



Globe Civil Projects Ltd.



Globe Civil Projects Limited

Issue Opens - June 24, 2025 to June 26, 2025

Price Band

₹67 to ₹71

Face Value

₹10

Issue Size

₹119.00 Cr

Lot Size

211 Shares

Listing At

NSE, BSE

Issue Size

1,67,60,560 shares / ₹119.00 Cr

Fresh Issue

1,67,60,560 shares / ₹119.00 Cr

Offer for Sale

N/A

Retail Quota

Min. 35% of the Issue Size

Tentative Allotment

Fri, Jun 27, 2025

Initiation of Refunds

Mon, Jun 30, 2025

Credit of Shares to Demat

Mon, Jun 30, 2025

"Globe Civil" Listing Day

Tue, Jul 1, 2025



Objects of The Offer

The Company proposes to utilize the Net Proceeds towards funding the following objects :

- Funding working capital requirements of the Company.
- Capital expenditure towards purchase of construction equipments/ machineries.
- General corporate purposes.

Brief profile of the Directors

1. **Ved Prakash Khurana, Chairman and Whole-time Director** - Appointed as Chairman and Whole-time Director since 2002. An Intermediate from Madhya Pradesh Board. Over 30 years of experience in civil construction. Business functions like project and site management, finance, and contracts have been handled under his direction.
2. **Nipun Khurana, Managing Director** - Serving as Managing Director since 2008. Holds a B.E. in Civil Engineering from Bharati Vidyapeeth University. Over 16 years of industry experience. Responsible for team leadership and execution of engineering projects.
3. **Vipul Khurana, Managing Director** - Serving as Managing Director since 2004. Holds a B.Sc. in Information Systems Engineering from the University of Westminster. Over 20 years of experience. Business development and project management have been led by him.
4. **Dayal Sarup Sachdev, Independent Director** - Serving as Independent Director. Holds a B.Sc. in Civil Engineering and a Diploma in Project Management. Retired as Director General (Works), CPWD, in 2009 after over 30 years of service.
5. **Nalini Shastri Vanjani, Independent Director** - Appointed as Independent Director. A commerce graduate and qualified chartered accountant (ICAI, 1983). Over 30 years of experience with Power Finance Corporation; retired as Executive Director in 2018.
6. **Rajender Pal Chandel, Independent Director** he is an Independent Director of the Company. He is also an Insolvency Professional registered with IBBI. He has over three decades of experience in the field of banking. Prior to joining the Company, he was associated with Canara Bank and retired as ChiefManager w.e.f. July 31, 2021

About The Company and Business Overview



Globe Civil Projects Limited, established in 2002 and headquartered in New Delhi, is an engineering, procurement, and construction (EPC) company specializing in infrastructure development across India. The company has over two decades of experience executing diverse civil construction projects and operates across 11 states, including Uttar Pradesh, Haryana, Delhi, Maharashtra, Andhra Pradesh, Karnataka, Gujarat, Chhattisgarh, Rajasthan, Uttarakhand, and Himachal Pradesh.

Core Business Segments:

a. Transport and Logistics Infrastructure

- Construction of national highways, state highways, bridges, flyovers, rural roads, and railway infrastructure including railway bridges and elevated railway terminals.

b. Social and Commercial Infrastructure

- Construction of educational institutions, hospitals, airport terminals, commercial office buildings, and housing projects.

c. Non-Infrastructure Projects

- Includes commercial offices and residential buildings.

d. Trading of Construction Materials

- Particularly trading of TMT steel.

• Project Experience and Execution:

- a. Successfully completed 37 projects over the last two decades.
- b. Currently executing 13 projects, including:
 - i. 5 Social and Commercial Infrastructure projects
 - ii. 3 Transport & Logistics projects
 - iii. 4 Residential Building projects
 - iv. 1 Office Building project



Glimpses of ongoing and completed projects.



Strengths



- **Extensive Experience and Track Record** - Over two decades of executing diverse infrastructure projects across multiple Indian states, demonstrating strong engineering capabilities and project management.
- **Strong Financial Growth** - Recorded a 60% increase in revenue and a 185% rise in net profit in FY2024, reflecting improving operational performance.
- **Robust Order Book** - Maintains a healthy order book of approximately ₹941 crore (as of August 2023), providing revenue visibility for the next three years.
- **Reputed Clientele and Government Contracts** - Established relationships with government agencies and public sector undertakings; registered as a Class-I contractor with CPWD, enabling participation in large-scale government projects.
- **Stable Financial Performance and Capital Structure** - Comfortable capital structure with moderate debt protection metrics; auditors have confirmed adequate internal financial controls and no cash losses.
- **Focus on Safety and Quality** - Emphasizes workforce safety with significant training efforts, aiming for a zero-accident workplace culture.

Key Risk Factors

- **High Dependence on Government Contracts** - Revenues are significantly dependent on government projects, making the company vulnerable to policy changes, budgetary allocations, and delays in government approvals.
- **Working Capital Intensive Operations** - Infrastructure projects require substantial working capital, which may strain liquidity during project execution phases.
- **Regulatory and Environmental Compliance Risks** - Exposure to regulatory requirements and environmental clearances can cause project delays or additional costs.
- **Client Concentration Risk** - A significant portion of revenue may come from a few large clients, increasing vulnerability if any major client relationship weakens.
- **Competitive and Fragmented Industry** - Faces intense competition and price pressures in a fragmented construction sector, which can affect margins.
- **Debt Levels and Leverage** - Debt-to-equity ratio around 1.6 indicates moderate leverage; while typical for the sector, it requires careful management to avoid liquidity stress.

Statement of Profit and Loss



Globe Civil Projects Limited

(All amounts are in Indian Rupees millions, unless otherwise stated)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2022
Income			
Revenue from Operations	3321.62	2333.45	2857.09
Other Income	26.52	18.24	10.75
Total income	3348.14	2351.69	2,867.84
Expenses			
Cost of Material Consumed	941.75	818.47	775.38
Purchase of Traded Goods	381.52	346.2	318.83
Changes in Inventory of work-in-progress	-121.03	-3.94	-6.14
Cost of Construction	1507.06	867	1,455.69
Employee Benefit Expense	77.98	50.42	58.01
Finance Cost	224.8	126.86	137.18
Depreciation and Amortisation Expense	38.37	32.03	32.48
Other Expenses	87.82	47.27	46.21
Total expenses	3138.27	2284.31	2,797.64
Restated Profit/(Loss) before share of Profit/(Loss) of Joint Venture & Associates	209.88	67.38	70.19
Share in the Profit/(Loss) of the Associate	-	-0.04	-0.01
Restated Profit/(Loss) before exceptional items and Tax	209.88	67.33	70.18
Exceptional Items	-	-	-
Profit/(Loss) Before Tax	209.88	67.33	70.18
Income Tax Expense			
Current Tax Expense	58.71	18.8	21.12
Deferred Tax	-2.61	0.02	-2.95
Total Income Tax Expense	56.09	18.82	18.17
Restated Profit/(Loss) for the year	153.78	48.51	52.01
Restated Total Comprehensive Income for the year (X+XII)	152.28	49.89	53.07
Earning per equity share			
Equity shares of face value ₹ 10/- each			
--- Basic (₹)	3.58	1.13	1.21
--- Diluted (₹)	3.58	1.13	1.21

Valuation and Outlook



Globe Civil Projects Limited IPO is expected to be priced between **₹67 to ₹71** per share. At this price, the company is valued at Price-to-Earnings (P/E) ratio of **19.83x** whereas the industry P/E is **19.96x**

Over the past three fiscal years, the company has reported a weighted average EPS of ₹2.37 and a weighted average RoNW of 14%. Based on FY24 annualized earnings, the P/E ratio stands at 19.83 at the upper price band. The company operates in the construction and infrastructure space, focusing on specialized structures and government projects.

Its financials reflect consistent growth, backed by a rising order book. EBITDA margin improved from 7.99% in FY22 to 13.34% in FY24, while PAT margin increased from 1.82% to 4.63%. The issue appears fairly valued at ~20x P/E, in line with peers, though the price-to-book ratio at 4x is slightly above the industry average of 3x.

However, the company's heavy reliance on government contracts has led to stretched working capital cycles, with days increasing from 78 in FY22 to 148 in 9M FY25.

"Call us on 8448899576" to find out whether or not you should apply.

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