

LCC Projects IPO

By **Dilip Davda** · SEBI Registered Research Analyst · Reg. No. INH000003127

Reviewed on 8 September 2026

- The company is a multidisciplinary EPC company in irrigation and water supply projects segment.
- It has presence in 12 states and executing projects related to metro rail, besides irrigation and water supply segment.
- The company posted steady growth in its top and bottom lines for the reported periods.
- Based on its recent average financial data, the issue appears fully priced.
- Well-informed investors can park funds for medium to long term.

About the Company

LCC Projects Ltd. (LPL) is a multidisciplinary engineering, procurement and construction (“EPC”) company in the irrigation and water supply projects segment from Gujarat (Source: ICRA Report). It is a multidisciplinary large corporate EPC company from Gujarat, poised to undertake infrastructure projects across 12 states in India (Source: ICRA Report). Over a period of two decades (including projects undertaken through the partnership firm prior to conversion to the Company), the company has executed a wide range of projects in the irrigation and water supply segment such as construction of dams, barrages, weirs, hydraulic structures, canals, pipe distribution networks, lift irrigation works, water supply schemes, and other EPC projects.

Additionally, it has executed a project related to the construction of metro rail project including construction of station along with its approaches and viaducts and are in the process of executing a mining development and operations (“MDO”) project. As of the Fiscal ended March 31, 2026, its Order Book comprises 103 projects, of which Sondwa Lift Micro Irrigation Project, Sidhi Bansagar Multi – Village Scheme and Gandhi Sagar 1 Multi-Village Scheme are its top three projects, in terms of project value, having a project value of Rs. 1534.95 cr., Rs. 1525.14 cr., and Rs. 1153.90 cr., respectively. In the past, it has also executed notable projects such as the construction of Tawa Left Bank Canal, Parbati Dam Project, Dudhai Sub Branch Canal Project and AKOT Lift Irrigation Scheme.

Further, LPL established a manufacturing unit, strategically located in Jaspur, Gujarat, for the production of precast concrete solutions for the infrastructure and construction industries. This unit has been set up to manufacture precast concrete elements, which are cast and cured in a controlled factory environment before being transported to construction sites for installation. Pre-casting is an advanced and highly efficient construction methodology in which structural and non-structural elements are cast, cured, and finished in a controlled environment, such as a dedicated casting yard or precast factory, before being transported and installed at the construction site. This technique

allows for greater precision, uniformity, and quality assurance, as the components are produced under strict supervision with consistent mix design, curing conditions, and dimensional accuracy.

The company has experience of executing projects across diverse geographic locations in India. For instance, it has diversified geographical presence in the construction and development and execution of projects in various states of India, such as Madhya Pradesh, Gujarat, Odisha, Maharashtra, Chhattisgarh, Jharkhand, Uttar Pradesh, Haryana, Himachal Pradesh, Rajasthan, Andhra Pradesh, and Karnataka. The company has undertaken projects with different levels of complexities in relation to project execution such as managing water flow dynamics, ensuring structural stability, mitigating geographical challenges like uneven terrain and soil conditions, construction in hilly terrain slope protection and rock fall protection due to high rainfall.

LPL expanded its operations from 10 states in Fiscal 2024 to 12 states by Fiscal 2026, namely, Gujarat, Madhya Pradesh, Odisha, Rajasthan, Maharashtra, Uttar Pradesh, Karnataka, Jharkhand, Chhattisgarh, Andhra Pradesh, Himachal Pradesh, and Haryana. As of March 31, 2026, it had 2093 employees on its payroll.

Issue Details / Capital History

The company is coming out with its maiden book building route combo IPO of approx. 29256233 equity shares (worth Rs. 427.14 cr. at the upper cap). The IPO consists of fresh equity shares worth Rs. 258.00 cr. (approx. 17671233 equity shares at the upper cap) and an Offer for Sale (OFS) of 11585000 equity shares (worth Rs. 169.14 cr. at the upper cap). The company has announced a price band of Rs. 139 – Rs. 146 per equity shares of Rs. 5 each. The issue opens for subscription on September 09, 2026, and will close on September 11, 2026. The minimum application to be made is for 102 shares and in multiples thereon, thereafter. Post allotment, shares will be listed on BSE and NSE. The issue constitutes 10.10% of the post-IPO paid-up equity capital. From the net proceeds of the fresh equity issue, the company will utilize Rs. 14.69 cr. for capex on purchase of new machinery/equipment, Rs. 180.00 cr. for repayment/prepayment of certain borrowings, and the rest for general corporate purposes.

The sole Book Running Lead Manager (BRLM) to this issue is Motilal Oswal Investment Advisors Ltd., while KFin Technologies Ltd. is the registrar to the issue. Motilal Oswal Financial Services Ltd. is a syndicate member.

After issuing entire initial equity shares at par value, the company has issued bonus shares in the ratio of 3 for 1 in February 2025. The average cost of acquisition of shares by the promoters/selling stakeholders is Rs. IL, Rs. 0.67, and Rs. 0.70 per share.

Post-IPO, its current paid-up equity capital of Rs. 136.00 cr. (272000000 equity shares) will stand enhanced to Rs. 144.84 cr. (289671233 equity shares). Based on the upper cap of the price band, the company is looking for a market cap of Rs. 4229.20 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has (on a consolidated basis) posted a total income/net profit, of Rs. 2449.79 cr. / Rs. 122.00 cr. (FY24), Rs. 2941.01 cr. / Rs. 223.63 cr. (FY25), and Rs. 3639.45 cr. / Rs. 286.44 cr. (FY26). The company posted steady growth in its top and bottom lines for the reported periods. Its contingent liability stood at Rs. 130.00 cr. as of March 31, 2026 and rising trade receivables year-on-year raise alarm.

For the last three fiscals, the company has posted an average EPS of Rs. 8.68 and an average RoNW of 33.75 %. The issue is priced at a P/BV of 4.47 based on its NAV of Rs. 32.66 as of March 31, 2026, and at a P/BV of 3.69 based on its post-IPO NAV of Rs. 39.58 per share at the upper cap.

If we attribute FY26 super earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at P/E of 14.76. Based on FY25 earnings, the P/E stands at 18.91. The issue appears fully priced based on its recent average performance.

For the reported periods, the company has reported PAT Margins of 5.00% (FY24), 7.66% (FY25), 7.96% (FY26), and RoCE margins of 27.63%, 27.64%, 27.13%, respectively, for the referred periods.

Dividend Policy

The company has not paid any dividends for the reported periods of the offer document. It has already adopted a dividend policy in January 2025, based on its financial performance and future prospects.

Comparison with Listed Peers

As per the offer document, the company has shown Vishnu Prakash R Punglia, Enviro Infra, as its listed peers. They are currently trading at a P/E of NA, and 19.0 (as of September 07, 2026). However, they are not truly comparable on an apple-to-apple basis. This comparison appears to be an eyewash. This comparison appears to be an eyewash.

Merchant Banker's Track Record

The sole BRLM associated with this issue has handled 37 IPOs in the last three fiscals and out of which 10 IPOs closed below the issue price on listing date.

Conclusion / Investment Strategy

LPL is a multidisciplinary EPC company in irrigation and water supply projects segment. It has presence in 12 states and executing projects related to metro rail, besides irrigation and water supply segment. The company posted steady growth in its top and bottom lines for the reported periods. Based on its recent average financial data, the issue appears fully priced. Considering its order book for ongoing projects, well-informed investors can park funds for medium to long term.

About Dilip Davda

Dilip Davda is a veteran financial journalist associated with the Indian stock market since 1978. He has been contributing to print and electronic media on capital markets, insurance, and finance since 1985. He is widely recognized for reviewing public issues and non-convertible debentures (NCDs) in the primary market, with a special emphasis on SME public issues.

SEBI Registered Research Analyst – Mumbai · Registration No.: INH000003127 (Perpetual)

Disclaimer: The information provided herein is solely for educational and informational purposes and does not constitute an offer, solicitation, or recommendation to buy or sell any securities. Readers are advised to consult a qualified financial advisor before making any investment decisions. Investments in the securities market are subject to market risks. The author does not intend to invest in the securities discussed.