



RESEARCH REPORT DATED 11 JULY 2026

Laser Power & Infra Limited

Mainboard IPO — Research Note

Power T&D — Cables, Conductors & EPC · BSE & NSE

ISSUE DATES 9 – 13 July 2026 · Allotment 14 Jul · Listing 16 Jul 2026 (tentative)

PRICE BAND ₹203 – ₹214 per share · Face value ₹5

LOT SIZE 70 shares · Retail min ₹14,980 · bHNI min 67 lots / ₹10,03,660

ISSUE SIZE ₹742.00 Cr · 3,46,72,896 shares · Fresh ₹542 Cr + OFS ₹200 Cr

SECTOR Cables, Conductors & EPC Power T&D (Industrials)	FINANCIALS Rev ₹2,326 Cr (FY26), –9% YoY PAT ₹151.6 Cr · EBITDA 13.0%
VALUATIONS P/E 19.8x vs peer avg ~36x P/B 3.39x · EV/EBITDA ~12.6x	DEMAND Anchor 30.0% · 73.7% domestic MF Overall 1.05x · NII 2.03x (D2)
GMP ≈ ₹32 / +15% over ₹214 10 Jul · indicative only	RECOMMENDATION APPLY (listing gains)

Research-first. No leverage. No false promises.

2. Executive Summary

Laser Power & Infra makes the cable and the conductor, then uses them to build the line. It is an integrated power transmission and distribution play out of Kolkata — low and medium-voltage power cables, aerial bunched cables, railway signalling cable and the full conductor stack (ACSR, AAAC, AL-59 and licensed HTLS), manufactured across three West Bengal plants, and an EPC arm that turns that hardware into rural electrification, substations and distribution networks. Manufacturing is ~73% of FY26 revenue, EPC the rest. FY26 revenue from operations was ₹2,326 Cr, down 9.5% on FY25. PAT was ₹151.6 Cr, up 42%. Both facts are true, and reconciling them is the whole report.

The 42% profit jump did not come from selling more. Volume was flat, revenue fell, and the print was carried by three things — a mix shift into high-tension cable (8% of the book in FY24, 26% in FY26), a ₹32.79 Cr one-time gain on a subsidiary sale, and a nil tax charge the company has run since FY24 on brought-forward NCLT losses. Strip the one-off and normalise for the 25% tax that arrives in FY28 and the growth story is more modest than the headline. What is not modest is the price. At ₹214 the issue is 19.8x FY26 earnings against a listed peer set that trades at roughly 36x on average — Dynamic Cables at 21x, Universal at 27x, and the large-caps (Apar, Polycab, KEI) at 57–67x. On the tape, this is the cheapest name in the room.

APPLY — full force (bHNI), for listing gains only. The trade is carried by two things the peer table cannot argue with. First, valuation: a genuine discount to every comparable, in a sector the government is about to spend ₹31–37 lakh crore into. Second, the anchor book. Nineteen anchors took the full 30% of the issue, 73.7% of it domestic mutual fund money — Nippon, HDFC, Kotak, Bandhan, Mirae, Motilal — and on our seven-year base these houses habitually buy at an allocation-weighted 62x P/E. Here they are buying at 20x. The offsetting facts are real and we do not hide them: FY26 operating cash flow was negative, the book was soft through Day 2 (overall 1.05x, retail 0.85x), and the last day is still open. We are underwriting the open, not the business. Base case listing +10% to +18%. Bid at ₹214, in the bHNI category, full force across every available PAN.

Recommendation	Listing View	Allocation Approach
APPLY (listing gains)	+10% to +18% (base case)	Full force across all available PANs · bid at the ₹214 cap

Not a risk-free recommendation. A strong anchor book does not guarantee listing gains. IPO Research Desk is a bHNI-only advisory.

3. Company Overview & Business Model

Incorporated in 1988 and run by the Goel family, Laser Power & Infra sits in a part of the power supply chain most investors never see: the physical wire that moves electricity, and the crews that string it. The manufacturing arm produces power cables, aerial bunched cables, railway signalling cable and aluminium conductors — including High-Temperature Low-Sag (HTLS) conductors made under a licensing tie-up with US-based TS Conductor Corp. The EPC arm takes turnkey distribution work: rural electrification, substation erection, testing and commissioning. Three plants at Dhulagarh and Kharagpur in West Bengal carry a combined 85,448 MT of installed capacity as at 31 March 2026, close to Kolkata and Haldia ports and to the aluminium and copper it consumes.

The structural feature worth pausing on is backward integration. Laser makes many of the conductors and cables that go into its own EPC projects rather than buying them in — the value of in-house product consumed on its own sites rose from ₹259.64 Cr in FY24 to ₹354.39 Cr in FY26. That gives it cost control and quality control on the EPC line and is a real reason its EBITDA margin holds up against much larger listed peers. It also means the two segments rise and fall together: when the EPC order slows, the captive manufacturing that fed it slows with it, and FY26 showed exactly that — manufacturing revenue fell ~9% and EPC ~11% in the same year.

The customer base is the other defining fact. This is a business sold almost entirely to the state: government electricity boards, state utilities and Indian Railways, won through tenders and paid on the government's schedule. That brings a genuine moat — Laser is an RDSO-approved supplier to Indian Railways, a multi-year qualification that new entrants cannot short-cut — and a genuine risk, because the top ten customers were 72% of FY26 revenue, up from 53% in FY24, and government customers pay slowly. The order book stood at ₹3,243 Cr at FY26 year-end, up 49% from FY24, giving roughly 1.4x revenue visibility. Management is extending the same integrated model into solar, battery storage and water-distribution pipelines.

Promoters Deepak Goel, Devesh Goel, Akshat Goel and Rakhi Goel held 100% pre-issue, falling to 75.29% after listing. Around 660 permanent employees. Operations touch 26 states and 4 union territories and ten countries including Bhutan and Togo. It is a family-run industrial with a long operating history and a professional layer — the norm in this sector, and not by itself a concern.

4. Market Position & Client Base

Laser positions itself as one of the faster-growing power cable and conductor makers in the eastern corridor, and the East India location is a genuine edge — proximity to ports and to the mineral belt keeps logistics costs down against peers concentrated in the west. What the company sells, past the location, is qualification. Cable and conductor for the grid and the railways has to be type-approved; RDSO registration for Railways and utility approvals take years, are written into the customer's own specification, and reset if the supplier changes. Once you are on the approved-vendor list for a distribution utility, you tend to stay on it. That is the moat, and it is the boring, durable kind.

Customer concentration

Particulars	FY26	FY24
Top 10 customers (% of revenue)	71.9%	52.6%
Segment mix — Manufacturing	~73%	n.d.
Segment mix — EPC	~27%	n.d.
Order book (₹ Cr)	3,243	2,173
Order book / revenue (x)	1.4x	1.2x

Source: RHP / company disclosures. n.d. = not disclosed. Order book cover computed by us.

The concentration number goes in the risk section — 72% in the top ten is above the line we flag. But the shape matters. This is not a book of ten fragile commercial accounts that can churn on price; it is government utilities and Railways, sticky by qualification and by inertia, buying against multi-year infrastructure programmes. The trade-off for that stickiness is payment terms. Receivable days ran to 196 in FY26 against 145 in FY24, and the working capital cycle stretched to 138 days from 101 — the government pays, but on its own calendar, and that is where the balance-sheet strain in this file comes from.

On competition, the RHP names five listed peers: Apar Industries, Polycab, KEI, Universal Cables and Dynamic Cables. The three large-caps are not real comparables — Polycab and KEI run 5–12x Laser's revenue on effectively debt-free balance sheets and command 57–67x multiples. The honest peer set is the tier below: Universal Cables (₹3,023 Cr revenue) and Dynamic Cables (₹1,198 Cr). Against those two, Laser is larger, more profitable per rupee, and — critically — cheaper. Its moat is narrower than a Polycab brand-and-distribution moat; it is process qualification, an integrated plant, and an EPC order book. Real, but sold to one kind of customer.

5. Geographic Distribution & Revenue Model

Revenue is overwhelmingly domestic and overwhelmingly Indian-government — the export and overseas-project footprint (ten countries, including Bhutan and Togo) is real but small relative to the domestic T&D book that drives the P&L. The more useful lens here is not geography but the two revenue engines and how they are priced.

Revenue engines

Segment	FY26 share	Pricing / cash character
Manufacturing — cable & conductor	~73%	Per-tonne / per-km, commodity-linked
EPC — turnkey distribution	~27%	Milestone-billed, working-capital heavy
Backward-integrated captive	₹354 Cr	In-house product into own EPC

Source: RHP. Captive figure is value of in-house product consumed in own EPC projects, FY26.

Two things follow from that mix. First, the topline is commodity-exposed at one end and tender-exposed at the other: manufacturing revenue rides aluminium and copper prices, EPC revenue rides the government tender cycle, and neither is contracted on a recurring, annuity basis. Growth tracks order intake and capacity utilisation, not a subscription line. Second, the margin story of the last three years — EBITDA margin from 8.9% to ~13% — is a mix story, not a volume story. The share of high-tension cable in the book went from 8% to 26%, HT carries a better margin than low-tension, and backward integration captured more of the EPC value chain in-house. That is a real improvement. It is also, in FY26, an improvement earned on a shrinking topline, which is a different thing from operating leverage.

The cash consequence is the number we keep coming back to. In FY26 the company converted a rising reported profit into negative operating cash flow of ₹119.05 Cr, after positive ₹170.8 Cr in FY24 and positive ₹60.3 Cr in FY25. The cash went into receivables and EPC work-in-progress. Government customers pay when they pay, the EPC book grew, and the gap was bridged with borrowings. More on that in Section 8.

6. Product Development & Technical Moat

This section exists because the bull case rests on the claim that Laser is a differentiated, qualified manufacturer rather than a commodity cable maker, and that claim is testable.

What is verifiable: a full conductor range including HTLS made under a TS Conductor licence — HTLS lets a utility push more current through existing towers without rebuilding the line, which is exactly what a grid integrating renewables needs, and it is a technically harder product than conventional ACSR; RDSO approval and registered-supplier status with Indian Railways, a qualification that takes years and does not transfer; and an integrated plant that runs conductor, cable and EPC under common ownership, which is what lets the captive-consumption model work. The market shift is in Laser's favour — the industry is moving off conventional ACSR toward HTLS and Aluminium-59, and Laser already makes both.

The one number missing from the growth case is capacity utilisation. Installed capacity rose from 62,000 MT in FY24 to 85,448 MT in FY26 — roughly 38% more plant. Production volumes did not follow.

Utilisation fell from 85.79% in FY24 to 61.59% in FY26. Fixed-asset depreciation on the expanded base is already in the P&L; the revenue to absorb it is not. That idle capacity is either operating leverage waiting for the order book to convert, or a capital-allocation error — and which one it turns out to be depends on whether the ₹3,243 Cr order book executes on schedule.

We read the utilisation gap as optionality rather than alarm, because the order book is real and the sector spend is real. But it belongs on the table honestly: this is a company that added plant into a year when its revenue fell, and it is asking the market to price the empty half of the factory as a coiled spring.

7. IPO Structure & Use of Proceeds

Issue structure

Particulars	Amount (₹ Cr)	% of Total
Fresh Issue (2,53,27,102 shares)	542.00	73.0%
Offer for Sale (93,45,794 shares)	200.00	27.0%
Total Issue Size (3,46,72,896 sh • FV ₹5)	742.00	100%

Use of proceeds (fresh issue)

Objective	Amount (₹ Cr)	% of Fresh
Prepayment / repayment of borrowings	490.00	~90%
General corporate purposes & issue costs	~52.00	~10%
Total Fresh Issue	542.00	100%

Stated objects per RHP. OFS proceeds go to the promoter selling shareholders; the company receives nothing from that portion.

Two structural facts to read carefully. First, the OFS is 27% of the issue — below the 50% line we treat as an existing-investor-exit signal, so this is not a promoter-cashing-out deal in the way an OFS-heavy issue is. Three of the four promoters are selling ₹200 Cr of secondary while the family retains 75.29% of the company; that is trimming, not exiting. Second, and less comfortably, essentially none of the fresh money is going into growth. ₹490 Cr of the ₹542 Cr fresh issue retires borrowings. That is sensible — the balance sheet needs it — but it means the market is funding a deleveraging, not a capacity or capability build. The upside is a cleaner post-issue balance sheet and lower FY27 interest cost; the flip side is that there is no new growth capital arriving to fill the idle plant.

Post-issue, borrowings fall by roughly ₹490 Cr against ₹828 Cr outstanding, and debt-to-equity should drop from 1.10x toward the 0.3–0.4x region as the ₹542 Cr of fresh equity lands and debt is retired.

That is the single cleanest thing this issue does. The company arrives on the exchange far less levered than it ran into the offer, and the FY27 P&L gets an interest-cost tailwind that the FY26 numbers do not show.

Category-wise allocation

Category	% of Issue	Shares (approx.)	Book
Anchor Investors	30.00%	1,04,01,867	19 anchors
QIB (excluding anchor)	20.00%	69,34,579	—
NII — bHNI (bids > ₹10 L)	10.00%	34,67,290	≈3,538 max
NII — sHNI (bids ₹2 L – ₹10 L)	5.00%	17,33,645	≈1,769 max

Category	% of Issue	Shares (approx.)	Book
Retail	35.00%	1,21,35,514	≈1,73,364

Anchor allocation is carved from the QIB portion. BRLMs: IIFL Capital Services and ICICI Securities. Registrar: MUFG Intime India.

Book-running lead managers are IIFL Capital Services and ICICI Securities; MUFG Intime India is the registrar. Anchor allocation was finalised on 8 July 2026 at ₹214 — the cap price — a signal in itself that the book was priced at the top of the band. The detailed track record of both BRLMs and every anchor in the book is in Section 10.

8. Financial Performance Analysis

Profit & loss (₹ Cr)

Particulars	FY24	FY25	FY26	2Y CAGR
Revenue from Operations	1,763.65	2,592.53	2,347.89	15.4%
EBITDA	157.5	259.3	304.4	39.0%
EBITDA Margin (%)	8.9%	10.0%	13.0%	—
PAT (reported)	40.41	106.75	151.59	93.7%
PAT (ex one-time gain)	40.41	106.75	118.80	71.5%
PAT Margin (%)	2.3%	4.1%	6.5%	—
Basic EPS (₹)	3.51	9.27	13.18	—

Source: Restated Consolidated Financial Information, RHP. FY26 PAT includes a ₹32.79 Cr one-time gain on subsidiary sale. Income tax has been nil across FY24–FY26 on brought-forward NCLT losses. RHP 'Basis for Issue Price' uses FY26 revenue from operations of ₹2,326.10 Cr.

Balance sheet & cash flow (₹ Cr)

Particulars	FY24	FY25	FY26
Net Worth	473.44	574.58	725.41
Total Borrowings	393.75	502.95	828.23
Debt / Equity (x)	0.83	0.88	1.10
Net Debt	393.18	~470	801.35
Cash flow from operations (CFO)	170.81	60.34	(119.05)
RoNW / RoE (%)	10.4%	—	23.3%
RoCE (%)	—	—	17.8%
Receivable days	145	—	196
Working capital cycle (days)	101	—	138

Source: Restated Consolidated Financial Information and KPIs, RHP. RoNW per RHP 'Basis for Issue Price' is 20.90%.

Take the trajectory first. Over two years revenue compounded 15.4%, EBITDA 39%, and reported PAT nearly quadrupled — an exceptional-looking print. Then read what is inside it. The revenue line peaked in FY25 and fell 9.5% in FY26. The profit line kept climbing anyway, and it did so on three supports that are not the same as the core business getting bigger: a mix shift into higher-margin HT cable, a ₹32.79 Cr one-time gain on the sale of a subsidiary, and a tax charge of nil. Adjust the one-off out and FY26 PAT is ₹118.8 Cr, up a more sober 11% on FY25. That is the number to underwrite, not ₹151.6 Cr.

The tax point deserves its own line because it hits the valuation directly. The company has paid no income tax across FY24–FY26 on losses carried forward from an NCLT acquisition, and it flags that the 25% rate applies from FY28. Every peer P/E in Section 9 is on a taxed earnings base; Laser's reported 19.8x is on an untaxed one. Normalise for full tax and the effective multiple on sustainable, taxed, one-

off-free earnings is materially higher than the sticker — closer to the low-to-mid-20s. It is still a discount to the peer set. It is not the 19.8x on the cover.

The number that bothers us most is the cash. FY26 operating cash flow was negative ₹119.05 Cr, a reversal from positive ₹170.8 Cr two years earlier, driven by a ~₹357 Cr surge in trade receivables as the EPC book scaled.

Borrowings rose 65% to ₹828 Cr and debt-to-equity reached 1.10x — an outlier in a peer set that runs sub-0.10x. Reported profit and collected cash have pulled apart, and the IPO is being priced on the profit. The ₹490 Cr debt repayment fixes the balance sheet; it does not fix the working-capital cycle that created the borrowing.

Returns tell the same story from both sides. RoNW of 20.9% and RoE of 23.3% are genuinely strong — better than KEI (13.8%) and Universal (8.9%), close to Polycab (22.3%) — and they say the equity is working hard. RoCE of 17.8% is lower and more honest, because it captures the debt and the idle plant. Post-issue, as ₹542 Cr of fresh equity lands and dilutes the base, RoE will step down mechanically. The business is a good one on returns; it is simply not compounding revenue right now, and it converts profit to cash poorly.

9. Valuation

Comparison with listed industry peers

Company	Rev FY26 (₹Cr)	P/E (x)	P/B (x)	RoNW (%)	NAV (₹)
Laser Power @ ₹214	2,326.10	19.8	3.39	20.90%	63.06
Apar Industries	22,902.12	67.05	6.36	18.11%	1,342.70
Polycab India	28,883.79	56.98	12.68	22.25%	797.79
KEI Industries	11,747.77	58.64	8.08	13.78%	697.17
Universal Cables	3,022.67	27.09	2.34	8.91%	545.03
Dynamic Cables	1,197.82	21.05	3.89	18.47%	94.36
Peer Median	—	56.98	6.36	18.11%	—

Source: RHP 'Basis for Issue Price'. Peer P/E on NSE closing prices of 19 June 2026 vs FY26 diluted EPS. Laser P/E on post-issue equity and FY26 reported EPS; 25.3x on FY26 diluted EPS of ₹8.46 on the fully diluted base cited by the syndicate.

At ₹214 the company asks 19.8x reported FY26 earnings, 3.39x book and roughly 12.6x EV/EBITDA on an enterprise value near ₹3,800 Cr. The peer median P/E is 57x and the peer average around 36x. Against Dynamic Cables (21x) and Universal (27x), the two scale-comparable names, Laser is the cheapest in the set — and it earns more per rupee of revenue than either. That combination does not usually clear at a discount, and it is the spine of the bull case.

We would still not underwrite the headline multiple at face value, and we say so plainly. Two adjustments matter. The 19.8x is on reported FY26 PAT, which carried a ₹32.79 Cr one-time gain and no tax; on normalised, taxed, one-off-free earnings the effective multiple is closer to the mid-20s. And the RoNW that flatters the comparison will step down as the post-issue equity base does its work. Make both adjustments and the discount to peers narrows from a chasm to a gap — but it is still a gap, in Laser's favour, in a sector the market is currently willing to pay up for.

The strongest valuation argument is not the peer table — it is who is buying and at what price relative to their own history.

On our seven-year base, the mutual-fund houses anchoring this issue — Nippon, HDFC, Kotak, Bandhan, Mirae, Motilal — have historically bought mainboard issues at an allocation-weighted 62x P/E. They are buying Laser at 20x. Institutional money that runs full diligence and normally pays up for growth is, on this one, paying down for value. That is a more useful test of the price than any single multiple.

For the trade we are actually recommending, the multiple is not the binding constraint. It matters to whoever still owns this in FY28 when the tax charge lands. It matters far less to whoever is out by the second week of listing.

10. Demand, Anchor Quality & BRLM Track Record

10.1 Subscription trajectory

Category	Day 1 — 9 Jul	Day 2 close — 10 Jul	Day 3 — 13 Jul
QIB (excluding anchor)	n.d.	0.68x	Bidding open
NII — bHNI + sHNI combined	n.d.	2.03x	Bidding open
Retail	n.d.	0.85x	Bidding open
Overall	0.17x	1.05x	Bidding open

Source: BSE/NSE via IPO aggregators, 10 Jul 2026, 5:06 PM. The issue runs across a weekend; the final bidding day is Monday 13 July. This report was finalised on 11 July with Day-3 bidding still to come.

Be honest about the book, because it is the weakest pillar in the file. At Day-2 close the issue was overall 1.05x — barely covered — with QIB ex-anchor at 0.68x, retail at 0.85x, and only the NII category above water at 2.03x. That is a soft trajectory relative to the hot mainboards of this vintage, and it is why the allotment odds for a bHNI applying full-force are better here than in a heavily-subscribed name. The important qualifier: the final day is Monday, and QIB and NII money in this market routinely arrives in the last ninety minutes of the last session. The book you underwrite is not the Day-2 book. But we do not pretend the Day-2 book is strong — it is not, and a soft final subscription is the scenario that would take the listing to the low end of our range or below it.

10.2 Grey market premium

GMP was around ₹32 at the 10 July print, roughly 15% over the ₹214 cap, pointing to an indicative open near ₹246. The tell here is direction: the premium has firmed through the bidding — ₹15 on 9 July, ₹25–27 on 6 July, ₹32 by Day 2 — rather than fading into the close, which is the healthier pattern. Read the number for what it is. The grey market is unregulated, thinly traded and cash-settled, with no clearing house and no obligation to anyone; it is a sentiment gauge with a decent hit rate on direction and a poor one on magnitude. A GMP firming into the close is worth more attention than one that is bleeding, and this one is firming — but +15% is a modest cushion, not a fat one.

10.3 Anchor quality — backtested against our seven-year base

Anchor (fund-house level)	% of book	Prior issues	Avg P/E they buy	Avg listing gain	₹ Cr
Nippon India MF (2 schemes)	24.71%	154	74.6x	27.3%	54.99
HDFC MF (Manufacturing)	8.98%	147	48.5x	23.9%	20.00
Kotak MF (2 schemes)	8.98%	109	41.2x	25.8%	20.00
Bandhan Small Cap MF	7.64%	116	76.0x	26.7%	17.00
Mirae Asset MF (2 schemes)	7.64%	89	34.0x	33.4%	17.00
Motilal Oswal MF (2 schemes)	7.64%	101	87.3x	26.8%	17.00
Societe Generale — ODI	4.49%	140	71.8x	8.8%	10.00
3P India Equity Fund	4.49%	28	55.6x	27.3%	10.00

Anchor (fund-house level)	% of book	Prior issues	Avg P/E they buy	Avg listing gain	₹ Cr
Edelweiss MF (Listed IPO Fund)	4.49%	114	85.5x	15.8%	10.00
Buoyant Capital AIF	4.49%	6	112.0x	16.1%	10.00

IPO Research Desk proprietary base: 688 mainboard anchors, 2020–2026. Scheme-level allotments rolled up to fund house. Averages allocation-weighted. Remaining ~16% of the book: Bank of India MF, Kotak Life, SageOne, Edelweiss Life, Sanshi.

This is the pillar that carries the trade. Nineteen anchors took the full 30% of the issue and 73.7% of that is domestic mutual fund money — not AIFs padding a headline, but the marquee tier. Nippon India alone took 24.7% of the anchor book across two schemes, and it sits on 154 prior mainboard issues in our base; HDFC (147), Bandhan (116), Edelweiss (114), Societe Generale (140), Kotak (109) and Motilal (101) are all deep, persistent participants. This is close to the strongest domestic-MF anchor book we have scored this vintage.

The non-obvious signal is valuation fit. Run this anchor group through our seven-year base and they have historically bought mainboard issues at an allocation-weighted 62x P/E. Laser is priced at 20x.

These are institutions that normally pay up for growth. On this issue they are buying a name at a third of their usual multiple — which reads as conviction on the price rather than a stretch on it. Their prior picks averaged a 22% listing-day gain on the full book, and 26% on the pure mutual-fund slice. When houses that habitually pay 62x show up in size for a 20x issue, valuation is not the thing worrying them.

10.4 BRLM track record — backtested

Book Running Lead Manager	IPOs 2020–26	Hit rate	Avg listing gain	CY2026 (issues/pos)
ICICI Securities	129	68.2%	20.13%	5 / 3
IIFL Capital Services	100	68.0%	17.07%	3 / 0
Combined	229	68.1%	18.5%	8 / 3

IPO Research Desk proprietary base: 78 mainboard lead managers, 2020–2026.

A mid-tier syndicate, and honesty matters. Both leads sit around a 68% seven-year hit rate — respectable, not top-quartile — with ICICI Securities the stronger of the two on average listing gain (20.1% vs 17.1%) and, more importantly, on recent form: ICICI Sec has run five 2026 mainboard issues with three positive, while IIFL's 2026 book is nought for three. IIFL's aggregate is dragged by a clear post-2023 deterioration (its hit rate fell from ~76% in 2020–22 to ~50% in 2024–26). The way to read a lineup like this: ICICI Sec is the credible lead carrying the book, and the aggregate quality leans on that name rather than on the syndicate uniformly. It is a marginal qualifier on the setup, not a disqualifier — and it is why we anchor the listing-gains case on valuation and the anchor book first, and treat the BRLM signal as neutral-to-mildly-supportive.

Strong anchor participation and a credible lead reduce listing risk; they do not eliminate it. A strong anchor book does not guarantee listing gains.

11. Risk Factors

⚠️ [PRIMARY CONCERN] The growth engine went into reverse in the year they took it public.

Revenue from operations fell 9.5% in FY26, with both segments down — manufacturing ~9%, EPC ~11%. The 42% PAT jump was margin mix, a one-time gain and a nil tax charge, not more business. A company is easiest to sell to the market on a rising topline; Laser is coming with a falling one and asking to be read on profit that grew for reasons that will not all repeat. What would change our view: two quarters of restored revenue growth, or a step-up in order-book execution. Neither is visible in the FY26 print.

⚠️ Earnings quality — a one-time gain and a tax holiday flatter the headline.

FY26 PAT of ₹151.6 Cr includes a ₹32.79 Cr one-time gain on the sale of subsidiary UIC Udyog; strip it and PAT is ₹118.8 Cr, up 11%, not 42%. Compounding it, the company has paid nil income tax across FY24–FY26 on brought-forward NCLT losses, and flags that the 25% rate applies from FY28. The 19.8x P/E on the cover is on an untaxed, one-off-flattered number. Normalise it and the multiple is meaningfully higher — still a discount to peers, but not the discount the sticker implies.

⚠️ Cash conversion — operating cash flow turned negative in FY26.

CFO went from positive ₹170.8 Cr (FY24) to positive ₹60.3 Cr (FY25) to negative ₹119.05 Cr (FY26), as a ~₹357 Cr build in receivables absorbed the reported profit. Receivable days ran to 196 from 145; the working-capital cycle stretched to 138 days. Government and utility customers pay on their own schedule, and the EPC book is structurally working-capital heavy. Reported PAT is a weak proxy for cash generated here, and a multiple on that PAT is a multiple on cash the business has not yet collected.

⚠️ Leverage ran up hard into the offer.

Total borrowings rose 65% to ₹828 Cr in FY26 and debt-to-equity reached 1.10x, against a peer set — Polycab, KEI, Dynamic — that runs sub-0.10x. The IPO fixes this: ₹490 Cr of fresh proceeds retires debt and post-issue gearing should fall toward 0.3–0.4x. That is the clean part of the story. But the leverage tells you how working-capital-intensive this business is, and the fresh money going to debt rather than growth is the price of that intensity.

1. **Customer concentration and government dependence.** The top ten customers were 71.9% of FY26 revenue, up from 52.6% in FY24, and the base is overwhelmingly government electricity boards, state utilities and Indian Railways. That concentration is sticky by qualification but lumpy by nature — tender-driven, cyclical with government capex, and slow-paying. The loss or delay of a large utility programme would show up immediately in both revenue and factory loading.

2. **Idle capacity after a capex cycle.** Installed capacity rose ~38% to 85,448 MT between FY24 and FY26 while production volumes stayed roughly flat, dropping utilisation from 85.8% to 61.6%. Depreciation on the expanded base is already in the P&L; the revenue to absorb it is not. If the order book does not convert on schedule, this is the line where it shows up first — as fixed-cost drag on margin.
3. **Single-state manufacturing footprint.** All three manufacturing units are in West Bengal (Dhulagarh, Kharagpur). Flood, labour action, power disruption or a regional policy change hits the entire production base at once; there is no disclosed second-state contingency capacity.
4. **Commodity and raw-material exposure.** The manufacturing P&L rides aluminium and copper. Orders are largely priced per project rather than under long-term supply and pass-through agreements, so a sharp move in metal prices between bid and delivery compresses margin on work already won.
5. **OFS and promoter selling.** ₹200 Cr of the issue is secondary, with three of the four promoters selling. At 27% of the issue it sits below our 50% exit-signal threshold and the family retains 75.29%, so we read it as trimming rather than exit — but it is still ₹200 Cr of supply that reaches selling shareholders, not the company.

 Listing volatility and a soft book.

At Day-2 close the issue was overall 1.05x, with retail at 0.85x and QIB ex-anchor at 0.68x — a thin book with the final day (Monday 13 July) still to bid. GMP is a modest +15% and the concurrent SBI Funds Management and Alpine Texworld issues compete for the same HNI funding lines. On a poor open we see downside of 6% to 10% below the ₹214 issue price, and a further leg lower cannot be excluded if the tape turns or the final-day book fails to build. This is not a risk-free recommendation. A strong anchor book does not guarantee listing gains.

12. Investment Strengths & Positive Indicators

1. **The cheapest name in the peer set.** At 19.8x reported FY26 earnings — mid-20s normalised for tax and the one-off — Laser is priced below Dynamic Cables (21x) and Universal (27x), its two scale-comparable peers, and a fraction of the large-caps at 57–67x. EV/EBITDA near 12.6x compares to a peer average around 24x. Even after honest adjustments, this is a real discount, and it is the anchor of a listing-gains case.
2. **A top-tier mutual-fund anchor book buying below its own band.** Nineteen anchors took the full 30% of the issue, 73.7% domestic MF — Nippon (24.7% of the book), HDFC, Kotak, Bandhan, Mirae, Motilal. On our seven-year base these houses habitually buy at ~62x P/E and are buying Laser at 20x, with prior picks averaging 22–26% on listing day. This is the single strongest quantitative support in the file.
3. **Margin expansion is real and mix-driven.** EBITDA margin rose from 8.9% to ~13% over three years as high-tension cable went from 8% to 26% of the book and backward integration captured more of the EPC value chain in-house. RoNW of 20.9% beats KEI (13.8%) and Universal (8.9%) and rivals Polycab (22.3%). The profitability is genuinely best-in-cohort.
4. **Order book and a structural sector tailwind.** A ₹3,243 Cr order book gives ~1.4x revenue visibility and is up 49% since FY24. Behind it sits an estimated ₹31–37 lakh crore of power-sector investment across FY26–FY30 and a wires-and-cables market projected to grow at 11–13% to ₹2.55 lakh crore by FY30 — grid modernisation, renewable evacuation, rural electrification and railway electrification all feeding Laser's exact product set.
5. **Deleveraging into the listing.** ₹490 Cr of the fresh issue retires borrowings; post-issue debt-to-equity should fall from 1.10x toward 0.3–0.4x, and the FY27 P&L picks up an interest-cost tailwind the FY26 numbers do not show. The company arrives on the exchange materially less levered than it ran into the offer.
6. **Qualification moats that do not transfer quickly.** RDSO approval and registered-supplier status with Indian Railways, a TS Conductor licence for HTLS, and a vertically integrated plant are the boring, durable kind of barrier — multi-year to replicate and written into customer specifications. A well-funded entrant does not cross them in a couple of years.
7. **GMP firming into the close.** The grey-market premium has strengthened through the bidding — ₹15 to ₹32 — rather than fading, which is the healthier of the two patterns. At +15% it is a modest cushion, but a rising one, and it corroborates the anchor and valuation signals rather than contradicting them.
8. **Optionality in the idle plant.** Processing capacity expanded ~38% while utilisation fell to 61.6%. Depreciation on that asset is already expensed; if the order book converts at anything like historical realisations, incremental revenue drops through at a high contribution margin. It is operating leverage the buyer is not paying up for today.

13. Final Recommendation & Conclusion

R E C O M M E N D A T I O N

APPLY (listing gains)

full force across all available PANs · bid at the ₹214 cap

The five pillars do not all line up on the same side here, and this report has said so plainly. Financial quality is mixed: best-in-cohort margins and returns sitting on top of a 9.5% revenue decline, negative FY26 operating cash flow, and a profit figure flattered by a one-off gain and a nil tax charge. Valuation at 19.8x reported FY26 — mid-20s once normalised for the tax that arrives in FY28 — against a peer average near 36x is a genuine discount, and it is corroborated by an anchor book paying far below its own usual band. GMP at +15% is firming into the close, which we read as a modest but real positive. Demand is the pillar that gives us pause: the Day-2 book was soft at 1.05x overall, and the final day decides it. The one structural fact that does not work against us is the OFS — a contained 27% of the issue, with the Goel family retaining 75.29% post-listing.

What carries the trade is the anchor book. Nineteen anchors took the full 30% of the issue, roughly three-quarters of it domestic mutual fund money — Nippon, HDFC, Kotak, Bandhan, Mirae, Motilal — and on our seven-year base this is a group of houses that habitually pays an allocation-weighted 62x P/E, buying Laser at 20x. Their prior picks averaged 22–26% on debut. Set against that: a soft public book that leaves less margin for error than a heavily-subscribed name, in a sector we like but one carried by the same government capex everyone else is also underwriting. We reconcile the two the only way the data permits — by taking the open and leaving. Base case, a +10% to +18% listing.

For BHNI investors the action is straightforward: apply full force across all available PANs at the ₹214 cap — the 67-lot / 4,690-share BHNI minimum, ₹10,03,660 per application; we will issue a trailing stop-loss (TSL) update post-listing to manage the exit rather than fixing a hold window now. The multiple-PAN approach is what converts a favourable setup into a position of meaningful size, and it is why this note is written for BHNI and for nobody else.

BHNI Guidance

Investor Category	Guidance	Allocation Approach	Hold Horizon
BHNI	APPLY (listing gains)	Full allocation across all available PANs at ₹214 (band ₹203–₹214); 67-lot (4,690-share) minimum, ₹10,03,660 per PAN	Hold post-listing; TSL update to follow

IPO Research Desk is a BHNI-only advisory. Guidance is for listing gains, not long-term ownership.

14. Standard Disclaimer

The analysis presented herein is based on publicly available information and data as of the date of publication. Investors should conduct their own due diligence before making investment decisions. Past performance is not indicative of future results. The author does not guarantee the accuracy, completeness, or timeliness of the information provided. Investment in IPOs and equity markets involves substantial risk, including the risk of loss of principal. Market conditions, company performance, regulatory changes, and macroeconomic factors can significantly impact investment outcomes.

Past performance is not indicative of future returns.