

Retail Research	IPO Note
Sector: Metal Products	Price Band (Rs): 365 – 384
12th December 2025	Recommendation: NEUTRAL

KSH International Ltd

Company Overview:

KSH International Ltd (KSH) is the third largest manufacturer of magnet winding wires in terms of production capacity and the largest exporter of magnet winding wires in terms of export revenue in India as of FY25. The company's products include both **a) specialized magnet winding wires** (~70.1% of FY25 revenue) and **b) standard magnet winding wires** (~23.6% of FY25 revenue), which are critical components for capital goods such as transformers, motors, alternators & generators. These products are marketed and sold through the 'KSH' brand, which has developed strong brand recall and recognition in the industry. Further, the company has a robust export presence in 24 countries, including USA, UAE, Kuwait, Germany, Spain, etc.

Key Highlights:

1. Diverse product portfolio used across multiple end-use industries: KSH's key products include round enameled magnet winding wires, paper insulated magnet winding wires and rectangular enameled copper/ aluminum magnet winding wires, continuously transposed conductors and bunched paper insulated copper magnet winding wires which find their application across multiple end-use industries like power, renewables, industrials, railways, automotive (both EV & ICE), home appliances, refrigeration and air conditioning.

2. Strategically located manufacturing facilities: As of Mar'25, the company was the third largest manufacturer of magnet winding wires in India in terms of production capacity. KSH operated 3 manufacturing facilities (Unit I in Taloja, Raigad and Unit II & III at Chakan, Pune) with combined annual installed capacity of 29,045 MT as of Jun'25. Further, it has commissioned Phase I at its 4th facility at Supa, Ahilyanagar during Sep'25. These facilities are strategically located near Jawaharlal Nehru Port, Navi Mumbai which helps the company reduce logistics cost. Further, these facilities adopt latest technologies which have a high degree of automation, enabling KSH to efficiently produce a wide range of magnet winding wires and meet customer specifications and demand.

3. Established relations with diversified customer base: During FY23/FY24/FY25, the company served a total of 117/117/122 customers respectively and has further invoiced 93 customers as of Jun'25. KSH's magnet winding wires are globally recognized by industry leaders such as Toshiba Transmission & Distribution Systems and Meidensha Corp which underscores the company's commitment to delivering high quality products. As a result, it has established itself as a reliable supplier for critical components used in transformers, motors, alternators & generators and has built long term relationship with its customers. This can be evidenced by the fact that it derived ~94.5% of its FY25 revenues from repeat customers. Further, of the top 10 customers, 5 have been customers for 10 years, 2 have been customers for 5 years and 3 have been customers for 2 years.

Valuation: KSH International Ltd is India's largest exporter (by export revenue) and 3rd largest manufacturer (by production capacity) of magnet winding wires as of FY25. Between FY23-FY25, the company has delivered strong Revenue/EBITDA/PAT CAGR of 29.0%/32.9%/33.4% respectively, demonstrating financial resilience. At upper price band of Rs 384, the issue is priced at FY25 P/E and EV/EBITDA multiples of 38.3x and 20.7x respectively, based on post-issue capital. While comparing with its closest peers, the issue seems to be fairly valued coupled with slightly superior margin profile. However, the company plans to repay debt of ~Rs 226 cr from the proceeds of the issue, which is expected to boost profitability by Rs 10 cr to Rs 13 cr. Thus, we maintain a **NEUTRAL** view on the company and would like to monitor its performance post listing.

Issue Details	
Date of Opening	16 th December 2025
Date of Closing	18 th December 2025
Price Band (Rs)	365 – 384
Offer for sale (Rs cr)	290.0
Fresh Issue (Rs cr)	420.0
Issue Size (Rs cr) @ upper price band	710.0
No. of shares issued at upper price band	1,84,89,583
Face Value (Rs)	5.0
Post Issue Market Cap (Rs cr)	2,494 – 2,602
BRLMs	Nuvama Wealth Management Ltd, ICICI Securities Ltd
Registrar	MUFG Intime India Pvt Ltd
Bid Lot	39 shares and in multiple thereof
QIB shares	50%
Retail shares	35%
NII shares	15%

Objects of Issue	
Particulars	Estimated utilization from Net Proceeds (Rs cr)
Pre-payment or re-payment of certain outstanding borrowings availed by the company	226.0
Funding capex requirements for a) purchasing & setting up new machinery for expansion at Supa facility, and b) purchasing & setting up new machinery at Unit 2, Chakan, Pune.	102.4
Funding capex requirements towards setting up rooftop solar plant for power generation at Supa Facility.	8.8
General corporate purposes*	-
Net proceeds from the issue	-

*To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Shareholding Pattern		
Pre-Issue	No. of Shares	%
Promoter & Promoter Group	5,59,06,742	98.4
Public & Others	9,11,458	1.6
Total	5,68,18,200	100.0

Post Issue @ Upper Price Band	No. of Shares	%
Promoter & Promoter Group	4,83,54,659	71.4
Public & Others	1,94,01,041	28.6
Total	6,77,55,700	100.0

Source: RHP, SSL Research

Key Financials

Particulars (Rs cr)	FY23	FY24	FY25	1QFY26
Revenue from operations	1,049	1,383	1,928	559
EBITDA	50	71	123	40
Adj. PAT	27	37	68	23
EBITDA Margin (%)	4.8	5.2	6.4	7.2
Adj. PAT Margin (%)	2.5	2.7	3.5	4.1
RoE (%)	13.7	16.2	22.8	-
RoCE (%)	15.6	15.6	18.0	-
P/E (x)*	82.0	58.4	32.1	-

*Note: Pre-issue P/E based on upper price band

Source: RHP, SSL Research

Risk Factors

- **Customer concentration:** During FY23/FY24/FY25/1QFY26, the company derived 59.9%/57.1%/52.5%/54.0% of its revenues respectively from its Top 10 customers. Any decrease in demand, loss of business or failure to supply desired quantities along with failure to attract new customers may have an adverse impact on the company's performance.
- **Supplier concentration:** During FY23/FY24/FY25/1QFY26, the company sourced 98.6%/96.9%/98.5%/98.9% of its raw materials respectively from its Top 10 suppliers (by value). The company purchases its raw materials from third party suppliers on the basis of purchase orders and does not enter into any long-term contracts. Any loss of supplier, interruptions in procurement or inability to source raw materials in a cost-effective manner may have an adverse impact on the company's performance.
- **Volatility in copper and aluminum prices:** The company's business depends significantly on the price and availability of copper and aluminum. The supply of these raw materials are subject to market fluctuations driven by inflation, foreign exchange rate volatility, and changes in government policies, such as tariffs and environmental regulations. While KSH generally passes on the volatility in prices of copper and aluminum to its customers, there is no guarantee it may be able to do so in the future. Thus, any shortfall in supply of copper or aluminum in a timely and cost-effective manner may have an adverse impact on the company's performance.
- **Industry concentration:** During FY23/FY24/FY25/1QFY26, the company derived 79.1%/75.2%/74.8%/71.7% of its revenues respectively from the power sector (generation, transmission and distribution). Any economic cyclicality coupled with reduced demand or negative trends in the power sector may have an adverse impact on the company's performance.

Growth Strategies

- Increase focus on high value segments, higher value-added critical products and launching new products.
- Expand global reach by increasing focus on international markets.
- Increase wallet share from existing customers.
- Improve operating efficiencies through scale and backward integration.

Revenue Mix – Domestic & Exports

Particulars	FY23		FY24		FY25		1QFY26	
	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue
Domestic	556.6	53.0	796.5	57.6	1,215.0	63.0	368.0	65.9
Exports	411.0	39.2	486.3	35.2	590.4	30.6	161.5	28.9
Other Operating Revenue	81.8	7.8	99.9	7.2	122.9	6.4	29.2	5.2
Total	1,049.5	100.0	1,382.8	100.0	1,928.2	100.0	558.7	100.0

Source: RHP, SSL Research

Revenue Mix – Manufacturing Facility

Particulars	FY23		FY24		FY25		1QFY26	
	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue
Unit I - Taloja, Raigad	259.1	24.7	240.3	17.4	248.1	12.9	75.1	13.4
Unit II - Chakan, Pune	583.1	55.6	824.7	59.6	1,224.7	63.5	340.4	60.9
Unit III - Chakan, Pune	207.3	19.7	317.8	23.0	455.4	23.6	143.2	25.6
Total	1,049.5	100.0	1,382.8	100.0	1,928.2	100.0	558.7	100.0

Source: RHP, SSL Research

Revenue Mix – Product wise

Particulars	FY23		FY24		FY25		1QFY26	
	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue	Rs cr	as a % of Total Revenue
Specialized Magnet Winding Wires	765.2	72.9	964.3	69.7	1,350.3	70.0	379.8	68.0
Standard Magnet Winding Wires	202.4	19.3	318.6	23.0	455.1	23.6	149.7	26.8
Other Operating Revenue	81.8	7.8	99.9	7.2	122.9	6.4	29.2	5.2
Total	1,049.5	100.0	1,382.8	100.0	1,928.2	100.0	558.7	100.0

Source: RHP, SSL Research

Installed Capacity (MT) and Capacity Utilization (%)

Particulars	FY23	FY24	FY25	1QFY26*
Unit I - Taloja, Raigad (Specialized Magnet Winding Wire)				
Installed Capacity (MT)	4,241	4,241	4,241	4,241
Actual Production (MT)	3,647	3,487	3,454	898
Capacity Utilization	86.0%	82.2%	81.4%	84.7%
Unit II - Chakan, Pune (Specialized Magnet Winding Wire)				
Installed Capacity (MT)	14,626	14,626	14,626	14,626
Actual Production (MT)	10,882	13,472	14,056	3,564
Capacity Utilization	74.4%	92.1%	96.1%	97.5%
Unit II - Chakan, Pune (Standard Magnet Winding Wire)				
Installed Capacity (MT)	1,347	2,694	2,694	2,694
Actual Production (MT)	53	506	580	237
Capacity Utilization	3.9%	18.8%	21.5%	35.2%
Unit III - Chakan, Pune (Standard Magnet Winding Wire)				
Installed Capacity (MT)	5,051	6,875	7,484	7,484
Actual Production (MT)	3,174	4,289	5,334	1,535
Capacity Utilization	62.8%	62.4%	71.3%	82.0%
Total				
Installed Capacity (MT)	25,265	28,436	29,045	29,045
Actual Production (MT)	17,756	21,754	23,424	6,234
Capacity Utilization	70.3%	76.5%	80.6%	85.9%

Source: RHP, SSL Research

MT stands for Metric Tonnes

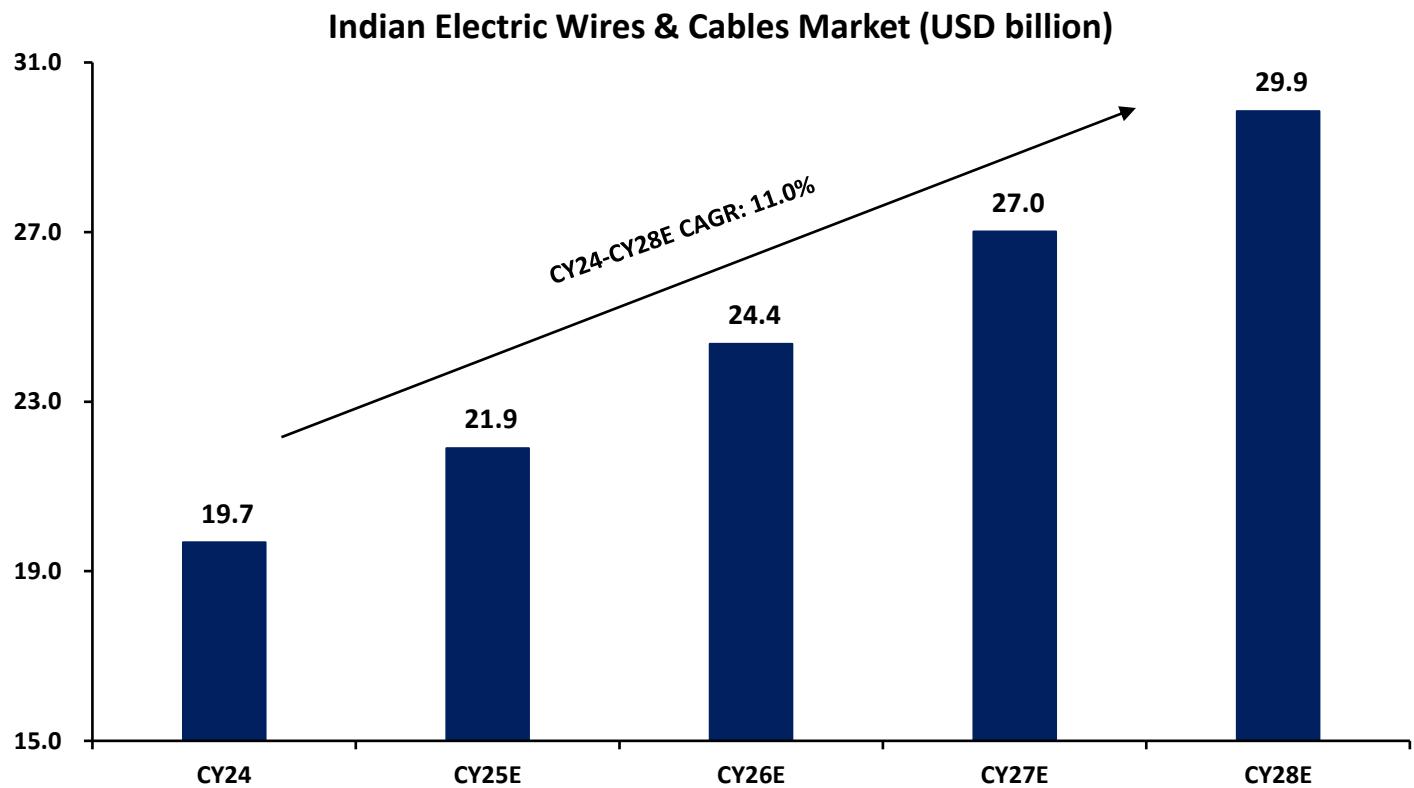
*Capacity Utilization for 1QFY26 on an annualized basis

Other Operating Metrics

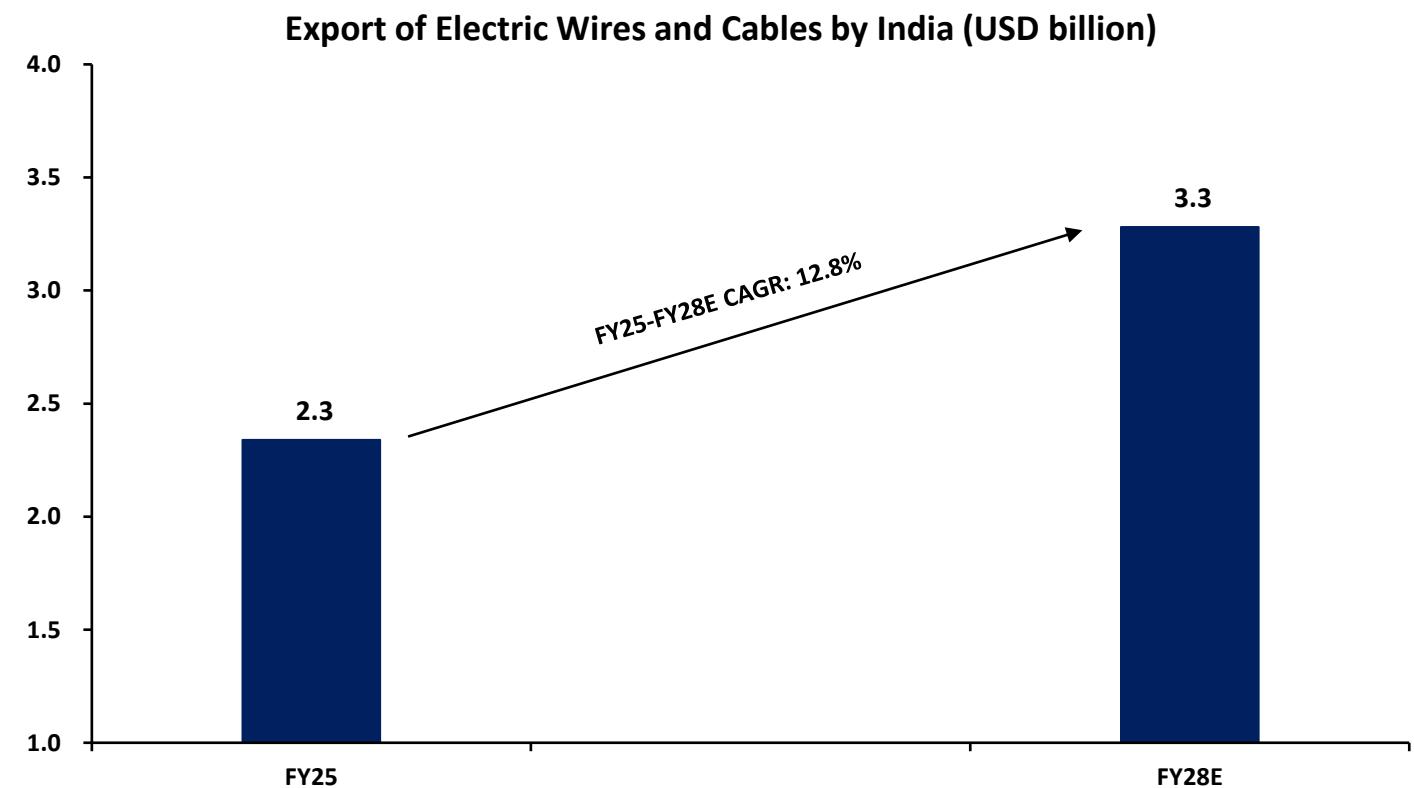
Particulars	FY23	FY24	FY25	1QFY26
Production Capacity (MT)	25,265	28,436	29,045	29,045
Magnet winding wires sales volume (MT)	17,645	21,495	23,324	6,114
Volume growth (%)	-	21.8	8.5	-
EBITDA per Ton (Rs)	28,280.0	33,245.9	52,535.6	65,886.5

Source: RHP, SSL Research

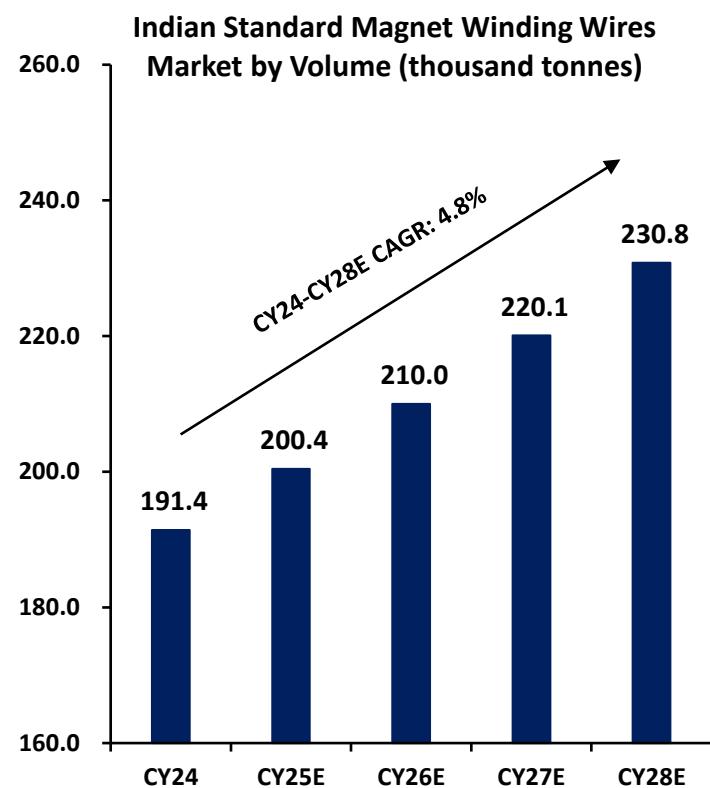
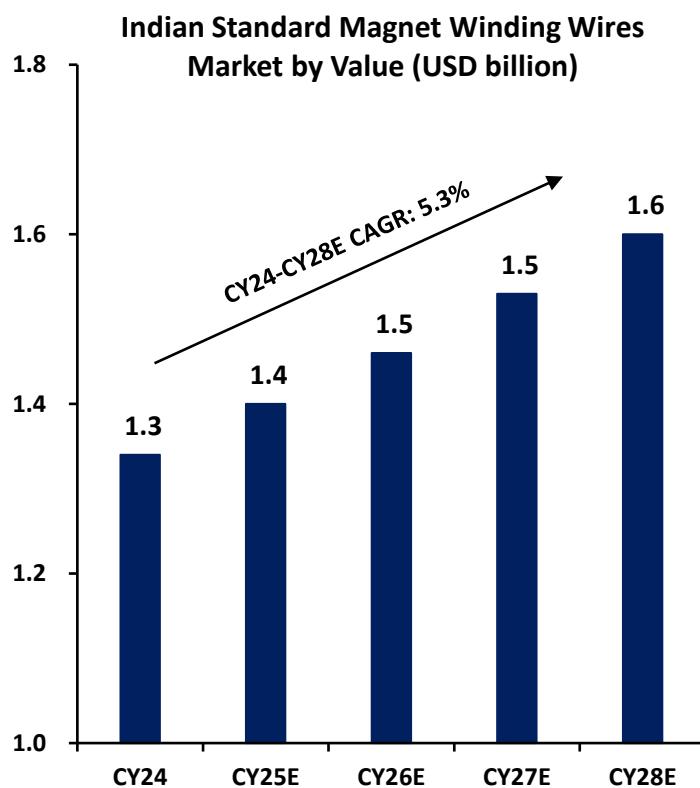
Industry Overview



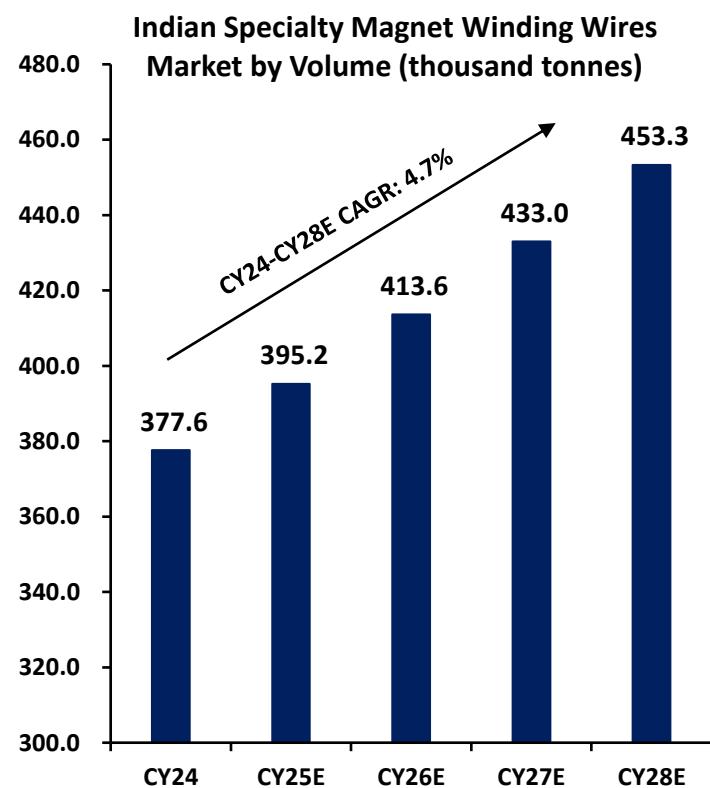
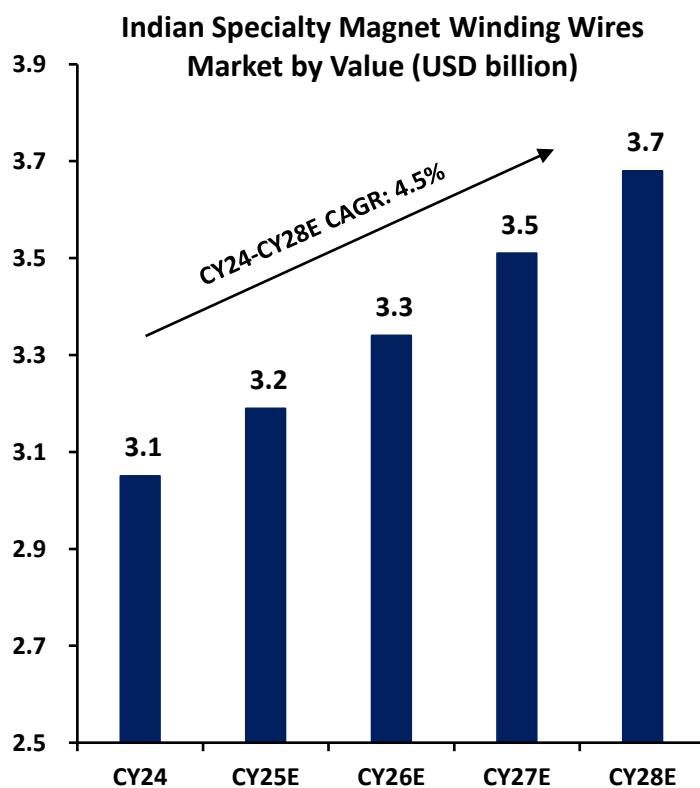
Source: RHP, SSL Research



Source: RHP, SSL Research



Source: RHP, SSL Research



Source: RHP, SSL Research

Financial Snapshot

INCOME STATEMENT				
Particulars (Rs cr)	FY23	FY24	FY25	1QFY26
Revenue from Operations	1,049	1,383	1,928	559
<i>YoY growth</i>	-	31.8%	39.4%	-
Cost Of Revenues (incl. Stock Adj.)	937	1,232	1,714	494
Gross Profit	112	151	214	65
<i>Gross margin</i>	10.7%	10.9%	11.1%	11.6%
Employee Cost	24	34	40	11
Other Operating Expenses	39	46	52	13
EBITDA	50	71	123	40
<i>EBITDA margin</i>	4.8%	5.2%	6.4%	7.2%
Other Income	7	8	10	4
Interest Exp.	13	18	28	7
Depreciation	8	11	14	3
PBT	35	51	90	34
Tax	9	13	22	11
PAT	27	37	68	23
<i>PAT margin</i>	2.5%	2.7%	3.5%	4.1%
EPS (Rs)	4.7	6.6	12.0	4.0

BALANCE SHEET				
Particulars (Rs cr)	FY23	FY24	FY25	1QFY26
Assets				
Net Block	98	133	127	125
Capital WIP	9	7	108	143
Intangible Assets	2	1	1	1
Right of use assets	7	6	5	4
Other Non-current Assets	6	8	29	19
Current Assets				
Inventories	109	133	211	229
Trade receivables	109	159	224	231
Cash and Bank Balances	7	18	11	6
Other Current Assets	11	18	29	35
Total Current Assets	236	327	475	501
Current Liabilities & Provisions				
Trade payables	20	18	33	40
Other current liabilities	8	10	39	37
Short-term provisions	1	0	1	1
Total Current Liabilities	28	29	73	78
Net Current Assets	208	298	402	423
Total Assets	331	453	672	715
Liabilities				
Share Capital	6	6	28	28
Reserves and Surplus	188	225	270	293
Total Shareholders' Funds	194	231	299	321
Total Debt	120	207	360	379
Long Term Provisions	1	1	1	1
Lease Liabilities	9	7	6	6
Net Deferred Tax Liability	8	8	6	8
Total Liabilities	331	453	672	715

CASH FLOW STATEMENT				
Particulars (Rs cr)	FY23	FY24	FY25	1QFY26
Cash flow from Operating Activities	62	(17)	(10)	14
Cash flow from Investing Activities	(20)	(39)	(118)	(30)
Cash flow from Financing Activities	(41)	67	123	11
Free Cash Flow	40	(62)	(130)	(17)

RATIOS			
Particulars	FY23	FY24	FY25
Profitability			
Return on Capital Employed	15.6%	15.6%	18.0%
Return on Equity	13.7%	16.2%	22.8%
Margin Analysis			
Gross Margin	10.7%	10.9%	11.1%
EBITDA Margin	4.8%	5.2%	6.4%
Net Profit Margin	2.5%	2.7%	3.5%
Short-Term Liquidity			
Current Ratio (x)	1.7	1.6	1.5
Quick Ratio (x)	0.9	1.0	0.8
Avg. Days Sales Outstanding	38	42	42
Avg. Days Inventory Outstanding	43	39	45
Avg. Days Payables	7	5	7
Fixed asset turnover (x)	10.7	10.4	15.2
Debt-service coverage (x)	0.4	0.3	0.3
Long-Term Solvency			
Total Debt / Equity (x)	0.6	0.9	1.2
Interest Coverage Ratio (x)	3.7	3.9	4.2
Valuation Ratios*			
EV/EBITDA (x)	46.0	33.2	20.7
P/E (x)	82.0	58.4	32.1
P/B (x)	11.3	9.4	7.3
EV/Sales (x)	2.2	1.7	1.3
Mkt Cap/Sales (x)	2.1	1.6	1.1

**Valuation ratios are based on pre-issue capital at the upper price band*

Source: RHP, SSL Research

Peer Comparison – FY25

Particulars (Rs cr)	KSH International Ltd	Precision Wires India Ltd	Ram Ratna Wires Ltd
CMP (Rs)	384	238	617
Sales	1,928	4,015	3,677
EBITDA	123	166	156
Net Profit	68	90	70
Mkt Cap.	2,602	4,310	2,881
Enterprise Value	2,531	4,331	3,154
EBITDA Margin (%)	6.4	4.1	4.3
Net Profit Margin (%)	3.5	2.2	1.9
RoE (%) - Pre/Post Issue	22.8/9.5	15.6	14.5
RoCE (%) - Pre/Post Issue	18.0/11.0	26.2	19.5
P/E (x)	38.3	47.9	41.1
EV/EBITDA (x)	20.7	26.1	20.2
EV/Sales (x)	1.3	1.1	0.9

Source: RHP, Exchange Filings, SBI Securities Research

For KSH International Limited, the Market Cap, P/E(x), EV/EBITDA (x), EV/Sales (x) are calculated on post-issue equity share capital based on the upper price band.

Post-Issue RoE/RoCE are calculated as Pre-Issue RoE/RoCE adjusted for Fresh Issue Proceeds.

CMP for peer companies is closing price as of 12th December, 2025

SBICAP Securities Limited

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