

Industry	LTP	Recommendation	Base Case Fair Value	Bull Case Fair Value	Time Horizon
Power Infra and Civil Construction	Rs. 1228	Buy in Rs. 1216-1240 band and add on dips in Rs. 1099-1121 band	Rs. 1346	Rs. 1461	2-3 quarters

HDFC Scrip Code	KALPROEQNR
BSE Code	522287
NSE Code	KPIL
Bloomberg	KPIL IN
CMP July 05, 2024	1228
Equity Capital (Rs Cr)	32.5
Face Value (Rs)	2
Equity Share O/S (Cr)	16.25
Market Cap (Rs Cr)	19948
Book Value (Rs)	354
Avg. 52 Wk Volumes	407622
52 Week High	1370
52 Week Low	538

Share holding Pattern % (Mar, 2024)	
Promoters	40.59
Institutions	51.81
Non Institutions	7.60
Total	100



**HDFCsec Retail research  
stock rating meter**  
for details about the ratings, refer at the end of the report

\* Refer at the end for explanation on Risk Ratings

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### Our Take:

Kalpataru Projects International Limited (KPIL) is among the largest players in the global power transmission & distribution, railways, oil & gas and civil infrastructure space. The Company offers comprehensive solutions encompassing design, testing, fabrication, erection and construction of transmission lines, oil and gas infrastructure and railway projects on a turnkey basis. The company is a major player of T&D projects having global footprint across 73 countries and ongoing projects in 30+ countries.

The order-book of the company is well diversified in various segments like Transmission, Railways, Building & Factory construction, Urban Infrastructure and Water segments. The order book as on FY24 end was 58,415 cr; it significantly increased by 27.2% compared to the same period in FY23. Orders worth Rs. 30,022 (excluding the Rs. 5,000 cr L1 orders) were secured in FY24. This increased by 19% over FY23. The order-book indicates a robust visibility of 3.5x of FY24 standalone revenue.

Company sees a visibility of tenders in domestic T&D market to be around Rs. 50,000 cr for the next 2-3 years. B&F business to maintain a double-digit growth, supported by a healthy order book and excellent business visibility in residential and commercial buildings, airports, industrial plants, data centres, etc. In Oil & Gas business, the company successfully established its presence in the Middle East securing LOI for a large gas pipeline. Government's capex outlay to drive the Urban Infra projects. It also secured 2 underground metro rail tunnel projects enhancing execution capabilities and strengthening its competitive position to effectively handle large size projects. In the railways segment, KPIL is maintaining its focus on key areas like metro electrification, S&T (Signal & Telecommunications), RRTS (Regional Rapid Transit System) and high speed rail. KPIL along with JVs and International subsidiaries have recently secured new orders worth Rs. 2,333 cr in T&D, EPC and residential building segments.

**KPIL's robust order book, strong financial profile, increased overseas expansion, strong domestic demand in T&D segment, expertise in diverse EPC sectors, extensive global presence, divesting non-core assets for RoCE improvement and capacity to handle large-scale projects positions it well to capitalize on significant infrastructure investments, particularly in sectors like power transmission, urban mobility, oil & gas, water in India and international markets.**

We had issued an initiating coverage report on Kalpataru Projects on April 17, 2023 ([link](#)) giving targets of Rs.586 and Rs.629. These targets were achieved in the given time frame.