

# PICK OF THE WEEK

27<sup>th</sup> December, 2025

## Skipper Limited

Sector: Power Infrastructure

BUY

CMP

425

Target Price

467

Upside

10%

CMP as on 26<sup>th</sup> December 2025 | Time horizon: 6-9 Months

### Why Skipper Ltd

- Strong Orderbook
- Capacity Expansion
- Export Opportunities
- Valuation Attractive

### About the Company

Skipper Ltd, established in 1981, has grown into a global leader in the engineering and infrastructure sector, specialising in the manufacture of transmission and distribution (T&D) structures, including towers and poles. Over the past four decades, the company expanded its presence across multiple industries, including polymer pipes and fittings, railway electrification structures, telecom towers & poles, and EPC projects.

### Investment Rational

#### A. Strong Order Book

- Skipper received new orders totalling Rs 1,243 Cr in Q2FY26, which include three large wins from PGCIL and key other export markets. As of Sep'25, the order book stands at its highest ever at Rs 8,820 Cr.
- The order book comprises 76% domestic T&D orders, 13% non-T&D orders (including Telecom, Railways, Solar, Water EPC, and other Steel Structural items), and 11% export orders (T&D orders). The company currently has a strong bid pipeline of more than Rs 30,000 Cr (with a 25% historical order conversion success rate). The management expects the company's orderbook to be ~Rs. 9,000 Cr – Rs 10,000 Cr by the end of FY26.

## B. Capacity Expansion status

- The new 75 ktpa plant is now operational and has commenced its commercial production. The 2<sup>nd</sup> 75 ktpa capacity is also expected to go online by the end of FY26, taking its total capacity to 450 ktpa.
- The company is confident of increasing its capacity to 600 ktpa by the end of FY29, making it the world's largest transmission tower manufacturer.

## C. Export Opportunities

- Exports stood at 11% of the company's order book as of Sep'25. It has a strong presence in the Middle-East, African, and Latin-American Markets.
- The company is also exploring growth opportunities in developed markets like North America and Europe; however, these may take time to materialise.
- The company has completed successful plant audits for new potential customers from the Middle East and North America. It targets to achieve 50% export orders in its order book in the long term.

## Outlook & Valuation

- The company maintains a strong orderbook along with robust capacity expansion, capitalizing on strong T&D sectoral tailwinds. The company expects revenue growth of 20-25% YoY over the next 3 years and EBITDA margins in the range of 10-10.5% in FY26 (vs current 10%). The management expects a gradual increase YoY from current EBITDA margins led by higher T&D contribution and better-quality T&D contracts. The next 4 years' capex guidance is Rs 800 Cr, including the capacity additions.
- The stock is currently trading at 15x P/E of our FY27E EPS estimate which looks attractive valuation.

## Analyst Insights

- We recommend a **BUY** with a target price of Rs 467/share, implying an upside of ~10% from the CMP.

## Research Analysts

Aditya Welekar

Sr. Research Analyst

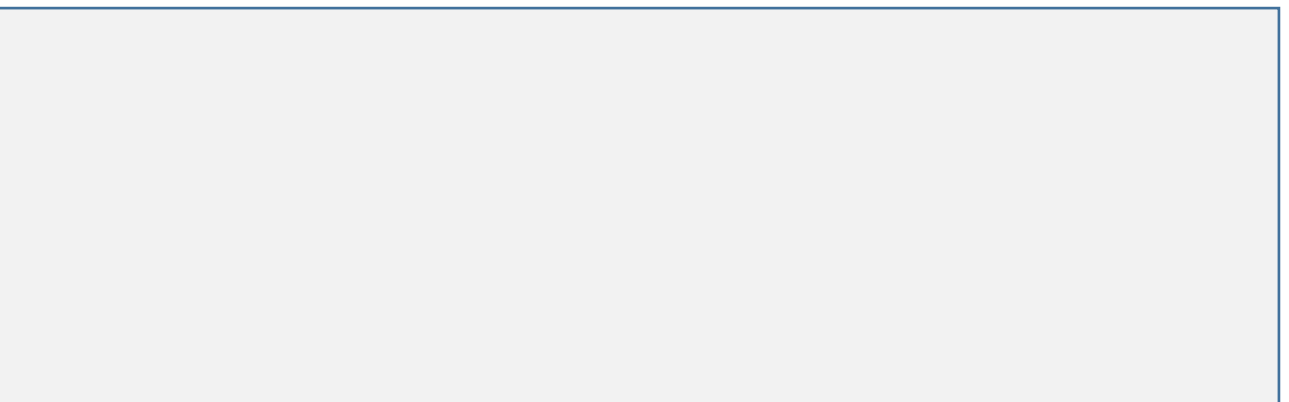
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## Financial Summary

	<b>FY25</b>	<b>FY26E</b>	<b>FY27E</b>
Net Sales (Rs Cr)	4,624	5,549	6,937
EBITDA (Rs Cr)	452	583	763
Net Profit (Rs Cr)	149	229	320
EPS (Rs)	13.9	20.3	28.3
PER (x)	31	21	15
EV/EBITDA (x)	4.1	3.4	2.8
P/BV (x)	12.1	9.3	7.1
RoE (%)	14	18	20

## Market Data

<b>No. of Shares</b>	<b>11.28</b>
Market Cap (Rs Cr)	4,861
52-week High	588
52-week Low	343
PER(x)	28
BSE Code	538562
NSE Code	SKIPPER



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