar photovoltaic (PV) systems can be paired with wind energy or energy storage systems, creating a more stable and reliable energy solution for various applications.
6. **Agrivoltaics:** Agrivoltaics is an emerging technology that involves co-locating solar panels with agricultural activities. This innovative approach allows for simultaneous solar energy generation and crop production, maximizing land use and providing dual benefits for energy and food production.

• Value Chain of Solar Parts

The solar power value chain encompasses various stages, from raw material extraction to the final installation of solar systems. The primary material used in solar panel production is silicon, extracted and purified to create polysilicon. Other essential materials include silver, used for conductive layers, glass for panel coverings, and aluminium for framing. Polysilicon undergoes purification to produce chunks, which serve as the feedstock for solar cells. In the subsequent stages, polysilicon is melted and formed into cylindrical ingots. These ingots are sliced into thin wafers, the foundation for solar cell fabrication. The wafers are then processed to create solar cells, which convert sunlight into electricity. Finally, these cells are assembled into solar modules or panels and encapsulated for environmental protection. Solar installations are implemented either as rooftop systems, typically deployed on residential and commercial buildings, or as ground-mounted solar farms, large-scale installations connected to the electrical grid or operating off-grid. Post-installation, solar systems require regular maintenance to ensure efficient performance. This includes cleaning solar panels, inspecting electrical connections, and monitoring overall system functionality.

• Solar Cell & Module Scenario

India's solar manufacturing sector is expanding rapidly, supported by the Production-Linked Incentive (PLI) Scheme and the Approved List of Models and Manufacturers (ALMM). Solar PV module manufacturing capacity reached about 72 GW as of 31 March 2026, reflecting a substantial expansion of domestic manufacturing capability. Solar cell manufacturing capacity has also increased, with 27 GW enlisted under ALMM List-II by March 2026. The ALMM framework for solar PV cells became applicable from 1 June 2026, strengthening domestic sourcing requirements for eligible solar projects. India's solar deployment continues to provide strong domestic demand for locally manufactured equipment. Going forward, continued PLI support, ALMM requirements and rising solar installations are expected to strengthen domestic cell and module manufacturing. The government has also expanded the ALMM framework to ingots and wafers, with implementation scheduled from 1 June 2028, supporting greater domestic value addition across the solar PV supply chain.

➤ KPI:

Key Performance Indicators	FY2026	FY2025	FY2024
Revenue from Operations	13,966	13,133	10,206
Revenue from Operation Growth (y-o-y)	6.34%	28.68%	_*
Gross Profit	1,250	889	965
Gross Margin (%)	8.95%	6.77%	9.45%
EBITDA	756	586	716
EBITDA Margin (%)	5.42%	4.47%	7.01%
Profit Before Tax (PBT)	610	532	638
Profit Before Tax Margin (%)	4.37%	4.05%	6.25%
PAT	455	417	501
PAT Margin (%)	3.3%	3.2%	4.9%
Return on Equity (%)	28.5%	35.9%	70.7%
Return on Capital Employed (%)	24.1%	32.4%	57.6%
Total Debt	1,744	481	273
Debt-Equity Ratio	1.0	0.4	0.3

*Not included as the comparative period figures under Ind AS for the period ended March 31, 2023 have not been reported.

➤ Peer Comparison

Name of the Company	Face Value per Equity Share (₹)	Revenue from Operations (₹ mn)	EPS		NAV (₹ per Share)	P/E Ratio	RoNW (%)	PAT Margin (%)
			Basic (₹)	Diluted (₹)				
ArMee Infotech Limited	10	13,966	19.2	19.2	76.8	26.2	25.0%	3.3%
Listed Peer Companies								
Dynacons Systems & Solutions Limited	10	14,243	66.6	66.6	247.5	16.4	26.9%	6.0%
Orient Technologies Limited	10	8,695	1.0	1.0	73.4	243.2	1.4%	0.5%
KPI Green Energy Limited	5	26,959	24.1	24.0	159.9	12.8	16.1%	18.9%
Oriana Power Limited (SME Board)	10	18,137	124.2	124.1	379.6	9.6	32.7%	13.9%

➤ **Key Risk:**

- **Geographic Concentration Risk:** Risk that most business operations are concentrated in Gujarat, Maharashtra and Tamil Nadu. As of March 31, 2026 more than 86% of the revenue was recognized from projects executed in the states of Gujarat, Maharashtra and Tamil Nadu. Due to this geographic concentration of business operations, the results of operations and growth might be restricted to the economic and demographic conditions of these three states.
- **Government Client Dependence Risk:** Risk that the company depends on orders from Government/PSU clients. As of March 31, 2026, more than 83.84% of the revenue was recognized from Government/PSU clients and wherein end users are Government / PSU clients. Additionally, the loss of or inability to qualify for such orders may adversely affect the business, financial condition, results of operations, and prospects.
- **Renewable Energy Procurement Risk:** Risk that in-house procurement operations for renewable energy space projects expose the company to certain risks. The company may incur unexpected expenses if the suppliers of components in power projects default on their warranty obligations.
- **Technology Partner Dependence Risk:** Risk that the company is dependent on Technology Partners for various hardware and software products provided to clients. As of March 31, 2026, 65.84% of purchases from Technology Partners were from the top three Technology Partners. Failure of these Technology Partners to deliver products in necessary quantities, on time or as per specifications could adversely affect the business.
- **Competitive Bidding Risk:** Risk that most projects are awarded primarily through a competitive bidding process and financial performance is largely dependent on successful bidding for new projects. The company may not always be able to qualify for, compete and win projects. If the company is not able to successfully bid for new projects, it may adversely affect business operations and financial condition. The success rate of bids in Fiscals 2026, 2025 and 2024 was 19.48%, 24.57% and 30.91%, respectively.
- **Negative Operating Cash Flow Risk:** Risk arising from negative cash flow from operating activities of ₹(1,798.14) lakhs in Fiscal 2025. Any negative cash flows in the future could adversely affect cash flow requirements, business operations and growth plans.
- **Customer Concentration Risk:** Risk that a significant portion of revenues is derived from a limited number of clients. As of March 31, 2026, 76.66% of revenue was recognized from the top five clients. Loss of any significant client or delay, cancellation, termination, or rescission of projects may adversely affect the business.
- **Renewable Energy Business Risk:** Risk that a portion of revenue is derived from and dependent upon the renewable energy sector, particularly Renewable Energy EPC and Renewable Energy PPAs, which is a new line of business and in which the expertise of the Promoters and senior management is minimal.
- **Performance Bank Guarantee Risk:** Risk that the company is required to furnish PBGs as part of business contracts and competitively bid for Government/PSU projects where such guarantees may be required. Inability to arrange such guarantees, invocation of such guarantees, or inability to win and service sufficient competitive bids may adversely affect the business, cash flows and financial condition.
- **Multi-Location Project Execution Risk:** Risk that multi-locational projects subject the company to additional execution risks. If such risks materialize, it could have a material adverse effect on the business, financial condition and results of operations.
- **Brand Partner Dependence Risk:** Risk that the IT Infrastructure, IT Managed Services and Experience Zones segments are highly dependent on brand owners effectively maintaining, promoting or developing their brands and maintaining standard quality products, including launching new electronic products at regular intervals. Failure by brand partners to do so may adversely impact sales and financial performance.

➤ **Valuation:**

ArMee Infotech Limited has demonstrated a sizeable scale of operations, with revenue from operations increasing from ₹10,206 million in FY24 to ₹13,133 million in FY25 and ₹13,966 million in FY26. EBITDA stood at ₹716 million, ₹586 million and ₹756 million during FY24, FY25 and FY26, respectively, while PAT stood at ₹501 million, ₹417 million and ₹455 million, respectively. The company has also maintained a strong presence in Government/PSU projects, with Government/PSU clients and projects wherein the end users are Government/PSU clients contributing 83.8% of revenue from operations in FY26.

The company is also expanding its presence in the Renewable Energy Space, including EPC, PPA and BESS projects, which provides an additional avenue for diversification beyond its traditional IT Infrastructure and IT Managed Services business. As of June 30, 2026, the company had 10 Renewable Energy EPC projects, 1 Renewable Energy PPA project and 2 Renewable Energy BESS projects. The company intends to expand its geographical footprint, continue to bid for Government/PSU projects while also engaging with private clients, and expand its products and services portfolio across areas such as Experience Zones, payment devices, data migration, STEM Labs and Atal Tinkering Labs and BESS

At the upper price band, the company is valued at 26.2x FY26 P/E and 17.83x FY26 EV/EBITDA, implying a post-issue market capitalization of ₹11,899 million. The company's established presence in IT Infrastructure and IT Managed Services, sizeable Government/PSU client base, strong ongoing project pipeline and expansion into Renewable Energy provide multiple avenues for growth. Accordingly, we recommend a "**Subscribe – Long Term**" rating for the issue.

DISCLAIMER:**Analyst Certification**

- ❑ The views expressed in this Research Report accurately reflect the personal views of the analyst(s) about the subject securities or issuers and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst(s) in this report. The research analysts are bound by stringent internal regulations and also legal and statutory requirements of the Securities and Exchange Board of India (hereinafter “SEBI”) and the analysts’ compensation are completely delinked from all the other companies and/or entities of Anand Rath, and have no bearing whatsoever on any recommendation that they have given in the Research Report

Anand Rath Ratings Definitions

- ❑ Analysts’ ratings and the corresponding expected returns take into account our definitions of Large Caps, Mid-Caps & Small Caps as described in the Ratings Table below:

Ratings Guide (12 months)	Buy	Hold	Sell
Large Caps (Top 100 companies)	>15%	0%-15%	Below 0%
Mid Caps (101st-250th company)	>20%	0%-20%	Below 0%
Small caps (251 st company onwards)	>25%	0%-25%	Below 0%

Research Disclaimer and Disclosure inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014

Anand Rath Share and Stock Brokers Ltd. (hereinafter refer as ARSSBL) (Research Entity, SEBI Regn No. INH000000834, Date of Regn. 29/06/2015) is a subsidiary of the Anand Rath Financial Services Ltd. ARSSBL is a corporate trading and clearing member of Bombay Stock Exchange Ltd (BSE), National Stock Exchange of India Ltd. (NSEIL), Metropolitan Stock Exchange of India Ltd. (MSE), and also depository participant with National Securities Depository Ltd (NSDL) and Central Depository Services Ltd. (CDSL), ARSSBL is engaged into the business of Stock Broking, Depository Participant, Mutual Fund distributor.

The research analysts, strategists, or research associates principally responsible for the preparation of Anand Rath research have received compensation based upon various factors, including quality of research, investor client feedback, stock picking, competitive factors and firm revenues.

General Disclaimer: -

This Research Report (hereinafter called “Report”) is meant solely for use by the recipient and is not for circulation. This Report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. The recommendations, if any, made herein are expression of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale of any security, derivatives or any other security through ARSSBL nor any solicitation or offering of any investment /trading opportunity on behalf of the issuer(s) of the respective security (ies) referred to herein. These information / opinions / views are not meant to serve as a professional investment guide for the readers. No action is solicited based upon the information provided herein. Recipients of this Report should rely on information/data arising out of their own investigations. Readers are advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by ARSSBL to be reliable.

ARSSBL or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of ARSSBL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information / opinions / views contained in this Report. The price and value of the investments referred to in this Report and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance. ARSSBL does not provide tax advice to its clients, and all investors are strongly advised to consult with their tax advisers regarding taxation aspects of any potential investment.

Opinions expressed are our current opinions as of the date appearing on this Research only. We do not undertake to advise you as to any change of our views expressed in this Report. Research Report may differ between ARSSBL’s RAs and/ or ARSSBL’s associate companies on account of differences in research methodology, personal judgment and difference in time horizons for which recommendations are made. User should keep this risk in mind and not hold ARSSBL, its employees and associates responsible for any losses, damages of any type whatsoever.

ARSSBL and its associates or employees may; (a) from time to time, have long or short positions in, and buy or sell the investments in/ security of company (ies) mentioned herein or (b) be engaged in any other transaction involving such investments/ securities of company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) these and other activities of ARSSBL and its associates or employees may not be construed as

potential conflict of interest with respect to any recommendation and related information and opinions. Without limiting any of the foregoing, in no event shall ARSSBL and its associates or employees or any third party involved in, or related to computing or compiling the information have any liability for any damages of any kind.

Details of Associates of ARSSBL and Brief History of Disciplinary action by regulatory authorities & its associates are available on our website i.e. www.rathionline.com

Disclaimers in respect of jurisdiction: This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject ARSSBL to any registration or licensing requirement within such jurisdiction(s). No action has been or will be taken by ARSSBL in any jurisdiction (other than India), where any action for such purpose(s) is required. Accordingly, this Report shall not be possessed, circulated and/or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. ARSSBL requires such recipient to inform himself about and to observe any restrictions at his own expense, without any liability to ARSSBL. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in India.

Copyright: - This report is strictly confidential and is being furnished to you solely for your information. All material presented in this report, unless specifically indicated otherwise, is under copyright to ARSSBL. None of the material, its content, or any copy of such material or content, may be altered in any way, transmitted, copied or reproduced (in whole or in part) or redistributed in any form to any other party, without the prior express written permission of ARSSBL. All trademarks, service marks and logos used in this report are trademarks or service marks or registered trademarks or service marks of ARSSBL or its affiliates, unless specifically mentioned otherwise.

Contd.

- ☐ Statements on ownership and material conflicts of interest, compensation - ARSSBL and Associates
- ☐ Answers to the Best of the knowledge and belief of ARSSBL/ its Associates/ Research Analyst who is preparing this report

Sr. No.	Statement	Answers to the Best of the knowledge and belief of the ARSSBL/ its Associates/ Research Analyst who is preparing this report
1	ARSSBL/its Associates/ Research Analyst/ his Relative have any financial interest in the subject company? Nature of Interest (if applicable), is given against the company's name?.	NO
2	ARSSBL/its Associates/ Research Analyst/ his Relative have actual/beneficial ownership of one per cent or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance?.	NO
3	ARSSBL/its Associates/ Research Analyst/ his Relative have any other material conflict of interest at the time of publication of the research report or at the time of public appearance?.	NO
4	ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation from the subject company in the past twelve months.	NO
5	ARSSBL/its Associates/ Research Analyst/ his Relative have managed or co-managed public offering of securities for the subject company in the past twelve months.	NO
6	ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.	NO
7	ARSSBL/its Associates/ Research Analyst/ his Relative have 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	ARSSBL/its Associates/ Research Analyst/ his Relative have received any compensation or other benefits from the subject company or third party in connection with the research report.	NO
9	ARSSBL/its Associates/ Research Analyst/ his Relative have served as an officer, director or employee of the subject company.	NO
10	ARSSBL/its Associates/ Research Analyst/ his Relative has been engaged in market making activity for the subject company.	NO

Other Disclosures pertaining to distribution of research in the United States of America

The research report is a product of Anand Rathi Share and Stock Brokers Ltd. (hereinafter refer as ARSSBL) under Marco Polo Securities 15a6 chaperone service which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise

comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

Research reports are intended for distribution by only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, ARSSBL has entered into a chaperoning agreement with a U.S. registered broker dealer, Marco Polo Securities Inc. ("Marco Polo").

1. ARSSBL or its Affiliates may or may not have been beneficial owners of the securities mentioned in this report.
 2. ARSSBL or its affiliates may have or not managed or co-managed a public offering of the securities mentioned in the report in the past 12 months.
 3. ARSSBL or its affiliates may have or not received compensation for investment banking services from the issuer of these securities in the past 12 months and do not expect to receive compensation for investment banking services from the issuer of these securities within the next three months.
 4. However, one or more of ARSSBL or its Affiliates may, from time to time, have a long or short position in any of the securities mentioned herein and may buy or sell those securities or options thereon, either on their own account or on behalf of their clients.
 5. As of the publication of this report, ARSSBL does not make a market in the subject securities.
 6. ARSSBL or its Affiliates may or may not, to the extent permitted by law, act upon or use the above material or the conclusions stated above, or the research or analysis on which they are based before the material is published to recipients and from time to time, provide investment banking, investment management or other services for or solicit to seek to obtain investment banking, or other securities business from, any entity referred to in this report.
-
- ☐ As of the publication of this report, ARSSBL does not make a market in the subject securities.
 - ☐ Additional information on recommended securities/instruments is available on request.
 - ☐ Compliance officer-Deepak Kedia, email id - deepakkedia@rathi.com, Contact no. +91 22 6281 7000.
 - ☐ Grievance officer-Madhu Jain-email id- grievance@rathi.com, Contact no. +91 22 6281 7191 ARSSBL registered address: Express Zone, A Wing, 9th Floor, Western Express Highway, Diagonally Opposite Oberoi Mall, Malad (E), Mumbai – 400097. Tel No: +91 22 6281 7000 | Fax No: +91 22 4001 3770 | CIN: U67120MH1991PLC064106.