KSH INTERNATIONAL

December 15, 2025

SMC Ranking

★★☆☆☆ (2/5)

Issue Highlights

Industry	Capital Goods
Offer for sale (Shares)	75,52,083
Fresh Issue (Shares)	1,09,37,500
Net Offer to the Public	1,84,89,583.00
Issue Size (Rs. Cr.)	674.87-710.00
Price Band (Rs.)	365-384
Offer Date	16-Dec-25
Close Date	18-Dec-25
Face Value	5
Lot Size	39 Shares

Issue Composition

	In shares
Total Issue for Sale	1,84,89,583
QIB	92,44,792
NIB	27,73,437
Retail	64,71,354

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	98.40%	71.37%
QIB	1.60%	14.99%
NIB	0.00%	4.09%
Retail	0.00%	9.55%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company KSH International IPO proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Repayment of certain company borrowings
2. Purchase and setup of new machinery at 2 plants
3. Purchase and setup of a rooftop solar power plant for power generation at our Supa Facility 4. General corporate purposes

Book Running Lead Manager

- Nuvama Wealth Management Ltd
- ICICI Securities Ltd.

Name of the registrar

- MUFG Intime India Private Limited

About the company

Incorporated in 1979, KSH International Limited is India's third-largest manufacturer and the largest exporter of magnet winding wires. Operating under the 'KSH' brand, the company supplies a wide range of OEMs across power, renewable energy, railways, automotive, and industrial sectors. Its product portfolio includes round enamelled copper and aluminium magnet winding wires; paper-insulated rectangular copper and aluminium magnet winding wires; continuously transposed conductors; rectangular enamelled copper and aluminium magnet winding wires; and bunched paper-insulated copper magnet winding wires. KSH International is an approved supplier to leading public and private sector entities such as PGCIL, NTPC, NPCIL, and RDSO, and exports to 24 countries, including the US, Germany, the UAE, and Japan. The company operates three manufacturing facilities in Maharashtra (Taloja and Chakan) with an aggregate annual capacity of 29,045 MT. A fourth facility at Supa, Ahilyanagar is under development and is expected to commence operations in Fiscal 2026. Supported by an in-house R&D and engineering team, the company focuses on product innovation, process optimisation, and cost efficiency, and holds key certifications including ISO 9001, ISO 14001, ISO 45001, and IATF 16949. Its strong emphasis on quality and reliability has been recognised through awards from customers such as Toshiba T&D Systems India, GE Power Grid Solutions, and BHEL. As of June 30, 2025, KSH International employed 157 full-time personnel.

Strengths

Leading manufacturer with a diversified product portfolio across end-use industries: The company is among India's leading manufacturers of magnet winding wires, offering a comprehensive range of standard and specialised products developed over more than four decades. Its wires are critical inputs for transformers, motors, alternators, and generators, catering to a broad spectrum of end-use industries including power, renewables, industrials, railways, data centres, automotive (including Evs), home appliances, and refrigeration and air conditioning. This diversity enables strong cross-selling opportunities and reduces dependence on any single sector.

Large, strategically located manufacturing facilities with advanced capabilities: As the third-largest magnet winding wire manufacturer in India by capacity, the company operates three manufacturing facilities at Taloja and Chakan, Maharashtra, with an aggregate installed capacity of 29,045 MT as of June 30, 2025. Phase I of a fourth facility at Supa commenced operations in September 2025. Proximity to Jawaharlal Nehru Port supports efficient logistics, while continuous investments in automation, ultra-precision manufacturing, and product development have enabled capacity expansion and the supply of high-specification products for critical applications such as 765 kV and HVDC transformers.

Long-standing relationships with a diversified domestic and global customer base: The company enjoys strong customer loyalty across power, industrials, data centres, and automotive sectors, serving 122 customers in Fiscal 2025. Repeat customers accounted for 94.54% of operating revenue, with the top 10 customers associated for 2–10 years. As India's largest exporter of magnet winding wires by revenue, the company serves customers in 24 countries, with exports contributing 32.70% of operating revenue in Fiscal 2025, reflecting a balanced domestic and international revenue mix.

Strong certifications and approvals in a high-entry-barrier industry: Operating in an industry characterised by stringent pre-qualification norms, the company has secured approvals from premier institutions such as PGCIL (up to 765 kV and HVDC), NTPC, NPCIL, and RDSO. These approvals, combined with global quality certifications and engineering capabilities, reinforce its position as a reliable supplier for critical power generation, transmission, and traction applications.

Consistent financial performance and growth: The company has delivered robust financial growth, with revenue from operations and PAT growing at CAGRs of 35.55% and 59.83%, respectively, between Fiscal 2023 and Fiscal 2025. Margin expansion, disciplined capital expenditure, and a CARE A– (Stable) credit rating underscore strong operational execution in a capital-intensive industry.

Experienced promoters and professional management team: Led by experienced promoters and supported by a seasoned senior management team, the company benefits from deep industry expertise across operations, finance, risk management, and business development. This leadership has been instrumental in driving technology adoption, product innovation, and expansion across domestic and international markets.

Strategy

Focus on higher value-added and critical products: The company aims to enhance margins and long-term growth by increasing its share of high value-added products such as continuously transposed conductors and specialised wires for HVDC transformers, railway traction, and high-performance motors. New product development is aligned with high-growth sectors such as EVs, AC motors, and BLDC motors, supported by investments in advanced manufacturing at the Supa facility.

Expand international presence and global reach: Building on exports to 24 countries, the company plans to enter new geographies, secure additional international approvals, strengthen the 'KSH' brand, and leverage the global "China Plus One" trend. Initiatives include appointing local sales agents, targeting EV and automotive segments, and increasing participation in international trade exhibitions.

Increase wallet share of existing customers: Growth will be driven by deepening customer relationships through cross-selling, customised solutions, and co-development of advanced products. Capacity expansion at Supa and Chakan will support rising demand, improve supply reliability, and enable backward integration.

Improve operating efficiencies through scale and backward integration: The company plans to leverage economies of scale, invest in automation and quality systems, and pursue backward integration into copper rod manufacturing. These initiatives are expected to reduce cost volatility, improve quality consistency, and enhance overall operational efficiency.

Strengthen sustainability and ESG focus: Sustainability remains a core strategic pillar, with investments in renewable energy, including rooftop solar and a planned solar plant at Supa. Additional initiatives include water conservation, waste reduction, recycling, and the development of green copper solutions, positioning the company as a responsible and sustainable partner to customers.

Risk Factor

- The company has high customer concentration, with its top 10 customers contributing over half of operating revenue; any loss or reduced demand from these customers could adversely impact financial performance and cash flows.
- The business is highly dependent on a limited number of suppliers, with the top 10 accounting for over 96% of raw material costs; supply disruptions or price volatility may negatively affect operations and profitability.
- Profitability is exposed to fluctuations in the availability and prices of key raw materials such as copper, aluminium, enamel, and paper, which could impact product pricing and margins.
- A significant portion of revenue is derived from the power sector; any slowdown or adverse trends in this sector could materially affect the company's business and financial results.

Peer Comparison

Co_Name	Total Income	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
Precision Wires India Limited	4354.72	111.23	6.18	38.07	6.40	36.73	1.00	235.25	4235.46
Ram Ratna Wires Limited	3991.28	71.19	15.25	40.39	5.67	108.68	5.00	615.90	2874.68
KSH International Limited	1928.29	67.99	10.03	38.27	3.51	109.40	5.00	384.00	2601.82

***Peer companies financials are TTM based**
*****KSH International Limited financials are based On FY25**

Valuation:

Considering the P/E valuation, on the upper end of the price band of Rs.384, the stock is priced at pre issue P/E of 32.09x on FY25 EPS of Rs.11.97. Post issue, the stock is priced at a P/E of 38.27x on its EPS of Rs. 10.03. Looking at the P/B ratio at Rs. 384 pre issue, book value of Rs. 56.54 of P/Bvx 6.79x. Post issue, book value of Rs.109.40 of P/Bvx 3.51x.

Considering the P/E valuation, on the lower end of the price band of Rs.365, the stock is priced at pre issue P/E of 30.50x on FY25 EPS of Rs. 11.97. Post issue, the stock is priced at a P/E of 36.38x on its EPS of Rs.10.03. Looking at the P/B ratio at Rs. 365 pre issue, book value of Rs. 56.54 of P/Bvx 6.46x. Post issue, book value of Rs.109.40 of P/Bvx 3.34x.

Industry Outlook

The industry outlook for magnet winding wires is overwhelmingly positive, underpinned by strong domestic economic growth in India, which is seeing increasing per capita disposable income and consumer spending. The market is fundamentally driven by massive government investment in Infrastructure Development, with budgetary allocation for the sector growing at a CAGR of 26.1% over the past four years, alongside a planned expansion of the Power Transmission & Distribution (T&D)

network that is projected to nearly double power generation capacity by 2032. Consequently, winding wire consumption in the T&D sector is expected to grow at a CAGR of 4.27% (CY23-CY28), with demand for specialized products like 765kV and HVDC transformers forecasting even stronger growth. Further sectoral tailwinds come from the booming Solar Sector, which is targeted to account for 40% of power generation by FY32 , the growth of electric vehicles in the Automotive Industry , the expansion of the Railway and metro networks , and the modernization of Industrial Motors driven by Industry 4.0. Globally, the market for Indian exporters is also set to benefit from evolving trade policies, such as U.S. tariffs on Chinese imports, creating new opportunities for market share capture.

Outlook

The company is well positioned for sustained growth, supported by its diversified product portfolio, strong customer relationships, advanced manufacturing base, and focus on high value-added products. Capacity expansion, deeper customer engagement, international growth, and backward integration should support margins and scale. However, performance will remain sensitive to customer and supplier concentration, raw material price volatility, and demand trends in the power sector.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Tue, Dec 16, 2025
IPO Close Date	Thu, Dec 18, 2025
Tentative Allotment	Fri, Dec 19, 2025
Initiation of Refunds	Mon, Dec 22, 2025
Credit of Shares to Demat	Mon, Dec 22, 2025
Tentative Listing Date	Tue, Dec 23, 2025

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 30-Jun-25 (3 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	558.71	1928.29	1382.82
Total expenditure	518.43	1805.76	1311.35
Operating Profit	**40.28**	**122.53**	**71.46**
OPM%	7.21	6.35	5.17
Other Income	3.89	9.90	7.68
Total Net Income	**44.18**	**132.43**	**79.14**
Interest	7.31	28.00	17.57
PBDT	**36.86**	**104.43**	**61.57**
Depreciation	3.33	14.00	10.95
PBT	**33.53**	**90.43**	**50.62**
Tax	10.85	22.44	13.27
Profit & Loss	**22.68**	**67.99**	**37.35**

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 30-Jun-25	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property Plant & Equipment	125.36	126.91	132.74
Capital work-in-progress	142.62	107.76	7.42
Intangible Assets	0.94	1.05	1.32
Right of use assets	4.46	5.11	5.67
Financial assets			
Other financial assets	3.70	3.64	2.33
Other non-current assets	15.21	25.52	5.76
Total non-current assets	**292.28**	**269.98**	**155.24**
Current asset			
Financial Assets			
Inventories	229.17	211.02	132.90
Financial assets			
Trade receivables	230.86	223.91	159.16
Cash and cash equivalents	5.40	10.37	15.62
Other Bank Balances	0.65	0.64	2.14
Other Financial Assets	0.04	0.13	0.10
Other Current Assets	34.88	28.87	17.56
Total current assets	**501.00**	**474.93**	**327.47**
Total Assets	**793.28**	**744.91**	**482.71**
Non-current liabilities			
Financial liabilities			
Borrowings	126.26	115.86	34.35
Lease liabilities	2.18	3.09	4.75
Provisions	0.95	0.93	0.63
Deferred tax liabilities (net)	7.99	6.29	7.56
Total Non- Current liabilities	137.38	126.18	47.28
Current liabilities			
Financial Liabilities			
Borrowings	253.14	244.19	172.46
Lease liabilities	3.45	3.33	2.60
Trade Payables			
- Total outstanding dues of MSME	3.66	3.53	3.04
- Total outstanding dues of creditors other than MSME	36.37	29.54	15.42
Other financial liabilities	8.39	12.80	5.02
Provision	1.06	0.97	0.48
Other current liabilities	19.14	20.67	3.23
Liabilities for Current taxes (net)	9.23	5.16	2.24
Total - Current Liabilities	**334.43**	**320.19**	**204.48**
Total Liabilities	**471.81**	**446.37**	**251.76**
Net worth represented by:			
Equity share capital	28.41	28.41	5.68
Other equity	293.07	270.14	225.26
Total Equity	**321.47**	**298.55**	**230.95**

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