



KALPATARU



Kalpataru Limited

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

Price Band

₹387 to ₹414

Face Value

₹2

Issue Size

₹499.60 Cr

Lot Size

67 Shares

Listing At

NSE, BSE

Issue Size

3,84,05,797 shares / ₹1,590.00 Cr

Fresh Issue

3,84,05,797 shares / ₹1,590.00 Cr

Offer for Sale

N/A

Retail Quota

Min. 10% 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

"Kalpataru LTD" Listing Day

Tue, Jul 1, 2025



Objects of The Offer

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

- Repayment/pre-payment, in full or in part, of certain borrowings availed by: Company; and Subsidiaries.
- General corporate purposes.

Brief profile of the Directors

1. **Mofatraj P. Munot** serves as the Non-Executive Chairman of the Company and has been associated since its inception. With over 55 years of extensive experience in real estate, property development, civil contracting, and other sectors, he also formerly held the position of President at the Maharashtra Chamber of Housing Industry.
2. **Parag M. Munot**, the Managing Director, has been with the Company since October 1, 1990. With more than 33 years of experience in real estate and property development, he oversees the Group's core business operations in this segment.
3. **Narendra Kumar Lodha**, Executive Director, has been part of the Kalpataru Group since March 7, 1988. Bringing over 36 years of industry experience, he is responsible for business development and the management of commercial assets.
4. **Imtiaz I. Kanga**, a Non-Executive Director, brings more than 26 years of expertise in real estate and property development. He was previously associated with Kalpataru Construction Overseas Pvt. Ltd. (now Kalpataru Properties Pvt. Ltd), a subsidiary of Kalpataru Ltd, since November 1, 1997.
5. **Anjali Seth**, an Independent Director since March 28, 2015, has over four years of experience in the legal sector, having previously worked with DCB Bank Limited and SNG and Partners.
6. **Narayan K. Seshadri** joined the Board as an Independent Director on August 2, 2024. He brings more than 20 years of experience across various industries, particularly in consulting, including his previous role at KPMG Consulting Pvt. Ltd.
7. **Sunil R. Chandiramani**, appointed as an Independent Director on December 24, 2024, is the founder of NYKA Advisory Services. With over 32 years of experience in accounting and advisory services, he has previously been associated with S. R. Batliboi & Co. LLP and Ernst & Young LLP.

About The Company and Business Overview



Kalpataru Limited is a diversified conglomerate with major business operations spanning real estate development, infrastructure projects, and power transmission and distribution. Here is a detailed overview:

1. Real Estate Development

- Kalpataru designs, acquires, builds, and sells residential buildings, integrated townships, office and retail spaces, and plotted developments.
- The company operates in major Indian cities such as Mumbai (MMR), Pune, Bengaluru, Hyderabad, Indore, and Jodhpur.
- As of March 2024, Kalpataru had around 40 live projects and had completed about 70 projects.
- The portfolio includes tall apartments, secure gated communities, business buildings, shopping centers, and township projects.
- Known for pioneering quality and innovation, Kalpataru has delivered over 110 landmark projects and transformed more than 22 million square feet of land, creating over 19,500 households.

2. Infrastructure Projects

- Kalpataru undertakes construction of roads, bridges, tunnels, and airports for both public and private sectors.
- The company contributes to urban and rural infrastructure development, enhancing connectivity and civic facilities.
- This segment includes civil infrastructure projects that support urban development and industrial growth.

3. Power Transmission and Distribution

- Kalpataru designs, builds, and maintains power transmission and distribution infrastructure.
- It executes projects involving construction of substations, transmission lines, and distribution networks for electricity utilities.
- This segment supports the power sector's growth, including renewable energy integration and grid expansion.

Operational Metrics



The table below sets forth, as of March 31, 2024, a summary of the Ongoing Projects, Forthcoming Projects and

Type of project	Number of projects ⁽¹⁾	Developable Area ⁽²⁾ (in msf)
Ongoing Projects		
Residential	24	21.59
Commercial	1	0.43
Sub-total ⁽³⁾	25	22.02
Forthcoming Projects		
Residential	8	10.53
Commercial	1	0.43
Mixed-use development ⁽⁴⁾	1	8.97
Sub-total ⁽³⁾	10	19.93
Planned Projects		
Residential	5	7.81
Commercial	0	-
Sub-total ⁽³⁾	5	7.81
Total⁽⁵⁾	40	49.77

The table below sets forth, as of March 31, 2024, a summary of the Completed Projects:

Type of project	Number of Completed Projects	Developable Area (in msf)					
		Mumbai	Thane	Rest of MMR	Total MMR	Pune	Others ⁽⁶⁾
Residential	59	4.66	4.00	1.04	9.70	3.37	1.02
Commercial	10	0.65	0.00	0.00	0.65	0.16	0.00
Mall	1	0.00	0.42	0.00	0.42	0.00	0.00
Total	70	5.31	4.42	1.04	10.77	3.54	1.02

Operational Metrics

Particulars	For the Financial Year		
	2024	2023	2022
Sales value (₹ in million) ⁽¹⁾	32,019.83	29,573.85	21,141.28
Sales (Saleable Area in msf)	2.83	2.69	2.20
Sales (number of units)	2,095	1,821	1,597
Sales Collections (₹ in million) ⁽²⁾	26,819.24	22,074.38	15,192.22

Strengths



- **Decades of Experience and Strong Brand Equity** - Kalpataru has over 50 years of experience in real estate development, establishing itself as one of India's leading and trusted real estate groups with a strong brand synonymous with quality and reliability¹².
- **Diverse and Large Project Portfolio** - The company has completed over 113 projects covering more than 25 million sq. ft. and currently has around 25 ongoing projects plus forthcoming and planned projects, mainly concentrated in Mumbai Metropolitan Region (MMR) and Pune, which contribute over 94% of its developable area².
- **Wide Market Segmentation** - Kalpataru caters to a broad spectrum of customers across luxury, premium, and mid-income segments, including residential, commercial, retail, township, and redevelopment projects, enabling it to diversify revenue streams³².
- **Strong Sales Strategy and Cash Flow Management** - The company sells more than 80% of its saleable area during the construction phase, reducing financing requirements and improving cash flows².
- **Strategic Land Reserves and Asset-Light Model** - Holds significant land reserves (~1,886 acres) for future development and follows an asset-light strategy through joint ventures, joint development agreements, and redevelopment projects, which supports scalability and operational efficiency².
- **Synergies with Kalpataru Group** - Benefits from the expertise and resources of the larger Kalpataru Group, which has diversified interests in infrastructure, logistics, and EPC sectors².

Key Risk Factors

- **Inconsistent Financial Performance and Profitability Challenges** - Despite strong revenue growth (39% CAGR), Kalpataru has reported inconsistent revenues and negative EBITDA margins (~3% average over 3 years), with profitability only marginally positive recently. Interest costs have significantly eroded profits, leading to a high P/E ratio (~668), which is far above industry averages, indicating overvaluation concerns³.
- **High Debt Levels and Leverage** - The company's debt-to-equity ratio (~7.6) is substantially higher than the industry average (~0.58), indicating heavy reliance on debt financing, which increases financial risk and interest burden³.
- **Legal and Financial Encumbrances on Key Projects** - Certain projects, such as Kalpataru Elitus Mulund, have significant financial encumbrances (e.g., Rs. 200 crore mortgage), which may complicate project financing and investor confidence⁴.
- **Regulatory and Compliance Risks** - Real estate projects are subject to multiple regulatory approvals and compliance requirements, which can delay project timelines and increase costs.

Statement of Profit and Loss



Kalpataru Limited

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

Particulars	As at December 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Revenue from operations	1,624.74	1,929.98	3,633.18	1,000.67
Other income	25.1	50.77	30.38	11.06
Interest income	49.65	49.18	53.05	236.83
Total income	1,699.49	2,029.94	3,716.61	1,248.55
Cost of sales and other operational expenses	1,264.14	1,717.49	3,396.83	848.79
Employee benefits expense	98.03	127.95	131.79	75.24
Finance costs	77.13	34.24	130.29	306.41
Depreciation and amortization expense	26.87	32.64	31.84	32.7
Other expenses	184.85	212.96	183.77	124.44
Total expenses	1,651.02	2,125.28	3,874.52	1,387.59
Profit / (loss) before exceptional items	48.47	-95.34	-157.91	-139.03
Add: Share of profit / (loss) of associate / JV	-1.15	-0.36	-0.84	0.767
Profit / (loss) before exceptional item and tax	47.32	-95.7	-158.74	-138.27
Add: Exceptional item	-	-	-	-
Profit / (loss) before tax	47.32	-95.7	-158.74	-138.27
Less: Tax expense	41.81	20.8	70.69	-12.9
Profit / (loss) for the period/year	5.511	-116.51	-229.43	-125.36
Other comprehensive income for the period / year (net of tax)	-0.74	-1.27	-6.38	-0.23
Total comprehensive income for the period / year	4.771	-117.77	-235.81	-125.59

Valuation and Outlook



Kalpataru Limited IPO is expected to be priced between **₹387 to ₹414** per share. At this price, the company is valued at Price-to-Earnings (P/E) ratio of **-7.41x** while the industry P/E is around **64.01x**

Kalpataru recorded property sales of ₹2,727 crore during April to December FY25, following sales of ₹3,202 crore in FY24—demonstrating sustained demand and a healthy sales pipeline. The company reported revenue from operations of around ₹1,625 crore for the nine months ending December 2024, compared to ₹3,633 crore in FY23, highlighting its significant operational scale.

With a rich legacy, Kalpataru has successfully completed over 120 projects covering 25.87 million sq. ft. across key urban centers such as Mumbai, Pune, Bengaluru, Hyderabad, and more, with a particularly strong footprint in the Mumbai Metropolitan Region (MMR).

Its well-diversified portfolio spans luxury, premium, and mid-income residential segments, along with commercial, retail, and township developments—ensuring multiple revenue streams and access to varied market segments.

Industry reports position Kalpataru among the top five developers in the MCGM region and the seventh largest in Thane by units supplied between 2019 and 2024. Backed by a strong brand reputation, an expansive project pipeline, and strategic presence in high-demand markets, the company continues to command a premium valuation in the real estate sector.

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

Disclaimer:

This Report is for the personal information of the authorised recipient(s) and is not for public distribution and should not be reproduced or redistributed to any other person or in any form without prior permission of Ganesh Stock. The information provided in the report is from publicly available data, which we believe, are reliable but does not taken as an indication or guarantee of future performance/ assurance of returns. The Report also includes analysis and views of their team. The Report is purely for information purposes and does not construe to be investment recommendation/advice or an offer or solicitation of an offer to buy/sell any securities. Investment in Securities Market is subject to Market Risk.

Accordingly, Ganesh Stock or any of its connected persons including its directors or subsidiaries or associates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained, views and opinions expressed in this publication.

Investors should not solely rely on the information contained in this Report and must make investment decisions based on their own investment objectives, judgment, risk profile and financial position. The recipients of this report may take professional advice before acting on this information.