

Retail Equity Research

Kalpataru Projects International Ltd

Infrastructure Developers & Operators

CMP Rs. ₹ 865
Rating: Overweight
NSE CODE: KPIL BSE CODE: 522287

Kalpataru Power Transmission Ltd. demonstrated steady revenue growth in Dec 2024, with sales increasing by 16% QoQ to ₹5,732.48 Cr, supported by strong execution across key business segments. Operating profit expanded 9% QoQ to ₹479.21 Cr, reflecting improved cost efficiencies despite a rise in expenses.

However, profitability remains under pressure due to increasing interest costs (₹164.37 Cr, up 9.5% QoQ) and a marginal rise in depreciation (₹123.10 Cr). As a result, profit before tax grew 7.4% QoQ to ₹202.02 Cr. Net profit saw a 12% QoQ rise to ₹141.96 Cr, but YoY growth slowed due to higher financial costs and a decline in other income.

Overall, the company maintains a resilient order book, but margin sustainability will depend on managing interest outflows and optimizing execution efficiency. Investors should monitor further debt-related developments and cash flow trends for sustained profitability.

Company Data

Market Cap (cr)	Rs.	15,386.64
Enterprise Value (cr)	Rs.	20,350.57
Outstanding Shares (cr)		17.08
52 week high	Rs.	1,449.00
52 week low	Rs.	845.00
1m average volume (lacs)		4.58
Face value	Rs.	2.00

	FY22	FY23	FY24
Sales	14777.38	16361.44	19626.43
Growth(%)	14%	11%	20%
EBITDA	1569.18	1654.44	1878.36
EBITDA Margin(%)	10.6%	10.1%	9.6%
PAT	540.30	440.75	509.61
Growth(%)	-19%	-18%	16%
EPS	36.3	27.1	31.4
P/E	10.1	19.7	34.1
P/B	1.3	1.8	3.4
EV/EBITDA	5.2	6.9	10.8
ROE(%)	13%	9.3%	10%
ROCE(%)	15%	14.8%	15.4%
ROIC(%)	12%	10.1%	11.3%
D/E	0.90	0.80	0.78

Strong Financial and Segment Growth

The company reported a 17% Y-o-Y increase in revenue to ₹5,732 crores, with EBITDA up 13% and PBT rising 5%. T&D grew 42%, while B&F and Oil & Gas surged 26% and 123%, respectively. However, the Water business lagged due to delayed JJM project collections.

Robust Order Inflows and Working Capital Management

With ₹20,185 crores in new orders, the order backlog hit ₹61,429 crores. Consolidated net debt fell 27% Q-o-Q, and net working capital days improved by 6 days (stand-alone) and 4 days (consolidated), reflecting strong financial discipline.

Future Outlook and Strategic Focus

The company targets 15%-20% growth in Q4 FY'25 with PBT margins around 5%. The Water business is set to recover post-budget, with ₹500-₹700 crore collections expected. Management remains optimistic about T&D, urban infrastructure, and grid modernization as key growth drivers.

Key Highlights

1. Diversified EPC Business with Strong Growth

KPTL is a leading EPC company with a diversified presence in Transmission & Distribution (T&D), Buildings & Factories (B&F), Water, Oil & Gas, Railways, and Urban Infrastructure. In 9M FY25, the EPC segment contributed 97% of total revenue, with notable growth in T&D (44%), B&F (28%), and Oil & Gas (8%). The company is executing 250 projects across 30+ countries, reinforcing its global presence.

2. Robust Order Book and Revenue Growth

As of 9M FY25, the order book stood at ₹61,429 crores, with new orders worth ₹20,181 crores received during the period. The order book is diversified, with T&D (38%), B&F (22%), Water (16%), Oil & Gas (13%), Railways (6%), and Urban Infra (5%). Geographically, 58% of orders are domestic, and 42% are international. The company recorded 12% YoY revenue growth, driven by strong execution in T&D, B&F, and Oil & Gas.

3. Strategic Asset Divestment and Fundraising

To optimize its portfolio, KPTL signed an agreement in Oct 2024 to divest its 100% stake in Vindhyaachal Expressway for ₹775 crores, with completion expected by Sept 2025. Additionally, in Dec 2024, the company raised ₹1,000 crores through a Qualified Institutional Placement (QIP) of 83.26 lakh equity shares to strengthen its financial position.

4. Expanding Infrastructure Investments

Through subsidiaries, KPTL operates two 16 MW biomass power plants in Rajasthan and has investments of ₹834 crores in three road BOOT assets: Brij Bhoomi Expressway, Wainganga Expressway, and Vindhyaachal Expressway. These assets generated an average daily revenue of ₹64.3 lakhs in Q3 FY25, up from ₹56 lakhs in Q3 FY24.

5. Geographical Expansion and Market Position

KPTL has expanded its international footprint, with overseas revenue contributing 38% in FY24, up from 33% in FY23. This shift underscores the company's growing global reach, particularly in Africa, the Middle East, and Southeast Asia, where it continues to secure large-scale infrastructure projects.

6. Future Outlook and Financial Targets

For FY25, KPTL aims for 20%+ revenue growth with a PBT margin of ~5%. The Water segment is expected to recover post-budget allocations, with collections of ₹500-700 crores anticipated. The company remains focused on expanding its presence in T&D, urban infrastructure, and grid modernization, ensuring sustained growth and profitability in the coming years.

Quarterly Financial Consolidated

Profit and loss account

(Rs Cr)

	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Sales	4,896.00	5,971.00	4,586.60	4,929.93	5,732.48
Growth(%)	8%	22%	-23%	7%	16%
Expenses	4,472.00	5,519.00	4,207.80	4,491.58	5,253.27
Operating Profit	424.00	452.00	378.80	438.35	479.21
Growth(%)	14%	7%	-16%	16%	9%
Other Income	14.00	20.00	21.99	17.05	10.28
Depreciation	121.00	119.00	119.27	117.24	123.10
Interest	124.00	142.00	144.45	150.14	164.37
Profit before tax	193.00	211.00	137.07	188.02	202.02
Tax	49.00	42.00	53.12	62.46	62.43
Net profit	141.00	165.00	92.83	125.50	141.96
Growth(%)	37%	15%	-78%	26%	12%

Financial Consolidated

Profit & Loss

(Rs Cr)

	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Sales	12,675.84	12,949.44	14,777.38	16,361.44	19,626.43
Growth(%)	17%	2%	14%	11%	20%
Expenses	11,133.31	11,375.69	13,482.05	14,871.91	17,812.06
Operating Profit	1,542.53	1,573.75	1,295.33	1,489.53	1,814.37
Growth(%)	9%	2%	-18%	15%	22%
Other Income	48.10	276.66	273.85	164.91	63.99
Depreciation	339.64	373.45	350.78	391.75	473.29
Interest	603.30	531.71	521.99	621.17	703.88
Profit before tax	647.69	945.25	696.41	641.52	701.19
Tax	258.10	283.21	161.35	206.50	185.29
Net profit	389.59	671.02	540.30	440.75	509.61
Growth(%)	-17%	72%	-19%	-18%	16%

Balance Sheet

(Rs Cr)

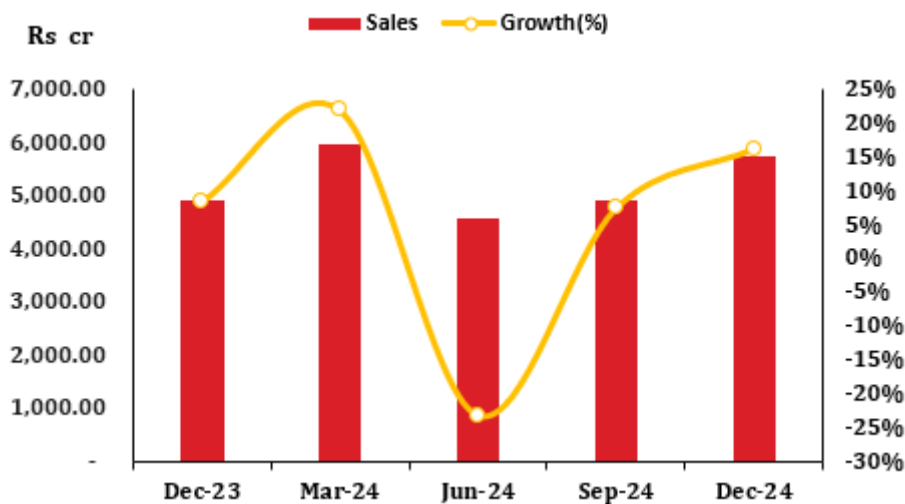
Report Date	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Equity Share Capital	30.94	29.78	29.78	32.49	32.49
Reserves	3,327.48	3,708.72	4,248.79	4,688.13	5,105.50
Borrowings	3,296.15	3,259.53	3,837.78	3,786.13	4,008.20
Other Liabilities	9,086.37	8,322.99	8,999.45	11,013.89	12,868.22
Total	15,740.94	15,321.02	17,115.80	19,520.64	22,014.41
Net Block	3,444.46	3,472.34	3,558.57	3,124.43	3,073.04
Capital Work in Progress	54.26	34.03	24.63	52.28	33.32
Investments	1.36	1.13	4.69	4.63	-
Other Assets	12,240.86	11,813.52	13,527.91	16,339.30	18,908.05
Total	15,740.94	15,321.02	17,115.80	19,520.64	22,014.41

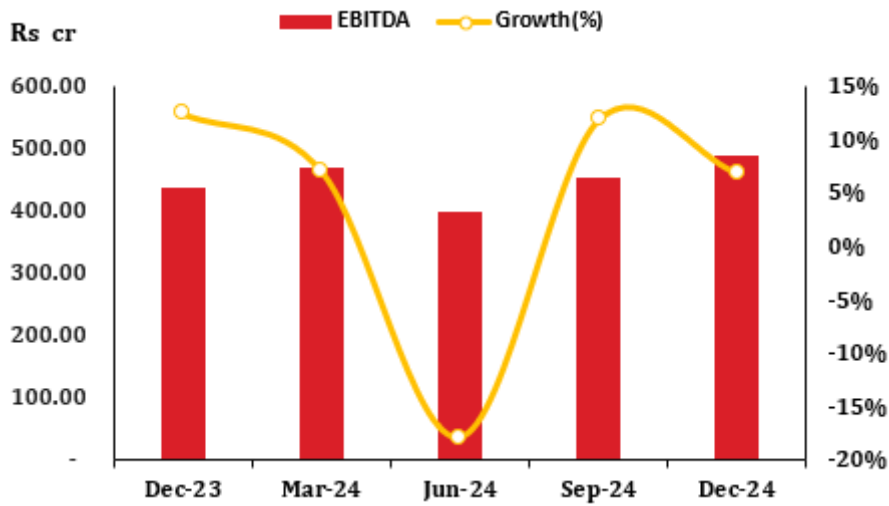
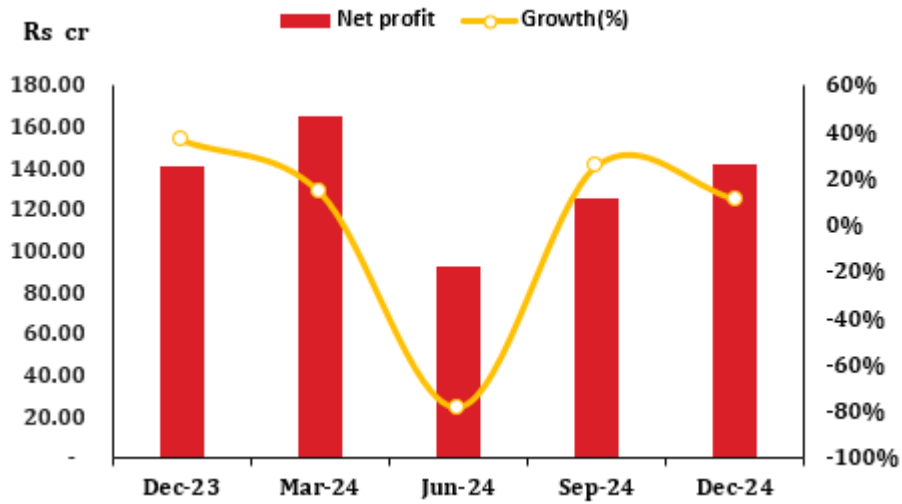
Cash Flow

(Rs Cr)

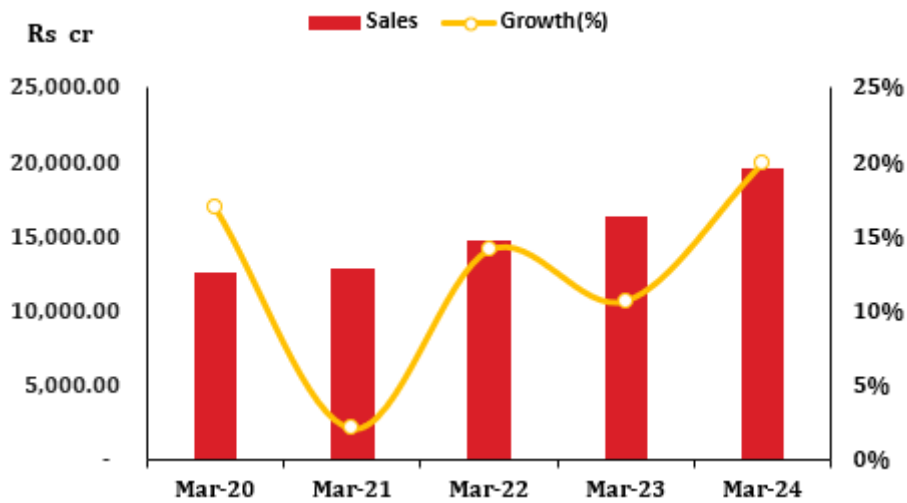
	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Cash from Operating Activity	937.24	931	713.66	656.39	842.96
Cash from Investing Activity	-712.76	-5.57	-214.42	-322.76	-266.22
Cash from Financing Activity	40.29	-896.68	24.99	-437.88	-524.04
Net Cash Flow	264.77	28.75	524.23	-104.25	52.7

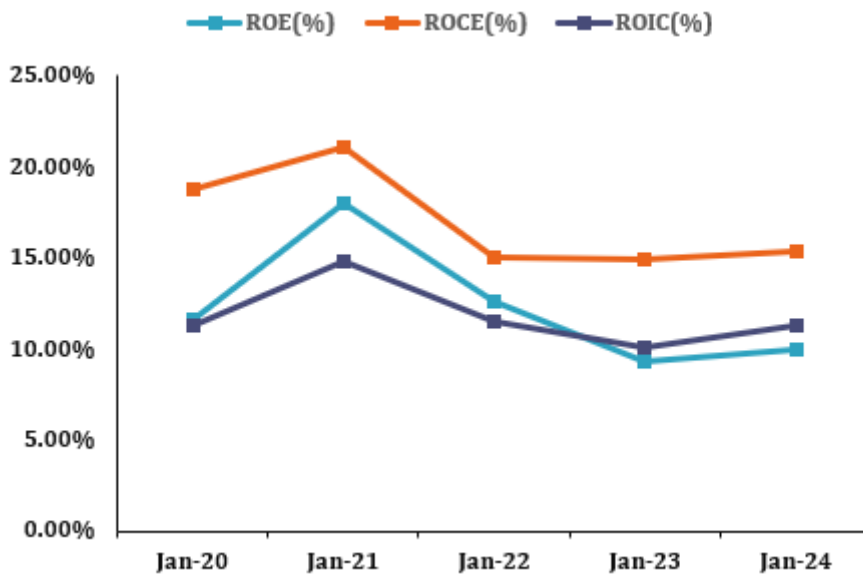
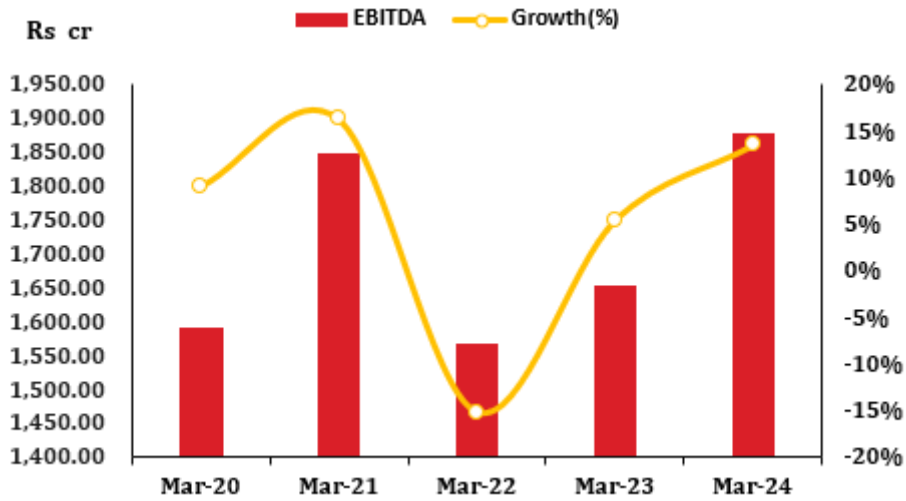
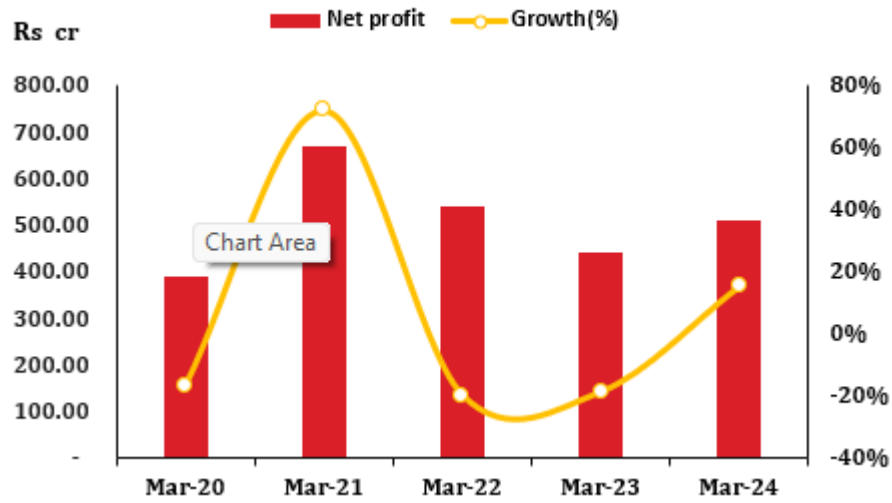
Key Metrics: Quarterly





Key Metrics: Yearly





Key Ratio:

Leverage Ratios	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
D/E	0.98	0.87	0.90	0.80	0.78
Debt/Assets	0.21	0.21	0.22	0.19	0.18
Debt/Ebitda	2.07	1.76	2.45	2.29	2.13
Debt/Capital Ratio	50%	47%	47%	45%	44%
Cash flow/Debt	0.28	0.29	0.19	0.17	0.21
Interest coverage ratio	2.07	2.78	2.33	2.03	2.00
Sales Change	17%	2%	14%	11%	20%
Ebit Change	0%	18%	-18%	4%	11%
Operating Leverage	0.54	0.94	-1.25	1.40	1.09
Financial Leverage	4.69	4.10	4.00	4.14	4.28

Efficiency ratios					
Receivable days	133	141	113	117	108
Receivable turnover	2.75	2.58	3.23	3.12	3.38
Inventory days	0.00	0.00	0.00	0.00	0.00
Inventory turnover	9	11	12	12	13
Net Fixed assets turnover	3.68	3.73	4.15	5.24	6.39
Sales/capital employed	1.90	1.85	1.82	1.92	2.15
Total Asset Turnover	0.81	0.85	0.86	0.84	0.89

Profitability ratios					
Ebitda	1590.63	1850.41	1569.18	1654.44	1878.36
Ebitda margin	13%	14%	11%	10%	10%
Gross Profit	3303.36	3442.15	3514.89	3872.8	4706.74
Gross Profit Margin	26%	27%	24%	24%	24%
EBIT	1250.99	1476.96	1218.4	1262.69	1405.07
EBIT Margin	10%	11%	8%	8%	7%
ROE	12%	18%	13%	9%	10%
Net profit margin	3%	5%	4%	3%	3%
EPS	25.18	45.07	36.29	27.14	31.38
DU Pont ROE	12%	18%	13%	9%	10%
Net Profit Margin	3%	5%	4%	3%	3%
Sales/Total assets	0.81	0.85	0.86	0.84	0.89
Financial Leverage	4.69	4.10	4.00	4.14	4.28
DU PONT ROA	2%	4%	3%	2%	2%
Net Profit Margin	3%	5%	4%	3%	3%
Sales/Total assets	0.81	0.85	0.86	0.84	0.89

Capital Allocation Ratios	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
ROCE	14%	13%	10%	11%	13%
EBIT Margin	10%	11%	8%	8%	7%
Sales/cap employed	1.90	1.85	1.82	1.92	2.15
NOPAT	752.48	1034.44	936.11	856.24	1033.78
Capital employed	6654.57	6998.03	8116.35	8506.75	9146.19
ROIC	11%	15%	12%	10%	11%

Valuation Ratios					
Price/Earnings	7.25	8.37	10.11	19.69	34.09
Price/Book	0.84	1.50	1.28	1.84	3.38
Marketcap	2,825.60	5,613.53	5,460.91	8,676.22	17,374.36
Enterprise Value	5,575.65	8,281.20	8,104.67	11,402.48	20,350.57
EV/EBITDA	3.51	4.48	5.16	6.89	10.83

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