



IPO Note

Kalpataru Limited

Recommendation: **AVOID!**

Company Background –

- **Incorporation:** Kalpataru Homes Private Limited was originally incorporated on Dec 22, 1988. The name of the company was changed to **Kalpataru Limited**. The registered office is located at Mumbai, Maharashtra.
- **Business Activity:** The company is engaged in real estate development.
- **Revenue Stream:** The company generates majority of its revenue from residential projects.
- **Human Resource:** The company had 1,239 permanent employees as of Dec 31, 2024.

Objects of the Issue –

1. Repayment or prepayment of all or part of certain outstanding borrowings availed by Company and its Subsidiaries
2. General corporate purposes

Promoters Name –

Mofatraj P. Munot and Parag M. Munot

Rationale for recommendation –

Kalpataru Limited has a long operating history since 1988 but it is highly priced with a post-IPO P/E of 819.96x. While the management is experienced, the company has reported consistent losses, volatile margins and return ratios from FY22 to FY24. Significant contingent liabilities, ongoing litigations of Rs. 625.17 Cr. and low market share further raise concerns. Given the weak financials and sectoral challenges, we recommend to **AVOID** this IPO for now.

IPO Details

Opening Date	Jun 24, 2025
Closing Date	Jun 26, 2025
Allotment Date	Jun 27, 2025
Listing Date	Jul 01, 2025
Stock Exchange	BSE, NSE
Lot Size	36 Shares
Issue Price Per Share	₹387 - ₹414 per share
Issue Size	₹1,590.00 Cr.
Fresh Issue	₹1,590.00 Cr.
Offer for Sale	-
	₹ 14,904 –
Application Amt	₹ 1,93,752 (36 to 468 shares)

INDUSTRY – Real Estate

Avg. PE ratio as per RHP – 64.01

	KPIs (In Crores)			
KPI's	FY 22	FY 23	FY 24	Dec-24*
Revenue	1,000.67	3,633.18	1,929.98	1,624.74
EBITDA	-35.98	-49.67	-78.01	101.67
Net Profit	-125.36	-229.43	-116.51	5.51
RoCE	-1.52%	-1.81%	-2.13%	1.90%
ROE	-8.80%	-18.88%	-11.43%	0.60%
P/E	-46.41	-28.43	-55.87	819.96

*Annualized

Promoter Share Holding Pattern

Pre-Issue	Post Issue
100.00%	81.35%

Valuation Parameters

Particulars	Pre-Issue	Post Issue*
EPS	-7.41	0.50
BVPS	70.96	84.01
P/E	-55.87	819.96
P/BV	5.83	4.93
Mkt Cap (In Cr)	6,934.07	8,524.07

*Annualized

Lead Managers –

- ICICI Securities Limited
- JM Financial Limited
- Nomura Financial Advisory and Securities (India) Private Limited

Registrar –

MUFG Intime India Private Limited

Business Overview –

Kalpataru Limited is an integrated real estate development company involved in all key activities associated with real estate development, including the identification and acquisition of land (or development rights thereto), planning, designing, execution, sales and marketing of projects. They are prominent real estate developer in the Mumbai Metropolitan Region ("MMR") in Maharashtra and are present across all micro-markets in the MMR. From 2019-2024, the MMR was ranked first among the top seven Indian markets. Kalpataru Limited is the fifth largest developer in MCGM area in Maharashtra and seventh largest developer in Thane.

Company's Project Summary –

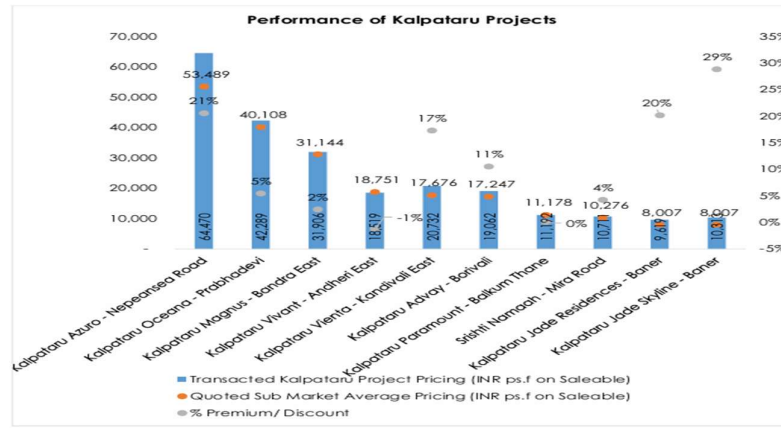
Type of Project	Number of projects	Developable Area (in msf)
Ongoing Projects		
Residential	23	23.96
Commercial	2	0.87
Sub-total	25	24.83
Forthcoming Projects		
Residential	5	7.36
Commercial	0	-
Mixed-use development	1	8.97
Sub-total	6	16.33
Planned Projects		
Residential	5	7.81
Commercial	0	-
Sub-total	5	7.81
Total	36	48.97

Company's Subsidiaries –

Sl No.	Subsidiary Name	Nature of Business
1.	Kalpataru Properties Private Limited ("KKPL")	Engaged in the business of real estate development and activities related to real estate
2.	Kalpataru Gardens Private Limited ("KGPL")	
3.	Kalpataru Retail Ventures Private Limited ("KRVPL")	
4.	Kalpataru Properties (Thane) Private Limited ("KPTPL")	
5.	Amber Orchards Private Limited ("Amber OPL")	Engaged in the business of agricultural activities and also real estate development
6.	Abacus Real Estate Private Limited ("Abacus")	Engaged in the business of real estate development and activities related to real estate
7.	Kalpataru Homes Private Limited ("KHPL")	
8.	Arimas Real Estate Private Limited ("Arimas REPL")	
9.	Agile Real Estate Private Limited ("AREPL")	
10.	Ananta Landmarks Private Limited ("ALPL")	
11.	Alder Residency Private Limited ("ARPL")	
12.	Azure Tree Lands Private Limited ("ATLPL")	
13.	Kalpataru Plus Sharyans ("Sharyans")	

Company's Completed Projects summary as of Dec-24 -

Type of project	Number of Completed Projects	Developable Area (in msf)						
		Mumbai	Thane	Rest of MMR	Total MMR	Pune	Others	Total
Residential	64	4.83	4.00	1.04	9.87	3.93	1.02	14.82
Commercial	10	0.65	0.00	0.00	0.65	0.16	0.00	0.81
Mall	1	0.00	0.42	0.00	0.42	0.00	0.00	0.42
Total	75	5.48	4.42	1.04	10.94	4.09	1.02	16.05



Competition -

- Market Competition:** The industry is highly competitive and the key factors of competition are pricing, affordability, location, trust, distribution network etc
- Geographic Competition:** The company faces competition from domestic real estate players in India.
- Barriers to entry:** Low barriers to entry.
- Threat of Substitutes:** High threat of substitutes.
- Bargaining Power of Buyers:** The bargaining power is high with the customers.
- Bargaining Power of Suppliers:** The bargaining power is low with the suppliers.

Business Strategies -

- The company plans to focus on consolidating leadership in MMR and Pune through a diversified portfolio while selectively expanding into high-growth Tier-1 and Tier-2 cities across India.
- The company aims to execute and monetize ongoing and forthcoming projects on schedule while strategically unlocking value from land reserves through phased development, asset monetization and capital recycling.
- The company aims to strategically deleverage the balance sheet through operational cash flow generation, equity conversion, asset monetization, refinancing and capital-efficient development models like JVs and JDAs.
- The company aims to accelerate business growth through an asset-light model by expanding participation in redevelopment, joint venture and joint development projects to efficiently access land and capture market share.

Risk Factors -

- The company has incurred loss of Rs. 125.36 Cr., Rs. 229.43 Cr. and Rs. 116.51 Cr. in FY22, FY23 and FY24 respectively. Along with company, company's most subsidiaries have also incurred losses in the same period.
- The company has high concentration in Mumbai Metropolitan Region, contributing 95.00%, 94.93%, 94.93% and 94.84% of projects in FY22, FY23, FY24 and Dec-24 respectively.
- The company's market share is only 1.53% from Calendar Year 2019 - 2024 in Municipal Corporation of Greater Mumbai.
- The company has 1 criminal, 18 tax proceedings, 1 regulatory, 2 civil and 11 other proceedings, together contributing to Rs. 265.08 Cr.

5. The company's subsidiaries have 2 criminal, 91 tax proceedings, 7 regulatory, 32 civil and 127 other proceedings, together contributing to Rs. 360.09 Cr.
6. The company's joint ventures have 1 criminal, 2 tax proceeding and 2 civil proceedings, together contributing to Rs. 9.76 Cr.
7. The company has 21.14%, 16.80%, 18.87% and 22.19% of total borrowings in form of unsecured borrowings in FY22, FY23, FY24 and Dec-24 respectively.
8. The company has contingent liabilities, amounting to Rs. 333.68 Cr. as of Dec-24.

PEER ANALYSIS

Particulars	Kalpataru Limited			Oberoi Realty Limited			Macrotech Developers Limited		
	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24
NP Margin	-12.53%	-6.31%	-6.04%	35.00%	42.20%	39.91%	12.62%	5.06%	14.80%
EBITDA Margin	-3.60%	-1.37%	-4.04%	49.44%	53.90%	56.79%	26.03%	10.69%	25.92%
RoCE	-1.52%	-1.81%	-2.13%	11.23%	15.60%	16.47%	15.63%	6.12%	12.69%
ROE	-8.80%	-18.88%	-11.43%	10.05%	15.60%	13.92%	9.93%	3.84%	8.86%
EPS (INR)	-8.92	-14.56	-7.41	28.80	52.38	52.99	5.82	5.05	15.82
P/E	-46.41	-28.43	-55.87	34.22	16.09	27.85	101.42	92.11	71.80

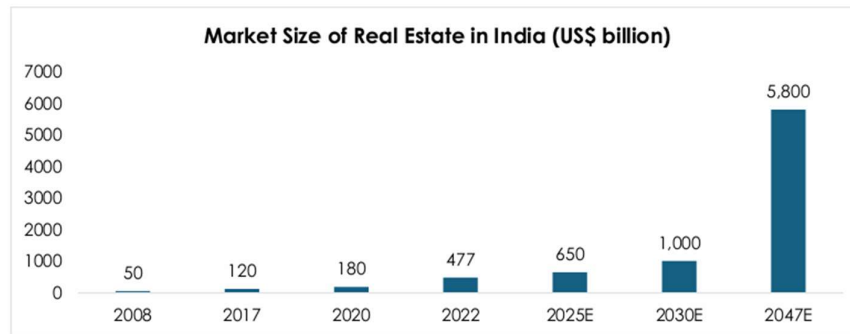
Particulars	Godrej Properties Limited			Sunteck Realty Limited			Mahindra Lifespace Developers Limited		
	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24
NP Margin	13.63%	18.80%	16.63%	4.69%	0.35%	11.43%	25.95%	12.00%	21.42%
EBITDA Margin	27.27%	32.70%	27.43%	21.95%	25.04%	27.86%	18.86%	15.23%	16.45%
RoCE	6.99%	10.40%	8.86%	3.41%	2.80%	4.81%	5.55%	6.41%	2.44%
ROE	4.06%	6.17%	7.26%	0.90%	0.05%	2.27%	8.64%	5.62%	5.25%
EPS (INR)	12.68	20.55	26.09	1.79	0.10	4.94	9.19	6.02	5.83
P/E	133.45	50.17	88.16	272.35	2847.00	78.85	37.92	53.74	92.49

Particulars	Keystone Realtors Limited			Prestige Estates Projects Limited		
	FY 22	FY 23	FY 24	FY 22	FY 23	FY 24
NP Margin	10.72%	11.22%	4.87%	15.52%	10.35%	14.56%
EBITDA Margin	16.21%	20.31%	8.32%	34.23%	31.53%	43.00%
RoCE	15.89%	7.24%	7.10%	14.45%	15.00%	18.28%
ROE	14.97%	4.91%	6.24%	12.42%	9.44%	12.17%
EPS (INR)	13.96	7.66	9.85	28.69	23.49	34.28
P/E	-	60.46	61.42	17.60	17.16	34.13

INDUSTRY OVERVIEW -

Real Estate Industry in India

India is the fastest growing major economy in the world and is expected to be one of the top economic powers in the coming decade. Real estate sector along with its ancillary industries is a significant growth driver of the Indian economy. India's residential real estate market has been growing steadily over past few years and the sector is expected to play a significant role in India's economic growth in upcoming years.



Source: IBEF

From 2019 to 2024, India's top 7 cities witnessed strong growth in both residential supply and absorption. In 2024 alone, around 4.59 lakh units were absorbed across these markets. Unsold inventory declined to 5.53 lakh units with the lowest inventory overhang of 14 months in the past 6–7 years. Between 2019 and 2024, residential launches rose significantly, with 2024 seeing a 76% increase over 2021; absorption rose 94% over the same period. From 2025 to 2027, both supply and absorption in India's top 7 cities are expected to grow gradually. Prices in MMR and Pune increased at a 5–7% CAGR from 2019–2024 and are projected to grow at 3–5% CAGR till 2027.

The Mumbai Metropolitan Region (MMR), India's financial hub, drives over 6% of national GDP and houses key institutions like RBI, NSE and major conglomerates. Its real estate demand is fueled by employment, robust social infrastructure, rising disposable incomes and major connectivity upgrades. Migration from central Mumbai to suburbs like Thane due to affordability and infrastructure has further boosted housing demand. Mumbai's north-south growth along suburban railway corridors has driven residential expansion in the Western suburbs and commercial hubs like BKC and Andheri-Goregaon. Robust infrastructure including highways, metro lines and the Trans Harbour Link is enhancing connectivity and urban sustainability across the MMR.

Growth and Demand Drivers of Pune Real Estate -

- Rapidly Growing IT/ITES Industry:** The 2,800-acre Hinjewadi IT Park and hubs like Magarpatta and Kharadi drive robust residential demand from IT professionals.
- Established Industrial Hub:** Pune's strong automotive and engineering base, especially in Chakan and Talegaon, fuels mid- and affordable housing demand.
- Strong Education & Research Base:** Known as the "Oxford of the East", Pune attracts domestic and international students, boosting residential and rental demand.
- Excellent Connectivity & Infrastructure:** Metro rail expansion and highway upgrades enhance intra-city and Mumbai-Pune connectivity, supporting real estate growth.

(source : RHP)

Key Management -

Key Management Persons Name -	Mofatraj P. Munot
Age	80
Designation and No. of experience	Promoter and Non-Executive Chairman, 55+ years of experience in real estate business, property development, civil contracting
Qualification	Marticulation
Other Directorships	Appropriate Developers Private Limited, Ardour Builders Private Limited, Flex-O-Poly Private Limited, Ixora Properties Private Limited etc.

Key Management Persons Name -	Parag M. Munot
Age	56
Designation and No. of experience	Managing director and Promoter, 33+ years of experience in real estate and property development
Qualification	Master's degree in science (Industrial Administration)
Other Directorships	Flex-O-Poly Private Limited, Ixora Properties Private Limited, Kalpataru Business Solutions Private Limited, Kalpataru Foundation etc

Key Management Persons Name -	Narendra Kumar Lodha
Age	61
Designation and No. of experience	Executive Director, 36+ years of experience in real estate industry
Qualification	Chartered Accountant, Company Secretary and Bachelor's degree in commerce
Other Directorships	Kalpataru Retail Ventures Private Limited, Kalpataru Land Private Limited, Amber Real Estate Limited, Ananta Landmarks Private Limited

Key Management Persons Name -	Chandrashekhar Joglekar
Age	-
Designation and No. of experience	Chief Financial Officer, 28+ years of experience in real estate
Qualification	Chartered Accountant, Certified Information Systems Auditor and Bachelor's degree in commerce
Other Directorships	-

- The overall management of the company is **satisfactory**.
- **Abhishek Thareja** is the **Company Secretary and Compliance Officer**. He holds a bachelor's degree in commerce. He is an associate member of Institute of Company Secretaries of India. He has over 20 years of experience in corporate affairs and compliances.
- Imtiaz I. Kanga is the Non-Executive Director of the company. He has over 26 years of experience in real estate business and property development.
- Anjali Seth, Narayan K. Seshadri, Sunil R. Chandiramani and Satish R. Bhujbal are the Independent Directors of the company. They have significant experience and education in their respective fields.
- Jayant Oswal (Head), Bavneesh Gulati (Director – Human Resources) and Sachin Kanitkar (Director-Operations) also have significant experience and education in their respective fields.

FINANCIAL SNAPSHOT

Statement of Profit and Loss				Amt in Crores
Particulars	FY 22	FY 23	FY 24	Dec-24
Revenue from Operations	1,000.67	3,633.18	1,929.98	1,624.74
Other Income	11.06	30.38	50.77	25.10
Interest Income	236.83	53.05	49.18	49.65
Total Income	1,248.55	3,716.61	2,029.94	1,699.49
Expenses				
Cost of sales and other operational expenses	848.79	3,396.83	1,717.49	1,264.14
Employee Benefit Expenses	75.24	131.79	127.95	98.03
Finance costs	306.41	130.29	34.24	77.13
Depreciation and Amortization Expense	32.70	31.84	32.64	26.87
Other expenses	124.44	183.77	212.96	184.85
Total Expenses	1,387.59	3,874.52	2,125.28	1,651.02
EBITDA	-35.98	-49.67	-78.01	101.67
EBITDA Margin	-3.60%	-1.37%	-4.04%	6.26%
Share of Profit of associates	0.77	-0.84	-0.36	-1.15
Profit/(Loss) before tax	-138.27	-158.74	-95.70	47.32
Tax Expense				
Current tax	23.36	39.07	74.99	51.73
Deferred Tax	-36.26	31.62	-54.18	-9.91
Total Tax	-12.90	70.69	20.80	41.81
Profit/(Loss) for the year	-125.36	-229.43	-116.51	5.51
Net Profit Margin	-12.53%	-6.31%	-6.04%	0.34%

Statement of Assets and Liabilities				Amt in Crores
Particulars	FY 22	FY 23	FY 24	Dec-24
EQUITY AND LIABILITIES				
1. Shareholders' funds				
Equity Share Capital	139.65	139.65	139.65	139.65
Other equity	1,285.35	1,075.58	879.21	1,439.89
Total Shareholder's Fund	1,425.00	1,215.23	1,018.86	1,579.54
Minority Interest	11.20	-14.85	-27.92	-31.07
Total Equity	1,436.20	1,200.38	990.95	1,548.47
2. NON-CURRENT LIABILITIES				
Financial Liabilities				
(i) Borrowings	2,910.01	3,085.33	3,980.09	3,954.37
(ii) Other non-current financial liabilities	135.28	182.41	170.89	157.48
Provisions	20.33	27.90	32.27	35.36
Other non-current liabilities	3.75	2.85	9.13	27.12
Total Non-current liabilities	3,069.36	3,298.49	4,192.38	4,174.32
3. Current liabilities				
Financial Liabilities				
(i) Borrowings	7,455.96	6,594.32	6,708.22	7,102.02
(ii) Trade Payables				
(a) Total outstanding dues of MSME	34.05	53.36	27.33	30.35
(b) Total outstanding dues of creditors other than MSME	250.82	171.86	414.37	429.92
(iii) Other financial liabilities	343.32	408.86	387.48	703.49
Provisions	2.74	7.22	5.57	3.29
Other Current Liabilities	814.12	799.63	1,143.77	1,570.48
Total Current liabilities	8,901.00	8,035.25	8,686.74	9,839.56
Total Liabilities	11,970.36	11,333.74	12,879.12	14,013.88
Total Equity and Liabilities	13,406.56	12,534.11	13,870.07	15,562.35
ASSETS				
1. Non-current assets				
Property, Plant and Equipment	118.39	128.51	111.19	251.81
Right-of-use assets	0.39	0.30	0.20	0.13

Particulars	FY 22	FY 23	FY 24	Dec-24
Capital work-in-progress	120.55	130.59	145.53	104.79
Investment property	575.37	550.22	526.76	510.37
Goodwill	1.01	1.01	1.03	1.03
Other intangible assets	3.29	1.78	0.22	0.13
Investment in associates and joint ventures	0.75	0.75	0.75	0.75
Financial Assets				
(i) Investments	76.58	85.44	92.53	96.14
(ii) Other financial assets	38.34	60.60	91.79	155.84
Non-current tax assets (net)	115.55	70.70	71.42	33.78
Deferred tax assets (net)	197.49	162.38	170.95	164.16
Other Non-current Assets	4.30	8.16	10.11	14.80
Total Non-Current assets	1,251.99	1,200.43	1,222.48	1,333.71
2. Current assets				
Inventories	10,353.19	9,709.05	10,654.44	12,019.29
Financial Assets				
(i) Trade Receivables	675.11	478.35	622.96	697.27
(ii) Cash & Cash equivalents	160.93	182.06	151.56	274.96
(iii) Bank balances other than cash	191.43	217.31	468.88	516.37
(iv) Loans and advances	260.92	311.38	258.42	229.53
(v) Other financial assets	282.23	202.74	161.15	114.19
Other Current Assets	230.75	232.80	330.19	377.03
Total Current assets	12,154.57	11,333.69	12,647.58	14,228.64
Total Assets	13,406.56	12,534.11	13,870.07	15,562.35

Cash Flow Statement				Amt in Crores
Particulars	FY 22	FY 23	FY 24	Dec-24
Net Cash Flow from Operating Activities	402.23	2,139.12	376.45	300.37
Net Cash Flow from Investing Activities	104.34	-31.95	-132.53	-45.04
Net Cash Flow from Financing Activities	-513.51	-2,101.01	-299.72	-348.92

Key Ratios

Per Share Data	FY 22	FY 23	FY 24	FY 25*	Valuation Ratios (x)	FY 22	FY 23	FY 24	FY 25*
Diluted EPS	-8.92	-14.56	-7.41	0.50	EV/EBITDA	-318.24	-211.02	-141.76	135.07
BV per share	102.84	85.96	70.96	84.01	Market Cap / Sales	5.78	1.59	3.00	3.94
Operating Ratios					P/E	-46.41	-28.43	-55.87	819.96
EBITDA Margins	-3.60%	-1.37%	-4.04%	6.40%	Price to Book Value	4.03	4.82	5.83	4.93
PAT Margins	-12.53%	-6.31%	-6.04%	0.48%	Solvency Ratios				
Inventory days	3,786.72	978.07	2,020.50	2,204.91	Debt / Equity	7.27	7.97	10.49	6.24
Debtor days	246.93	48.19	118.14	132.82	Current Ratio	1.37	1.41	1.46	1.92
Creditors days	21.49	96.37	187.36	101.55	Quick Ratio	0.20	0.20	0.23	0.30
Return Ratios					Asset Turnover	0.07	0.29	0.14	0.16
RoCE	-1.52%	-1.81%	-2.13%	1.90%	Interest Coverage Ratio	-0.22	-0.63	-3.23	1.00
RoE	-8.80%	-18.88%	-11.43%	0.60%					

*Annualized

FINANCIAL ANALYSIS –

- **Revenue from Operations -**

- The company's top line increase by 263.07% in FY23 was driven on account of the acquisitions of two Material Subsidiaries (Agile Real Estate Private Limited and Kalpataru Properties Private Limited).
- The company's topline fell by 46.88% in FY24, primarily due to decrease in sale of plots/land.

- **EBITDA and PAT Margins** – The company's EBITDA and PAT margins have been negative and volatile, with EBITDA margin of -3.60%, -1.37%, -4.04% and 6.26% and PAT margin of -12.53%, -6.31%, -6.04% and 0.34% in FY22, FY23, FY24 and Dec-24 respectively, due to losses incurred by the company.
- **RoCE and ROE** – The company's return ratios have shown volatility over the years, with RoCE of -1.52%, -1.81%, -2.13% and 1.31% and ROE of -8.80%, -18.88%, -11.43% and 0.35% in FY22, FY23, FY24 and Dec-24 respectively.
- **Interest Coverage Ratio** – The company's interest coverage ratio has remained low at -0.22, -0.63 and -3.23 in FY22, FY23, and FY24 respectively, improving marginally to 0.97 as of Dec-24.
- **Finance costs** – The company's finance costs has decreased from 24.54% in FY22 to 1.69% in FY24 of revenue.
- **D/E Ratio** – The company's debt-to-equity ratio has increased from 7.27 in FY22 to 10.49 in FY24, indicating a significant increase in financial leverage and dependence on external borrowings.
- **P/E Ratio** – The company's significantly high post-issue P/E ratio of 819.96 indicates high valuation, suggesting the stock is highly priced relative to its earnings.

LEAD MANAGER TRACK RECORD -

The lead managers to the issue are ICICI Securities Limited, JM Financial Consultants Private Limited and Nomura Financial Advisory and Securities (India) Private Limited. A table has been set below highlighting the details of the IPO of the last companies handled by the Lead Managers in recent times –

1. ICICI Securities Limited –

Sl. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Aegis Vopak Terminals Limited	2,800.00	235	Jun 02, 2025	245.20
2.	Ajax Engineering Limited	1,269.35	629	Feb 17, 2025	601.75
3.	Ventive Hospitality Limited	1,600.00	643	Dec 30, 2024	699.20
4.	Sanathan Textiles Limited	550.00	321	Dec 27, 2024	448.20
5.	Inventures Knowledge Solutions Limited	2,497.92	1,329	Dec 19, 2024	1614.90
6.	Vishal Mega Mart Limited	8,000.00	78	Dec 18, 2024	129.65

The company has handled 55 mandates in the past three years (including the current year).

*CMP for the above-mentioned companies is taken as of 20th Jun 2025.

As per the offer document, on their respective listing days, Aegis Vopak Terminals Limited and Ajax Engineering Limited have opened at discount and all other above mandates have opened at a premium to their issue prices.

2. JM Financial Limited -

Sl. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Oswal Pumps Limited	1,387.34	614	Jun 20, 2025	624.90
2.	Schloss Bangalore Limited	3,500.00	435	Jun 02, 2025	393.45
3.	Ather Energy Limited	2,981.06	321	May 06, 2025	320.75
4.	Ajax Engineering Limited	1,269.35	629	Feb 17, 2025	601.75
5.	Ventive Hospitality Limited	1,600.00	643	Dec 30, 2024	699.20
6.	Inventures Knowledge Solutions Limited	2,497.92	1,329	Dec 19, 2024	1614.90

The company has handled 42 mandates in the past three years (including the current year).

*CMP for the above-mentioned companies is taken as of 20th Jun 2025.

As per the offer document, on their respective listing days, Schloss Bangalore Limited and Ajax Engineering Limited have opened at discount and all other above mandates have opened at a premium to their issue prices.

3. Nomura Financial Advisory and Securities (India) Private Limited -

Sl. No.	Company Name	Issue Size in Cr.	Issue Price/Share (In INR)	Listing Date	CMP* (INR)
1.	Ather Energy Limited	2,981.06	321	May 06, 2025	320.75
2.	Inventures Knowledge Solutions Limited	2,497.92	1,329	Dec 19, 2024	1614.90
3.	Afcons Infrastructure Limited	5,430.00	463	Nov 04, 2024	447.60
4.	Waaree Energies Limited	4,321.44	1,503	Oct 28, 2024	2983.35
5.	Aadhar Housing Finance Limited	3,000.00	315	May 15, 2024	437.55
6.	Indegene Limited	1,841.76	452	May 13, 2024	576.60

The company has handled 8 mandates in the past three years (including the current year).

*CMP for the above-mentioned companies is taken as of 20th Jun 2025.

As per the offer document, on their respective listing days, Afcons Infrastructure Limited has opened at discount, Aadhar Housing Finance Limited has opened at par and all other above mandates have opened at a premium to their issue prices.

Recommendation -

- Kalpataru Limited has **significant operating history** since it was incorporated on Dec 22, 1988.
- The P/E on a post-IPO annualized basis is **819.96** times which makes it **highly priced**.
- The overall management of the company is satisfactory. The management and promoters have **significant** experience.
- The company's revenue increased by 263.07% in FY23 due to acquisitions but declined by 46.88% in FY24 due to reduced land sales. Margins and return ratios have remained negative and volatile across years, reflecting continued operational and financial underperformance.
- The company has **incurred loss** of Rs. 125.36 Cr., Rs. 229.43 Cr. and Rs. 116.51 Cr. in FY22, FY23 and FY24 respectively and company's subsidiaries have also incurred losses in the same period.
- The company has contingent liabilities, amounting to Rs. 333.68 Cr. as of Dec-24.
- The company operates in a highly fragmented and competitive real estate market, limiting its ability to scale and constraining long-term growth prospects.
- The company and its subsidiaries have litigations outstanding amounting to Rs. 625.17 Cr.
- The company has very low **market share of 1.53%** from Calendar Year 2019 - 2024 in Municipal Corporation of Greater Mumbai.

Thus, investors can **AVOID** this IPO for now.

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The analysis and recommendations are based on the current market and company-specific scenario, along with the data available in the prospectus. Market and company-specific conditions may change after the company's listing, potentially impacting its performance and outlook. We will not be providing any follow-up reports or updates on this analysis post-listing.

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