

13th November 2025

Kalpataru Projects International Ltd.

BSE: 522287 | NSE: KPIL



Recommendation
BUY



Time Period
12 months



Current Price
1,247/-



Target Price
1,434/-



Potential Upside
15.0%

Kalpataru Projects International Limited (KPIL) is one of the largest specialized EPC companies engaged in Power Transmission & Distribution (T&D), Buildings & Factories (B&F), Water Supply & Irrigation, Railways, Oil & Gas Pipelines, Urban Mobility (Flyovers & Metro Rail), Highways and Airports. KPIL is currently executing projects in over 30 countries and has a global footprint in 75 countries. The company has maintained a leadership position in all its major businesses backed by strong organizational capabilities, superior technical know-how, and adherence to best-in-class sustainability standards.

Key Investment Rationale:

- ✦ **Order Book:** KPIL’s order book remains strong with increasing momentum in T&D and B&F business. As of Sep’25, the company’s order book stood at record levels of Rs 64,682 cr (2.9x of FY25 sales), providing clear pathway for business growth in the upcoming quarters. KPIL has registered order inflows of Rs 14,951 cr till date in FY26 (31st Oct’25) and is further placed favourably in orders worth ~Rs 5,000 cr. Thus, based on the company’s improved market position with regards to large size order wins in T&D and B&F businesses, we see significant headroom for growth on the back of capex upcycle with long term structural tailwinds in power transmission, real estate, urban mobility, industrial and hydrocarbon spaces.
- ✦ **Strong performance in 2QFY26:** During 2QFY26, KPIL reported robust financial performance with Revenue/EBITDA/PAT growing 32.4%/28.1%/91.3% YoY respectively to Rs 6,528 cr/562 cr/240 cr respectively. However, the Water business continues to see delay in payments and saw a 5% YoY revenue decline during the quarter. Going ahead, the prospective pipeline for KPIL remains strong across the T&D and B&F segments, while the company continues to be cautious on water and railways projects.
- ✦ **T&D and B&F businesses to lead growth:** The T&D segment delivered strong revenue growth of 51% YoY in 2QFY26 supported by robust execution in India, Sweden and other international markets. The T&D order book stands at Rs 26,276 cr (up ~18% YoY), with a tender pipeline of more than Rs 1,50,000 cr over the next 12 to 18 months. The B&F also maintained its strong momentum and closed the quarter at record order book of Rs 18,758 cr (up 43% YoY).
- ✦ **Guidance revised upwards:** KPIL has raised its FY26 growth guidance to 25%+ (both standalone & consolidated), from 20%-25% earlier. The company is positive about achieving a target order inflow of more than Rs 25,000 cr for FY26.
- ✦ **Attractive valuation:** At the CMP of Rs 1,247; the stock trades at FY26E/FY27E Bloomberg consensus P/E multiple of 22.2x/17.1x respectively.

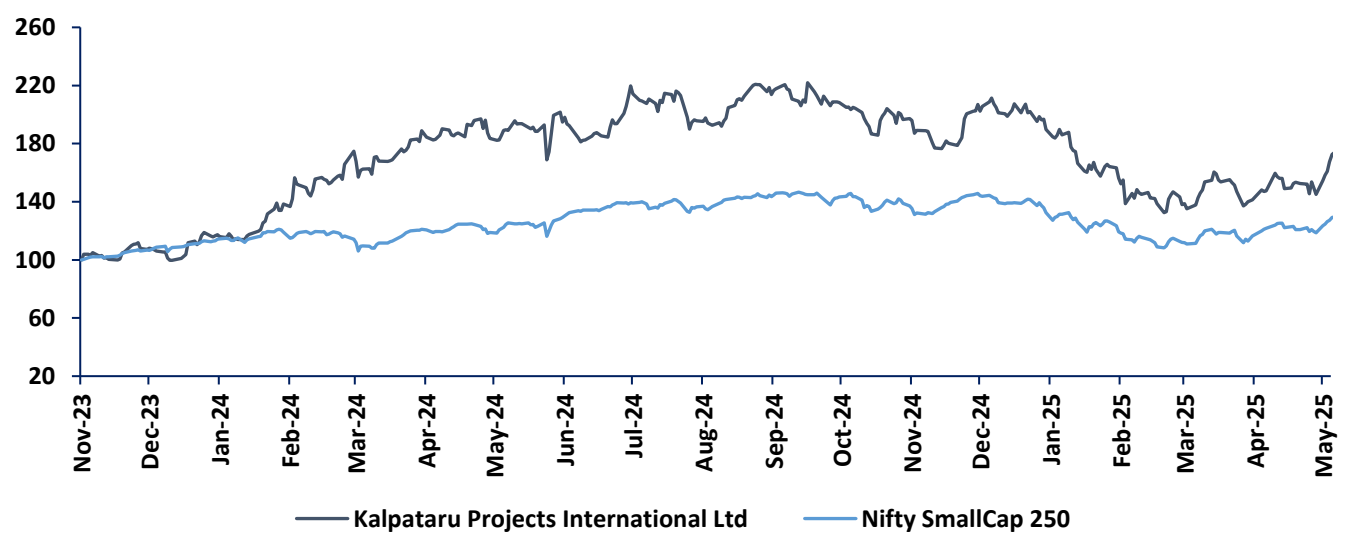
Key risks: Delay in project execution; Global trade uncertainties

Financial Summary

Particulars (Rs cr)	FY24A	FY25A	FY26E	FY27E
Net Sales	19,626	22,316	27,662	32,146
EBITDA	1,814	2,031	2,316	2,815
Net Profit	516	567	961	1,248
EBITDA Margin (%)	9.2	9.1	8.4	8.8
EPS (Rs)	30.2	33.2	56.3	73.1
RoE (%)	7.4	8.1	13.9	16.5
P/E (x)	41.4	37.7	22.2	17.1
P/BV (x)	3.3	3.1	2.9	2.5

Source: Bloomberg Estimates

Stock Performance (2-Year) – Indexed to 100



Source: Ace equity, SSL Research

Recommendation History

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