

**Funds to be raised:
INR 1,500mn**

Shareholding Pattern (%)

Promoters	62.04
Others	37.96

Bootes is a prominent player in India's construction sector, specializing in sustainable construction through net-zero building practices. The company is a pioneer in Net-Zero building using cutting-edge technologies like renewable energy, hydronic cooling, zero liquid discharge, etc. The company is leading the transformation of the construction industry with an innovative platform of sustainable eco-friendly solutions; while advancing towards a greener healthier and net-zero Aatmanirbhar Bharat.

Investment rationale

Strong order book shows business visibility: Bootes order book and upcoming bid pipeline stood at ~INR 130bn shows business visibility over the long term. The order book is from Govt, Private, commercial and design. The government projects like Defence, Muse India, Ayodhya Bhavan, UP Cultural Centre, Chhattishgarh Library & Hospital, etc. The private projects like Hospitals, Warehouses, Universities, Hotels, etc. The commercial projects like IT park, Sports complex, commercial tower etc. Residential projects like buildings, Residential Villas, Old Age Homes, etc. The company is backed by strong expertise and project execution capability leads to strong revenue and profitability going forward.

Leader in sustainable net-zero real estate and infra sector: Bootes is positioned at the intersection of sustainability and real estate, catering to the growing demand for eco-friendly and cost-effective buildings. The company uses sustainable eco-friendly materials such as bamboo, recycled steel, and fly ash blocks for construction. The company is using advanced insulation, high-efficiency HVAC, triple-glazed windows, radiant cooling, etc. The company uses high-performance materials, insulation, and renewable energy systems (solar). The initial construction cost is higher INR 2500-4,000/sq.ft compared to INR 1,500-2,500/sq.ft for traditional buildings; however net-zero sustainable buildings durability of more than 50 years (traditional buildings: 30-50 years) due to high-quality materials and design. The maintenance cost is 50%-75% lower due to high-quality durable systems compared to traditional HVAC, plumbing, and other systems. The power cost is lower due to energy generation from renewables like solar panels, wind turbines, and biomass compared to grid connectivity in traditional buildings. Net-zero buildings have water efficiency due to low-flow fixtures, rain-water harvesting, etc compared to water consumption as per norms in traditional buildings. Net-zero buildings have incentives for energy-efficient systems (~40% for solar system cost) and tax incentives (~80% depreciation on solar installations). Net-zero buildings are eco-friendly, with carbon emission reduction of up to 80% and 50%-75% energy savings through hydronic cooling, zero discharge system, and Renewable energy integration on-site technologies. The company is the 1st net-zero construction company that aims for green sustainability with profitability.

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

Balasubramanian A
bala@arihantcapital.com
022-67114870

Leveraging technological innovation through partnerships and JV: Bootes has a partnership with Univastu (listed in NSE) for bidding and execution of Government projects. The partnership leverages the combined expertise and commitment towards sustainable construction and to bid for design and build tenders. The company has a partnership with Generic (listed in NSE) for private projects, wherein Bootes adds value through the in-house MEP (Mechanical, Electrical, Plumbing) and net Zero expertise and Generic has strong civil team and equipment's required in general construction. The company has a partnership with Muse India for designing, developing, and implementing projects for Museums, Theme Parks, and Internationals Expos, etc. The company has a strategic partnership with Urban Systems to incorporate sustainable technologies and finance in India. The partnership focuses on renewable energy, eco-friendly infrastructure, and clean technology solutions to the country's growing environmental challenges.

In-house R&D and innovation lab led to technology developments helping net-zero infra and sustainability: Bootes has integrated hydronic cooling technology for sustainable cooling & heating in various projects. The panels are strategically mounted to absorb heat by radiative heat exchange and transmit it away via circulating fluids like water / glycol. The technology is energy efficient, lowers operating costs, improves air quality, lowers carbon footprint and overall lowers the environmental impact. The company developed SAFE toilets which offer sustainable sanitation for a net-zero future. The SAFE toilets are water-less operations; save over 1,50,000 litres per toilet every year and produces over 500kg of fertilizer yearly which aligns with Swachh Bharat and UN Sustainable goals. Currently, the company has patents in SAFE toilets and continuously working on technology developments.

Outlook & Valuation: Bootes order book and upcoming bid pipeline stood at ~INR 130bn shows business visibility over the long term. Net-zero buildings are eco-friendly, with carbon emission reduction of up to 80% and 50%-75% energy savings through hydronic cooling, zero discharge system, and on-site renewable energy integration. The company is India's first net-zero construction company that aims for sustainable construction through its engineering expertise and thus having higher profitability margins. The company has partnerships with Univastu, Generic, Muse India, and Urban Systems to leverage the expertise for project executions. The company has multiple patents and continuously working on technology developments. We have a positive outlook on the business and can be a 3-4x opportunity.

Exhibit 1: Bootes vision and mission aligned with Net-Zero Vision 2070 given by Prime Minister Shri Narendra Modi.



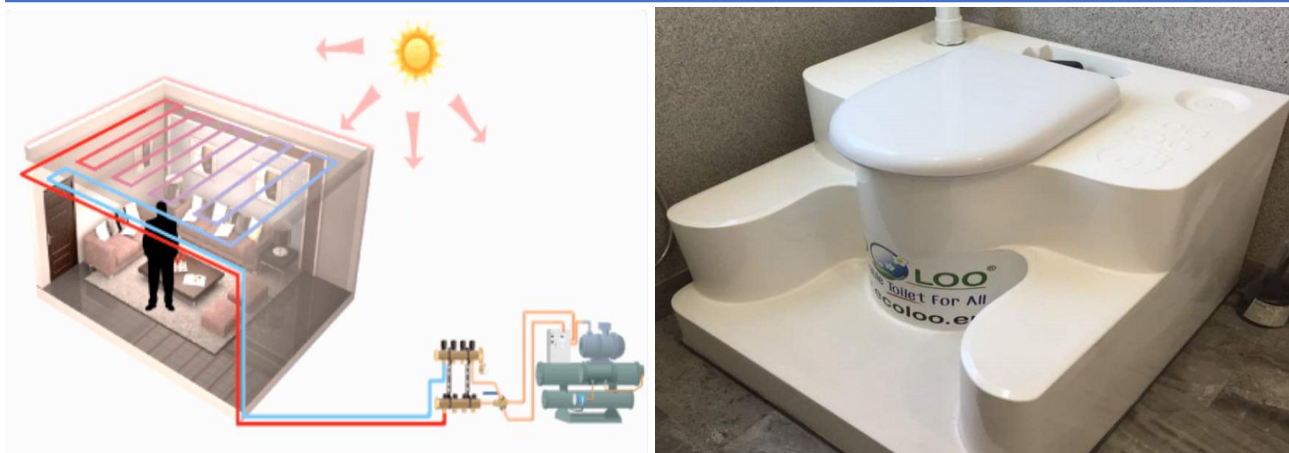
Source: Company Reports, Arihant Capital Research

Exhibit 2: Projects Showcase



Source: Company Reports, Arihant Capital Research

Exhibit 3: The company has multiple patents, including Radian cooling technology, SAFE toilets helping net-zero infra and sustainability.



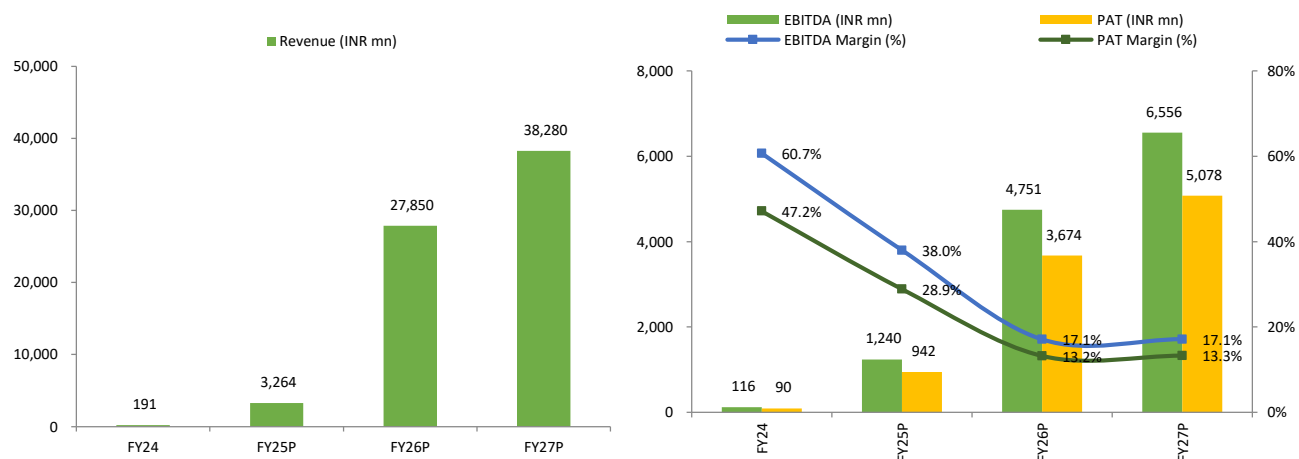
Source: Company Reports, Arihant Capital Research

Exhibit 4: Boots Financials and Projections

Particular	FY24	FY25P	FY26P	FY27P
Revenue (INR mn)	191	3,264	27,850	38,280
EBITDA (INR mn)	116	1,240	4,751	6,556
EBITDA Margin (%)	60.7%	38.0%	17.1%	17.1%
PAT (INR mn)	90	942	3,674	5,078
PAT Margin (%)	47.2%	28.9%	13.2%	13.3%

Source: Company Reports, Arihant Capital Research

Exhibit 5: Boots order book and upcoming bid pipeline stood at ~INR 130bn leads to business visibility and profitability going forward.



Source: Company Reports, Arihant Capital Research

Arihant Research DeskEmail: instresearch@arihantcapital.com

Tel. : 022-42254800

Head Office	Registered Office
#1011, Solitaire Corporate Park Building No. 10, 1 st Floor Andheri Ghatkopar Link Road Chakala, Andheri (E) Mumbai – 400093 Tel: (91-22) 42254800	6 Lad Colony, Y.N. Road, Indore - 452003, (M.P.) Tel: (91-731) 4217100/101 CIN: L66120MP1992PLC007182

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

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

Arihant Capital Markets Ltd.

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

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

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

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

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

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

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

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

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

Arihant Capital Markets Ltd.

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