

## Company Business

Active Infrastructures Limited operates primarily in two key segments:

Infrastructure and Construction of Commercial Projects.

In the Infrastructure segment, the company is involved in the construction of:

- ✦ Roads (including bridges)
- ✦ Flyovers
- ✦ Water supply systems
- ✦ Irrigation projects
- ✦ Other related infrastructure activities

They have completed, ongoing, and upcoming projects in the states of Maharashtra, Madhya Pradesh, Uttar Pradesh, and Tripura, indicating a pan-India scale of operations.

In the Construction of Commercial Projects segment, Active Infrastructures Limited builds various spaces such as:

- ✦ Office complexes
- ✦ Retail centers
- ✦ Exhibition halls
- ✦ Retail outlets
- ✦ Private educational institutions
- ✦ Other commercial spaces

Active Infrastructures Limited has a business procurement process for acquiring tenders in the infrastructure segment. This involves identifying potential projects from government authorities' websites (like NHAI, CPWD, MoRTH, MSRDC, WRD), conducting surveys and feasibility studies, preparing detailed project reports, and participating in the bidding process.

Historically, the revenue mix of the company has included income from the sale of office blocks/commercial spaces, rent and maintenance services, trading of goods, contract receipts, sale of services (works contract), and sale of products. The significant increase in revenue in fiscal year 2023 was primarily driven by the sale of office blocks/commercial spaces.

## Product Wise Revenue Bifurcation

(Amt. in lakhs)

Construction Vertical Name	For the year / period ended							
	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	%	Amount	%	Amount	%	Amount	%
Infrastructure Segment	1404.61	41.72%	3832.47	39.44%	590.62	6.61%	-	-
Construction of Commercial Projects Segment	1962.51	58.28%	5885.86	60.56%	8349.21	93.39%	110.08	100%
<b>Total</b>	<b>3367.12</b>	<b>100%</b>	<b>9718.33</b>	<b>100%</b>	<b>8939.83</b>	<b>100%</b>	<b>110.08</b>	<b>100%</b>

## IPO Details

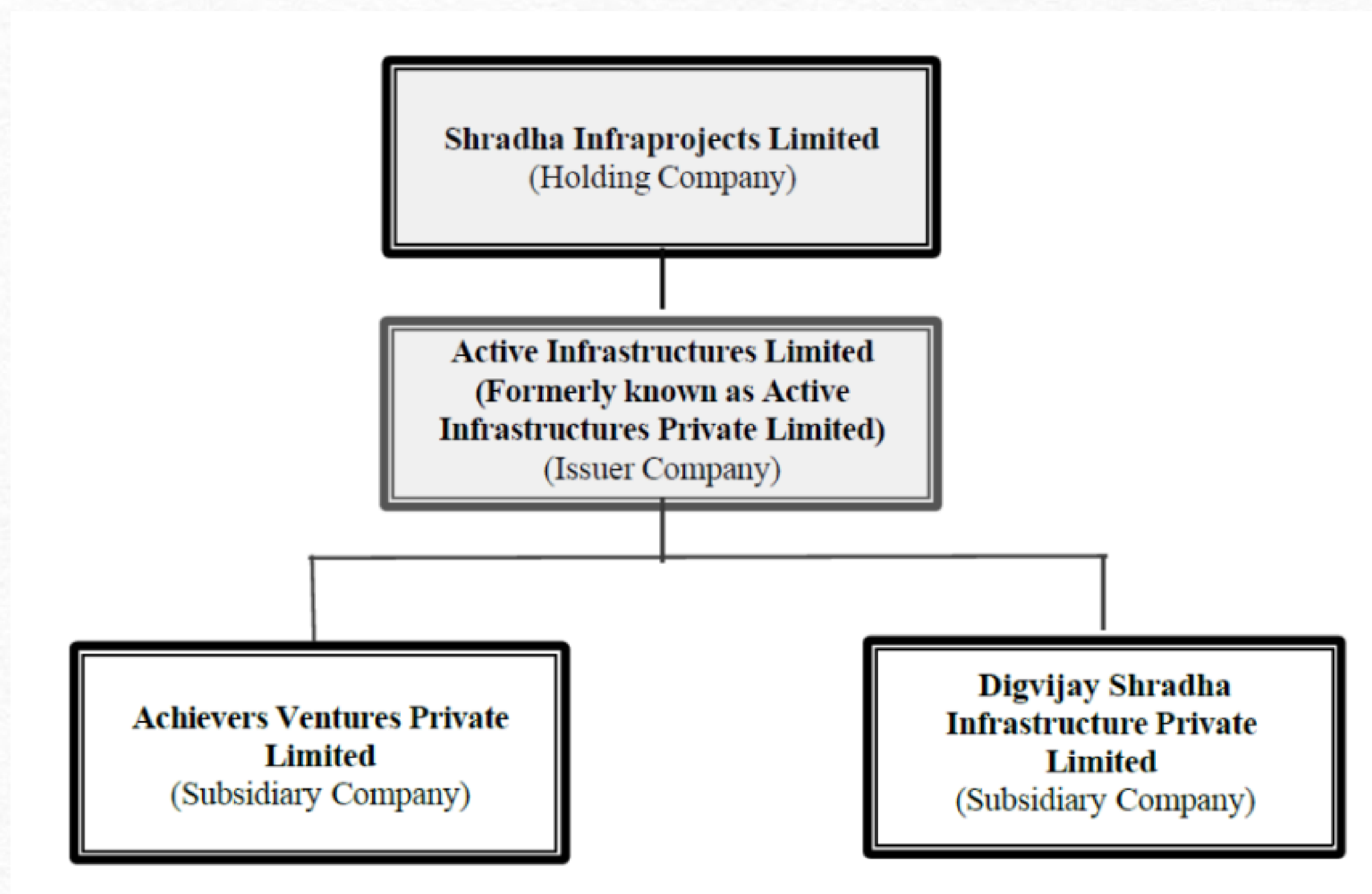
- ✦ **Issue Size:** The public issue comprises up to **43,00,200 Equity Shares** of face value ₹ 5/- each, aggregating up to ₹ 77.83 Cr.
- ✦ **Issue Type :** Fresh Issue.
- ✦ **Listing :** The Equity Shares are proposed to be listed on the **SME Platform of National Stock Exchange of India Limited ("NSE EMERGE")**.
- ✦ **Price Band :** The Price Band is ₹ 178 (Floor Price) and ₹ 181 (Cap Price).
- ✦ **Pre-IPO Promoter Holding :** Shradha Infraprojects Ltd. held **1,07,14,804 Equity Shares, constituting 99.99%** of the pre-issue paid-up capital.
- ✦ **Post-IPO Promoter Holding :** Assuming none of the promoters subscribe to the issue, Shradha Infraprojects Ltd. will hold **1,07,14,804 Equity Shares, constituting 71.36%** of the post-issue paid-up capital. The total Equity Shares outstanding after the Issue will be 1,50,15,016.

## Objects of the issue

The Net Proceeds from the Fresh Issue are proposed to be utilized for the following objects:

- ✦ Funding Working Capital Requirements : ₹ **38.98 Cr.**
- ✦ Repayment/ Prepayment of Certain Borrowings and Margin Money for Bank Guarantee : ₹ **16.72 Cr.**
- ✦ Capital Expenditure towards Purchase of Construction Equipments: ₹ **7.04 Cr.**
- ✦ General Corporate Purpose

## Company Structures



- Active Infrastructures Limited holds majority stake in two LLPs: (1) Stargate Ventures LLP and (2) Solus LLP. Additionally, under Stargate Ventures LLP, company has acquired land at Pune, which may be utilized for future construction purposes

## Industry analysis

The size of India Construction market is around USD 639 billion in the current year and is anticipated to register a Compound Annual Growth Rate (“CAGR”) of over 6% during the forecast period. It is the fourth-largest construction market in the world, after the US, China and Japan. It is the fastest-growing construction industry, globally. With an impressive 7–8% growth rate annually, India is expected to become the third-largest construction market in the world, valued at USD 1.4 trillion by 2025. The construction industry accounts for 9% of India’s GDP.

## Promoters Details

The promoters of Active Infrastructures Limited are **Mr. Sunil Gyanchand Raison**, **Mr. Shreyas Sunil Raison** (individual promoters), **Shradha Infraprojects Limited**, and **Riaan Diagnostic Private Limited** (corporate promoters).

- Mr. Sunil Gyanchand Raison** is 62 years old and holds a B.Com degree.
- Mr. Shreyas Sunil Raison** is 29 years old and holds a Bachelor of Computer Engineering degree.
- Shradha Infraprojects Limited** was incorporated in 1997 and is a listed entity on NSE Mainboard. As of the date of the RHP, it holds 1,07,14,804 Equity Shares, constituting 99.99% of the pre-Offer Equity Share capital of Active Infrastructures Limited. The promoters of Shradha Infraprojects Limited are Sunil Gyanchand Raison and Riaan Diagnostic Private Limited.
- Riaan Diagnostic Private Limited** was incorporated in 2006. The promoters of Riaan Diagnostic Private Limited are Sunil Gyanchand Raison and Shreyas Sunil Raison.

## Financials of the company

(Fig. in Cr)

Particulars	Sep 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	33.67	97.18	89.39	1.10
EBITDA	8.16	17.33	13.06	0.10
EBITDA Margins	24.23%	17.83%	14.61%	9.09%
PAT	5.55	10.44	9.86	0.08
PAT Margins	16.49%	10.75%	11.04%	7.95%
D/E Ratio	1.72	2.24	3.75	9.89
ROCE	7.10%	14.90%	14.84%	0.09%
CFOA	12.93	31.88	18.21	-2.48

## Comparison with Peers

Companies	Revenue	EBITDA Margin	PAT Margin	D/E Ratio	MCap	P/E
Active Infrastructures (FY 2024)	97.18 Cr.	17.83%	10.75%	2.24	271.77 Cr.	26.03*
AVP Infracon (TTM)	184 Cr.	22%	13%	1.03	388 Cr.	16.30
V.L. Infraprojects (TTM)	114 Cr.	10%	5.26%	0.37	68.10 Cr.	11.10

\*Forward PE is 24.48 on the basis of FY 25 PAT.

## PROS AND CONS

While the RHP focuses more on risks, we can infer some potential pros and cons:

### Potential Pros

- ✦ Growing Infra and Construction sector.

### Potential Cons

- ✦ High PE ratio as compared to peers.
- ✦ High Debts



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