KSH INTERNATIONAL

Retail Research	**: IPO Note**
Sector	**: Capital Goods – Electrical Equipment**
Price Band (INR)	**: 365 to 384**
Issue Type	**: Fresh Issue & Offer For Sale**

About The Company

Company magnet winding wires manufacture karti hai, jo electric equipment ka ek critical raw material hote hain. Simple shabdon me samjhein to yeh company electricity generate, transmit aur consume karne wali machines ke "nerves" banati hai. Market position ki baat karein to FY24 me production capacity ke hisaab se company India ki 3rd largest magnet winding wire manufacturer hai aur export revenue ke basis par India ki largest exporter bhi hai, jo yeh dikhata hai ki domestic aur export dono markets me company ki competitive positioning kaafi strong hai.

Company ne apne operations 1981 me Taloja, Maharashtra se start kiye the, jahan shuruat me yeh paper insulated rectangular copper winding wires banati thi. Pichhle 40+ saalon me company ne apna product portfolio kaafi diversify kiya hai aur aaj yeh standard products ke saath-saath highly customized aur specialized winding wires manufacture karti hai. Iska clear indication yeh hai ki business ek plain commodity model se move hokar value-added engineering products ki taraf shift ho chuka hai.

Company ka product mix kaafi technical aur customized nature ka hai, jisme round aur rectangular enamelled copper/aluminium magnet wires, paper insulated rectangular wires, continuously transposed conductors (CTC) aur bunched paper insulated copper wires shamil hain. Yeh saare products capital goods industry ke core inputs hote hain, jinke bina transformers, motors aur generators jaise equipment ka kaam possible nahi hota.

End-use industries ki baat karein to company ke products transformers, motors, generators aur alternators me use hote hain, jinka final application power generation, transmission & distribution, renewable energy, railways, automobiles (EV aur ICE dono), home appliances aur refrigeration & air-conditioning jaise segments me hota hai. Is wajah se company ka business directly India ke electrification, infrastructure development aur energy transition theme se linked hai, jo demand ko relatively stable banata hai.

Business model primarily B2B aur OEM-driven hai, jahan major customers transformer aur motor manufacturers jaise OEMs hain. Company ke total customers lagbhag 100–120 ke range me hain, jisme BHEL, Siemens, Hitachi Energy, GE Vernova, Toshiba aur CG Power jaise large aur reputed names shamil hain. Revenue ka bada hissa repeat orders aur long-term customer relationships se aata hai, jo earnings visibility ko support karta hai.

Is industry me entry barriers kaafi high hain, kyunki strict technical pre-qualification, long testing aur approval cycles aur high-voltage critical applications ke liye regulatory approvals ki zaroorat hoti hai. Company ko PGCIL (HVDC aur 765 kV transformers), NTPC, NPCIL (nuclear), aur RDSO (railways) jaise institutions se approvals mile hue hain. Ek baar approval mil jaane ke baad strong vendor stickiness create ho jaati hai, jisse naye players ke liye market me entry kaafi mushkil ho jaati hai.

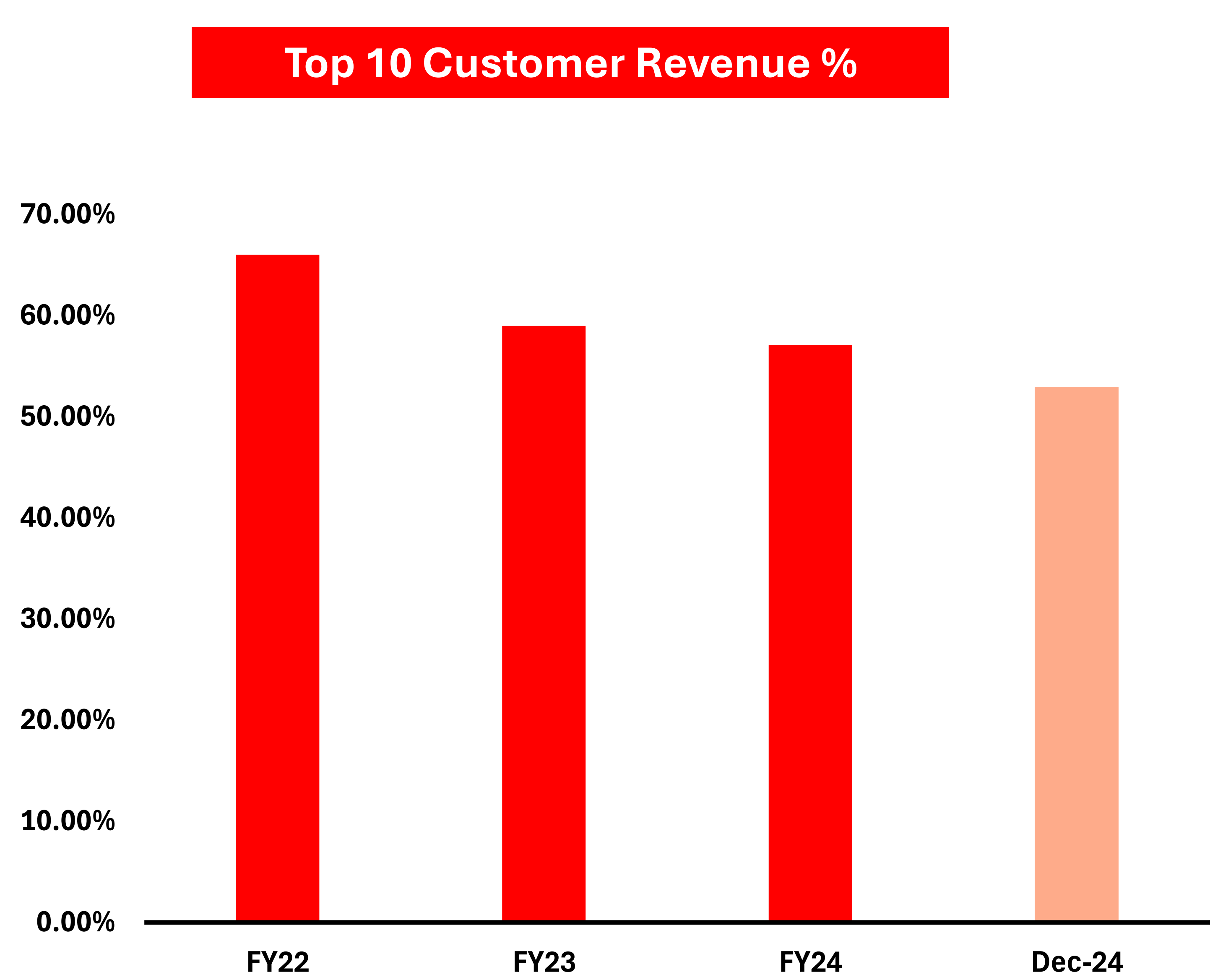
Company ka focus high voltage aur specialized products par hai, jaise HVDC aur EHV (765 kV) applications ke liye winding wires. Yeh segments generally higher margin wale hote hain, jahan competition limited hota hai aur pricing power comparatively better hoti hai.

Manufacturing footprint ki baat karein to company ke paas 3 manufacturing plants hain, jinki combined capacity lagbhag 29,045 MT per annum hai. Inme se 2 plants Chakan, Pune me aur 1 plant Taloja, Raigad me located hai. Technology aur customization company ka core moat hai, jahan in-house engineers, designers aur technicians ki team naye products develop karti hai, processes improve karti hai aur cost reduction initiatives par kaam karti hai. Isse company customer-specific solutions offer kar paati hai, sales team ko strong technical support milta hai aur margins protect hote hain.

Issue Details	
IPO Open Date	16-Dec-25
IPO Close Date	18-Dec-25
Price Band (Rs)	365 to 384
Lot Size	39 Share
Issue Size (Rs Cr)	1,84,89,583 Share
Face Value	RS 5 per share
Sales Type	Fresh Capital-cum-offer for sale
Issue Type	Bookbuilding IPO
Listing At	BSE, NSE
Share Holding Pre Issue	5,68,18,200 shares
Share Holding Post Issue	6,77,55,700 shares
QIB Share	50%
Retail Share	35%
NII Share	15%
Promoter Holding Pre Issue	98.40%
Promoter Holding Post Issue	71.37%

Shareholding Pattern	
Kushal Subbayya Hegde	47%
Pushpa Kushal Hegde	13%
Rajesh Kuchal Hegde	20%
Rohit Kushal Hegde	20%

Objects of the Issue	Estimated Amount (INR Cr.)
Repayment of certain company borrowings	225.98
Purchase and setup of new machinery at 2 plants	87.02
Purchase and setup of a rooftop solar power plant for power generation at our Supa Facility	8.83



KSH® INTERNATIONAL

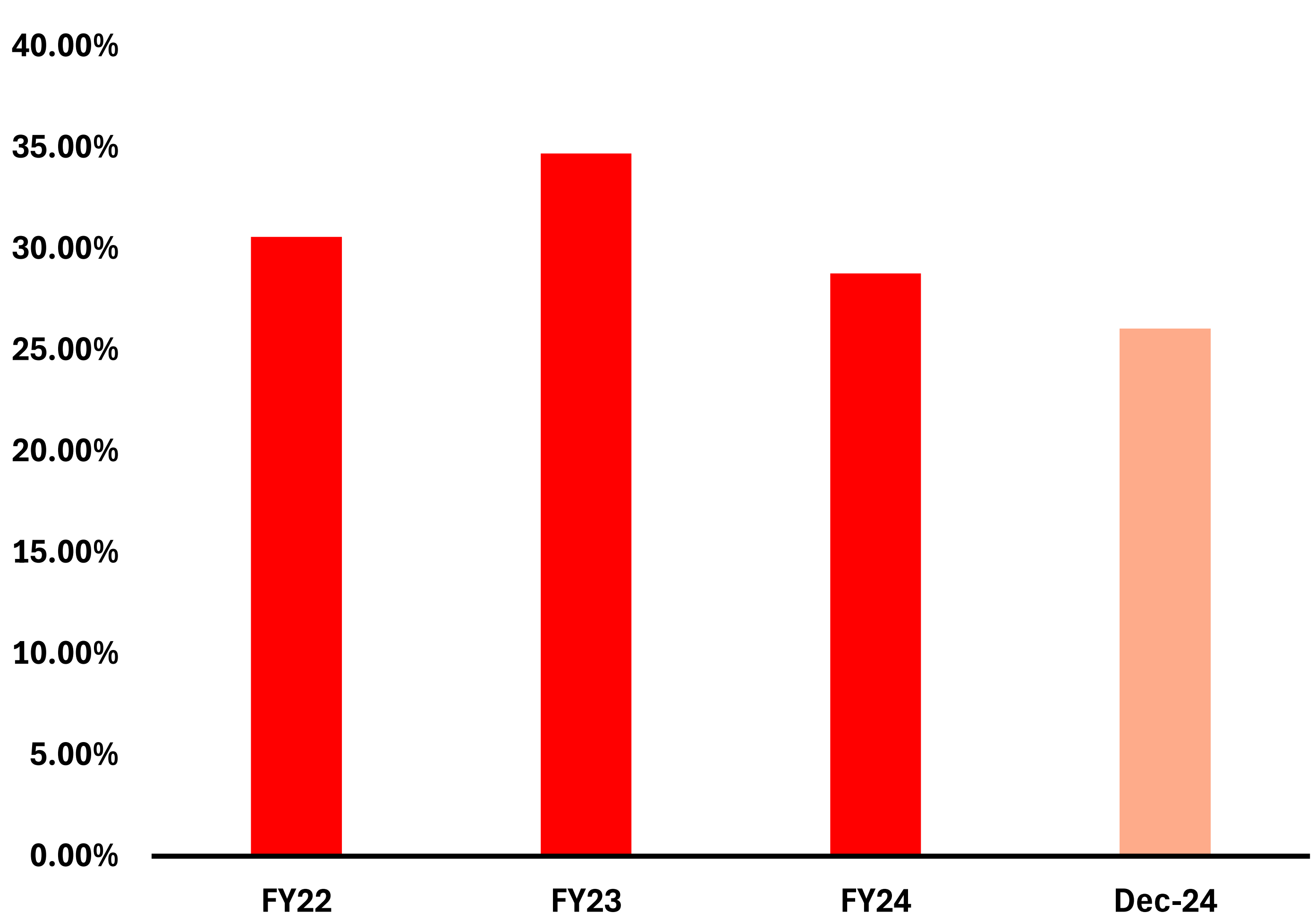
Retail Research	: IPO Note
Sector	: Capital Goods – Electrical Equipment
Price Band (INR)	: 365 to 384
Issue Type	: Fresh Issue & Offer For Sale

Quality aur trust build karne ke liye company ke plants ISO 9001, ISO 14001, ISO 45001 aur IATF 16949 jaise certifications se accredited hain, jo global OEM customers ke liye must-have requirements hoti hain. Export front par company 24 countries me supply karti hai, jisme USA, UAE, Germany, Japan aur Saudi Arabia jaise key markets shamil hain. Is global presence ke kaaran company ka business sirf India tak limited nahi hai aur geographic diversification ke saath overall risk profile bhi better ho jaata hai.

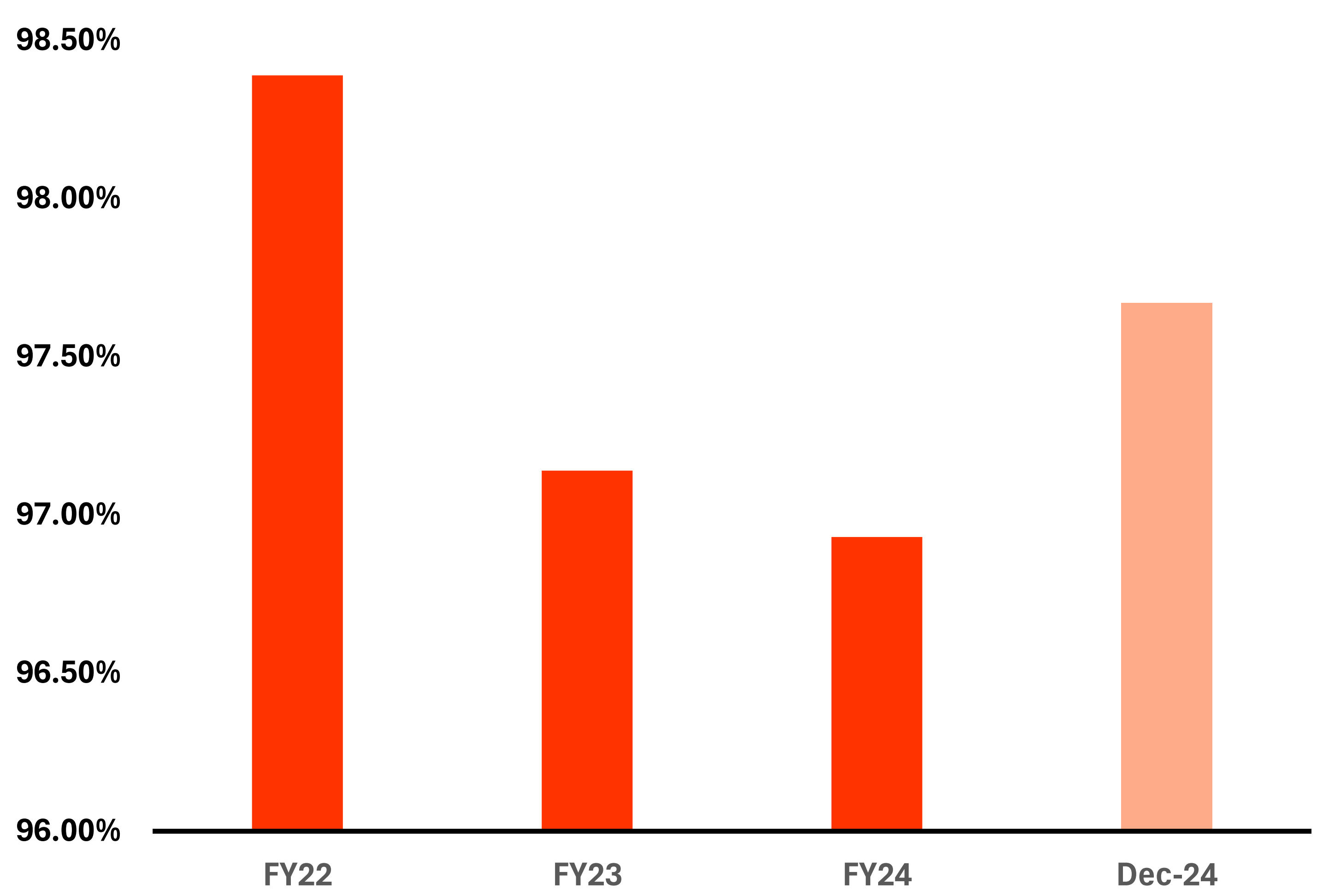
Highlights

- Company apna 4th manufacturing plant Supa, Ahilyanagar me develop kar rahi hai.
- Phase-1 operations FY26 me start hone ki expectation hai (subject to statutory approvals).
- Yeh expansion company ki capacity-led growth strategy ko clearly indicate karta hai.
- Company ka business highly concentrated hai, jahan top 10 customers se revenue ka major hissa aata hai.
- Company ki revenue ka large portion Power Sector se generate hota hai.
- Total revenue ka 75%+ hissa har saal specialized magnet winding wires ki sale se aata hai, jo value-added aur higher-margin segment ko reflect karta hai.
- Company ki kuch manufacturing facilities aur corporate office leasehold basis par operate hote hain.
- Lease renewal me failure ya lease termination hone ki situation me company ke operations aur continuity par adverse impact pad sakta hai.

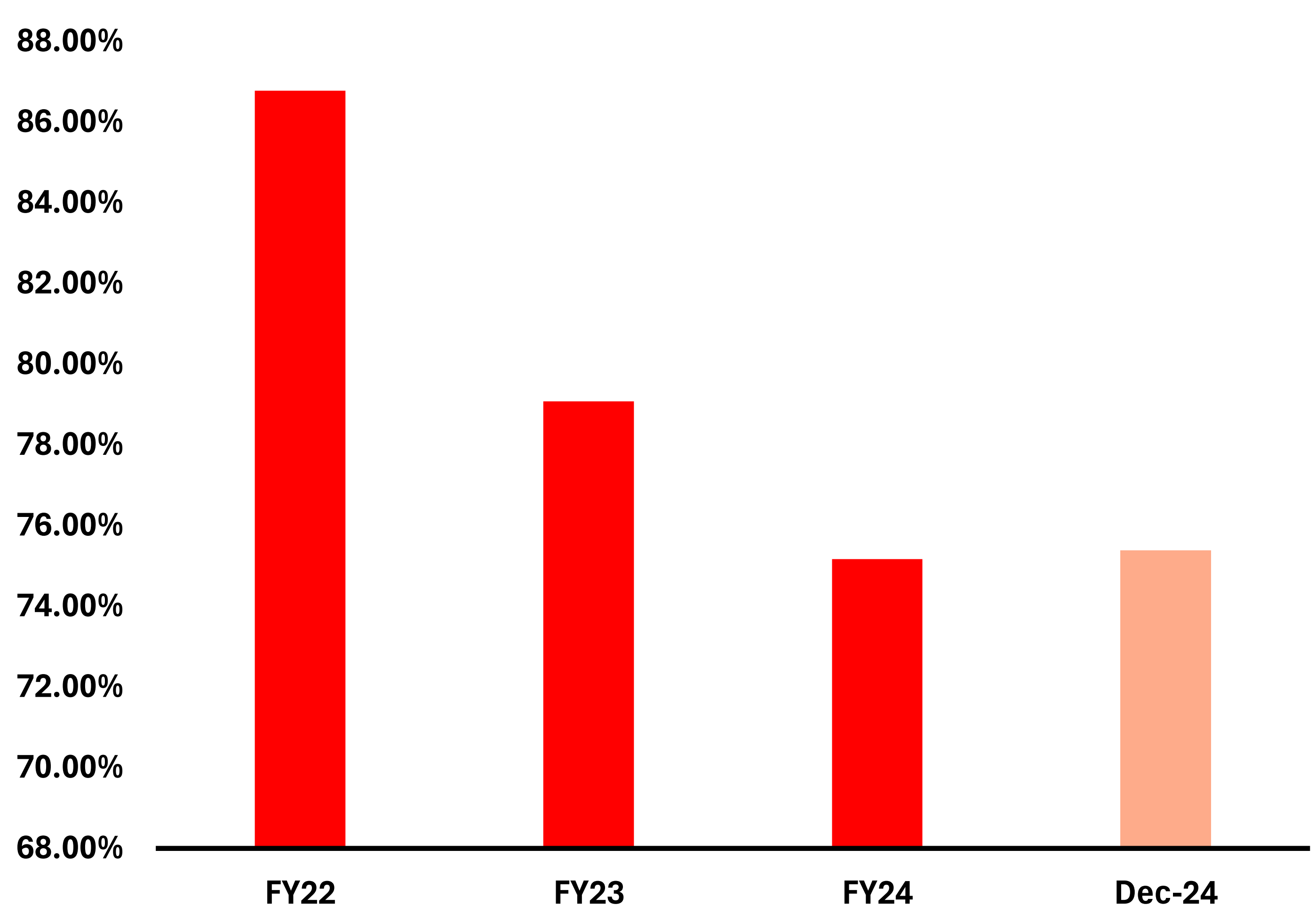
Top Five Export Countries



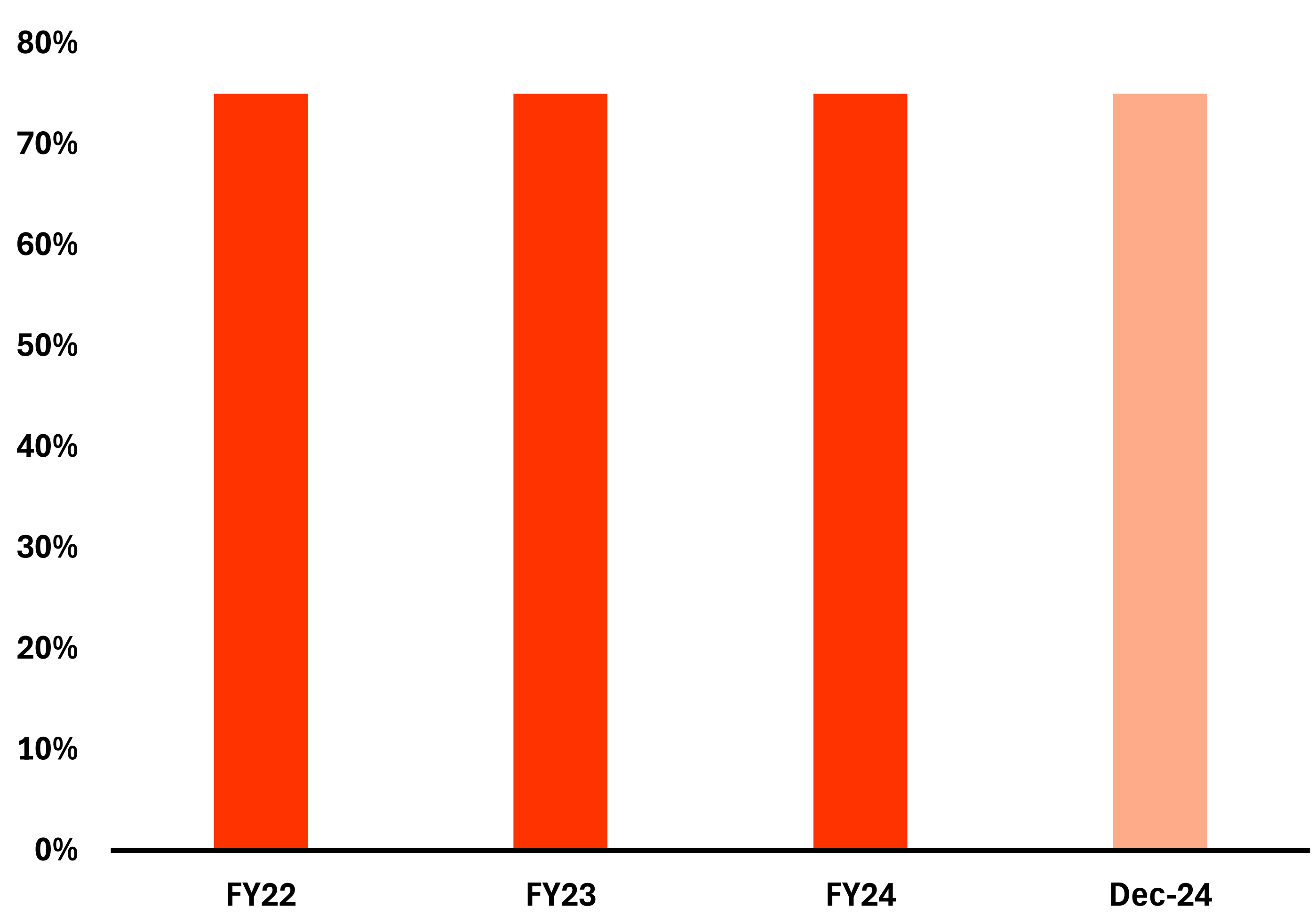
Top 10 Raw Material Suppliers



Power Sector se Revenue Contribution



Specialized Winding Wires Product Contibution



INTERNATIONAL

Retail Research	: IPO Note
Sector	: Capital Goods – Electrical Equipment
Price Band (INR)	: 365 to 384
Issue Type	: Fresh Issue & Offer For Sale

RISK

Customer Concentration Risk

Company ka business limited bade customers par kaafi zyada dependent hai.
Top 10 customers ka revenue contribution:
52.93% – 9M ended Dec 31, 2024
57.10% – FY24
58.99% – FY23
66.02% – FY22
Matlab company ki 50%+ income sirf 10 customers se aati hai, jo revenue stability ke liye risk create karta hai agar kisi major customer ka order reduce ho.

Supplier Concentration & Raw Material Risk

Company raw material suppliers par heavily dependent hai.
Top 10 suppliers ka raw material cost me contribution:
97.67% – 9M ended Dec 31, 2024
96.93% – FY24
97.14% – FY23
98.39% – FY22
Matlab lagbhag poora raw material sirf 10 suppliers se aata hai, jisse supply disruption ya pricing pressure ka risk badh jata hai.

Power Sector Dependency Risk

Company ki revenue ka major hissa Power Sector se aata hai, jisme:
Power generation
Transmission
Distribution
Power Sector revenue contribution:
75.39% – 9M ended Dec 31, 2024
75.17% – FY24
79.08% – FY23
86.78% – FY22
Matlab 75–85% income sirf ek sector par dependent hai; power capex slowdown directly company ko impact kar sakta hai.

Product Concentration Risk

Company ki 75%+ revenue har saal specialized magnet winding wires se aati hai.
9M Dec 2024 → >75%
FY24 → >75%
FY23 → >75%
FY22 → >75%
Matlab business ek specific product category par heavily dependent hai.

Project Execution & Capex Delay Risk

Company Supa, Ahilyanagar (Maharashtra) me naya manufacturing plant develop kar rahi hai.
Management ne accept kiya hai ki:
Past me construction delays ho chuke hain
Future me delay ya cost overrun ka risk bana hua hai
Delay hone par growth plans aur returns impact ho sakte hain.

Export Dependency & Geopolitical Risk

Company ka 35%–44% revenue exports se generate hota hai.
Export markets include:
USA
Middle East
Europe
Asia
International exposure ki wajah se geopolitical tensions, trade policies aur demand slowdown ka risk rehta hai.

Regulatory & Compliance Risk

Company highly regulated environment me operate karti hai.
Government of India aur multiple statutory authorities ke rules ka strict compliance required hai.
Kisi bhi non-compliance se penalty, restriction ya operational disruption ho sakta hai.

Working Capital & Bank Guarantee Risk

Business working capital intensive hai:
Raw material pehle kharidna padta hai
Manufacturing ke baad delivery hoti hai
Payment customers se baad me milta hai
Adequate working capital na hone par operations aur growth impact ho sakti hai.

Power & Fuel Dependency Risk

Manufacturing ke liye high electricity aur fuel consumption hota hai.
Agar supply disrupt hui ya tariffs badhe
Production cost badhegi
Operations slow ho sakte hain
Profitability aur financials adversely affect ho sakte hain.

Exchange Rate Risk

Company exports karti hai, isliye currency fluctuation ka exposure hai.
Rupee appreciation ya volatility se export revenue aur margins impact ho sakte hain.

Leasehold Facilities Risk

Kuch manufacturing units aur corporate office leased premises par hain.
Lease renew na hone ya terminate hone par operations disrupt ho sakte hain.

Credit Rating & Financing Risk

Company ka access to capital largely credit rating par depend karta hai.
Weak ya unavailable rating se borrowing cost badh sakti hai ya funding limited ho sakti hai.

Unsecured Loans Risk

Company ne unsecured loans liye hue hain.
Lenders in loans ko anytime recall kar sakte hain, jisse liquidity pressure aa sakta hai.

Government Incentive Schemes Risk

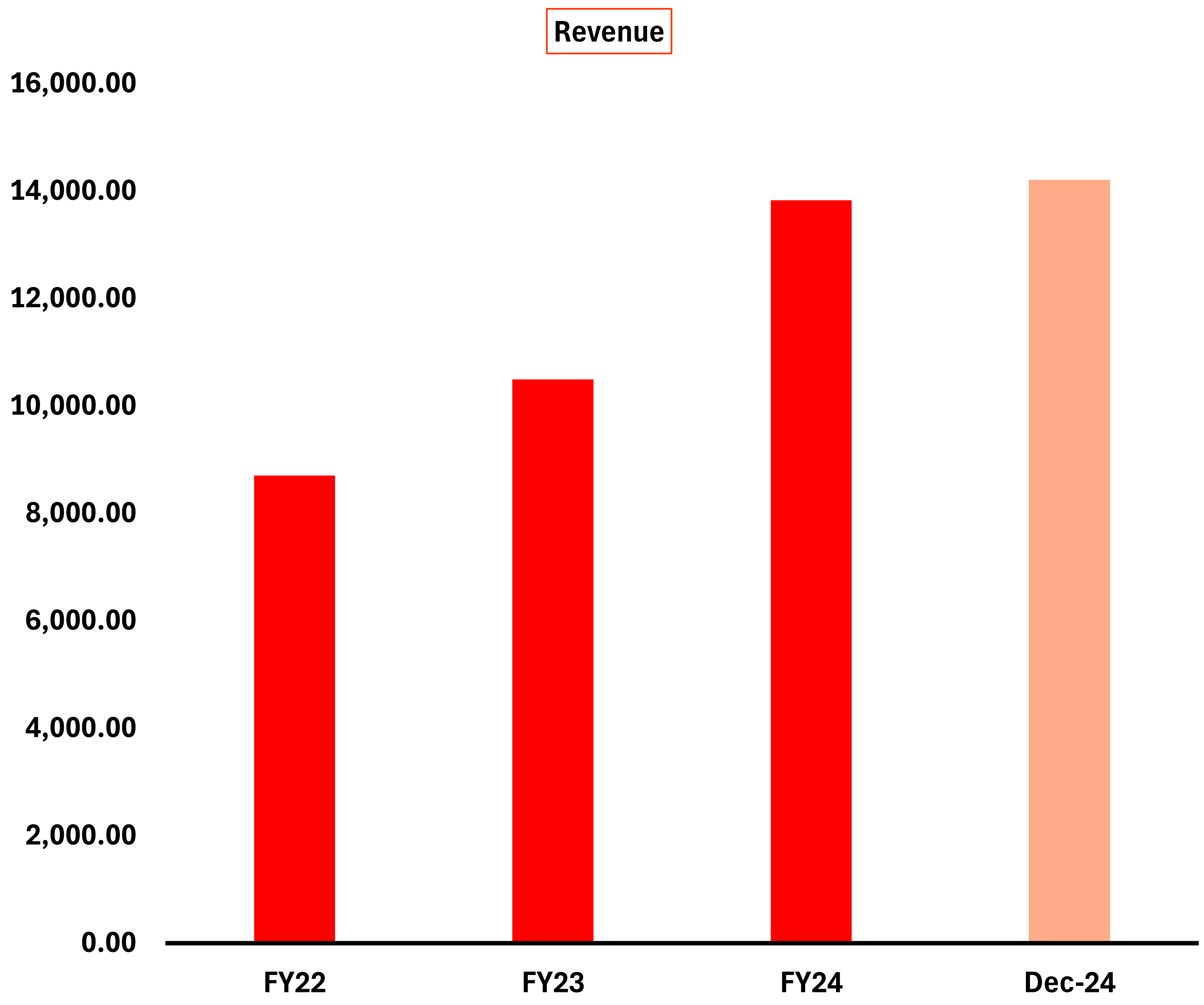
Company government incentive schemes ka benefit le rahi hai.
Conditions meet na hone ya scheme withdraw hone par cash flows aur profitability impact ho sakti hai.

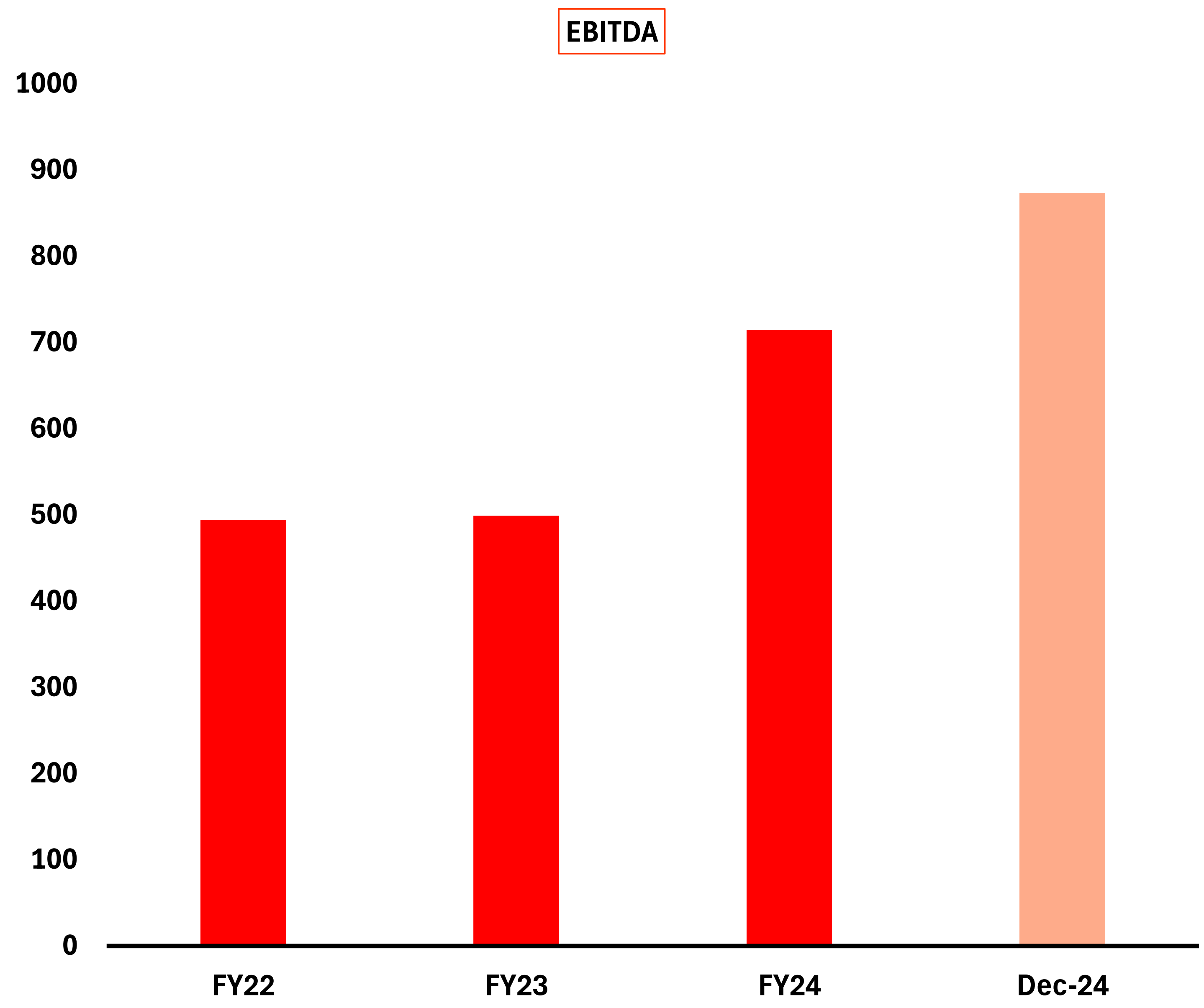
Foreign Capital Raising Risk

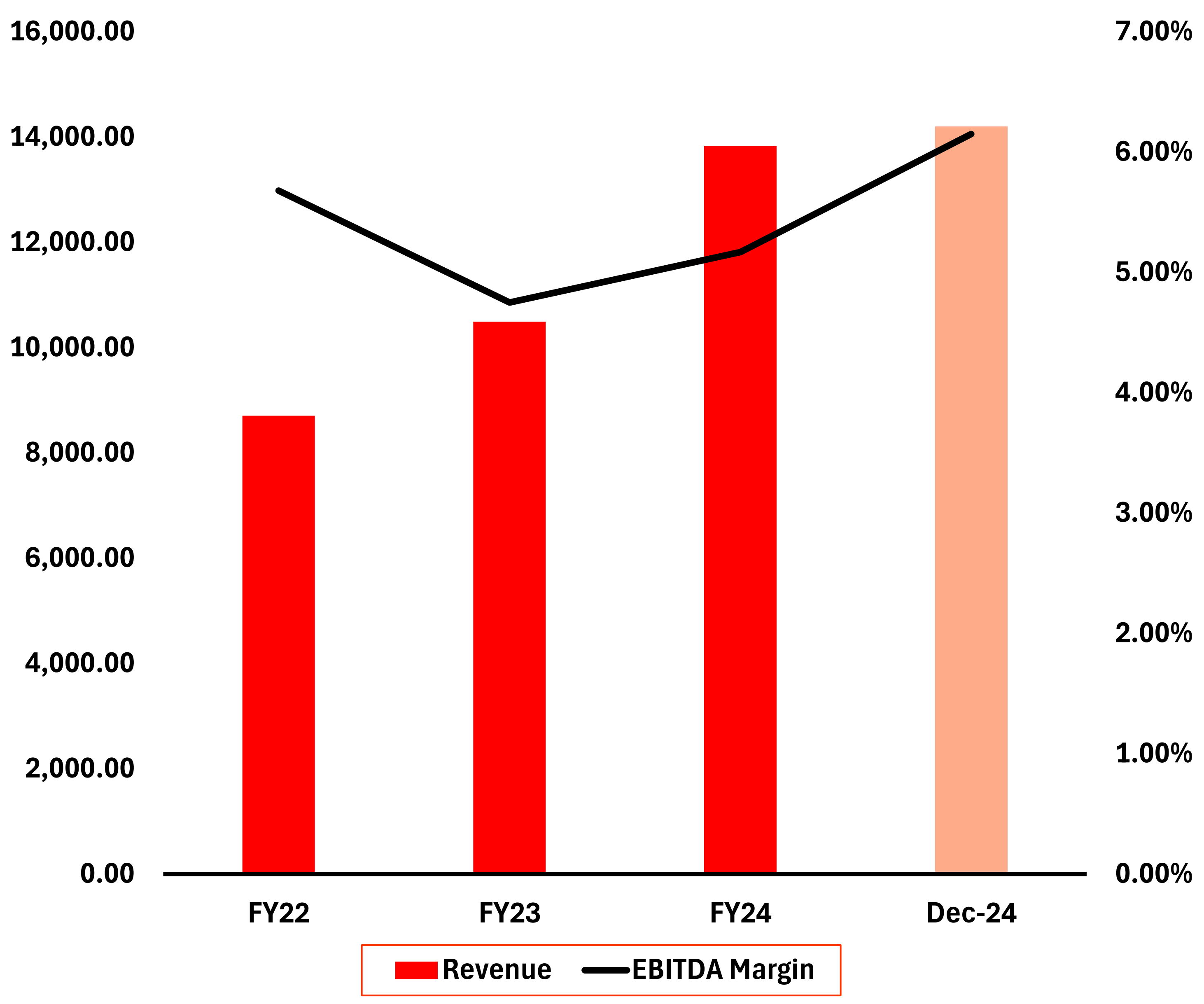
Indian regulatory framework ki wajah se company ka foreign capital raise karna constrained ho sakta hai.
Isse future funding flexibility aur expansion plans affect ho sakte hain.

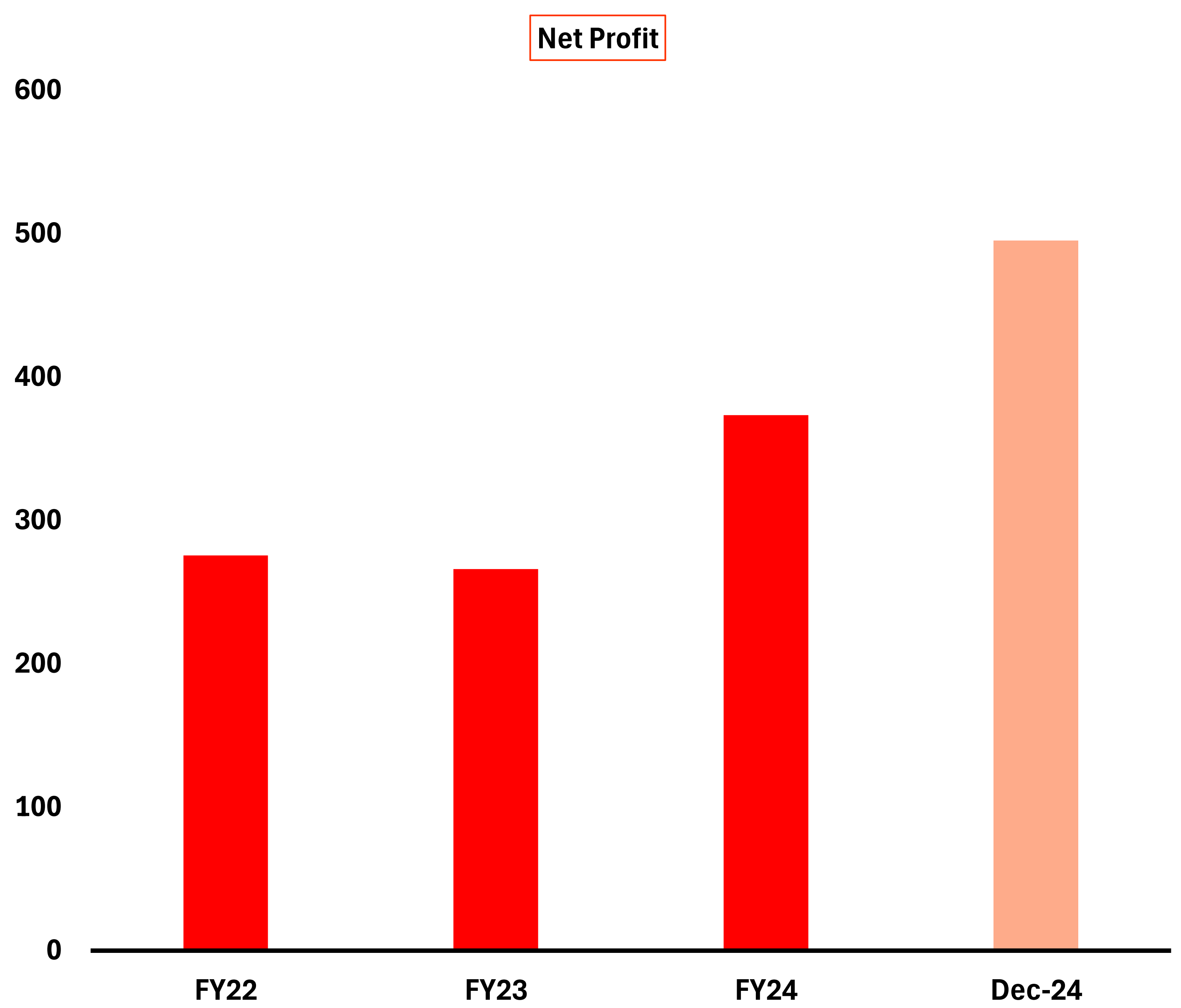
Academic Research Project –Not a Recommendation

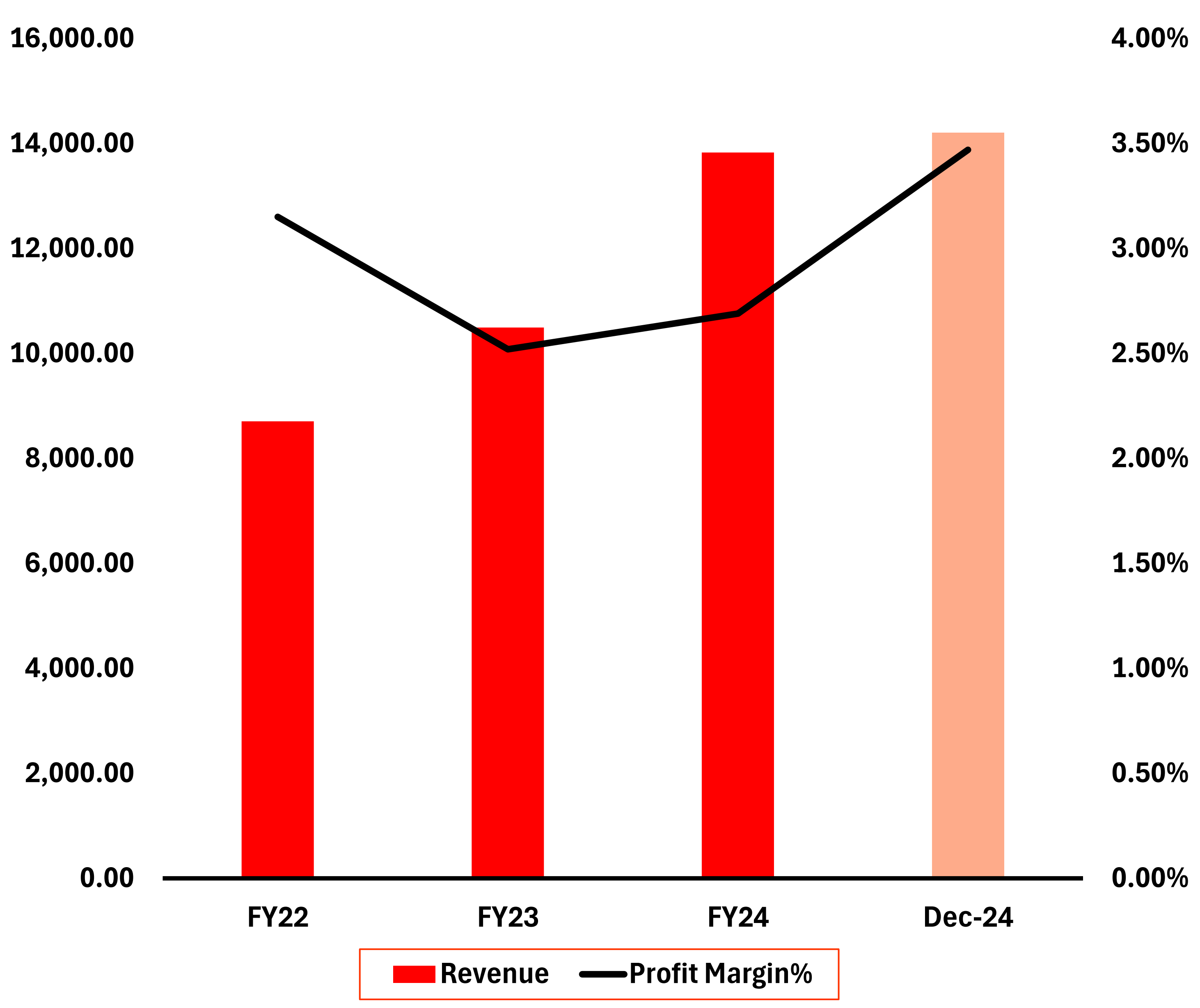
Retail Research	: IPO Note
Sector	: Capital Goods – Electrical Equipment
Price Band (INR)	: 365 to 384
Issue Type	: Fresh Issue & Offer For Sale



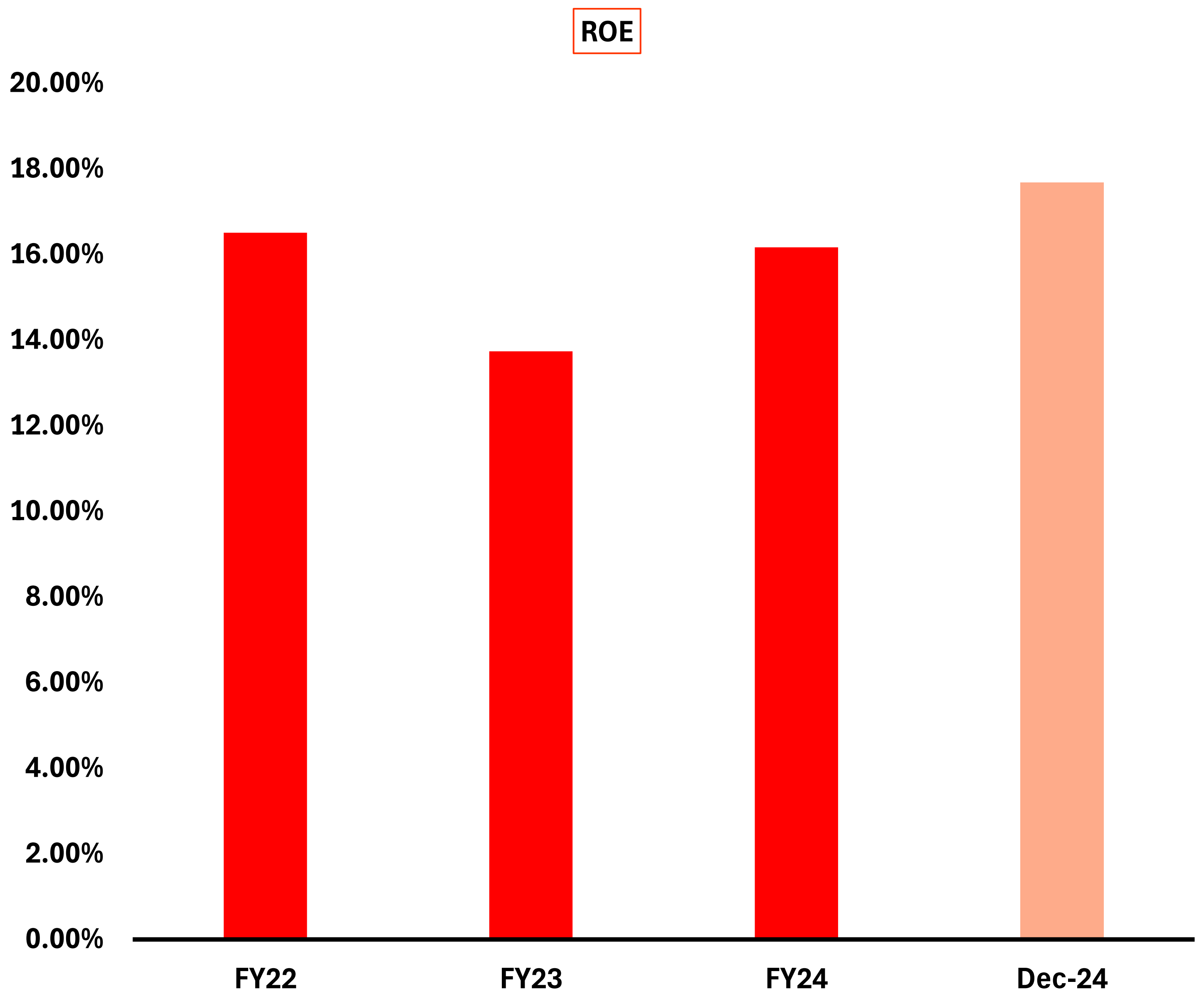


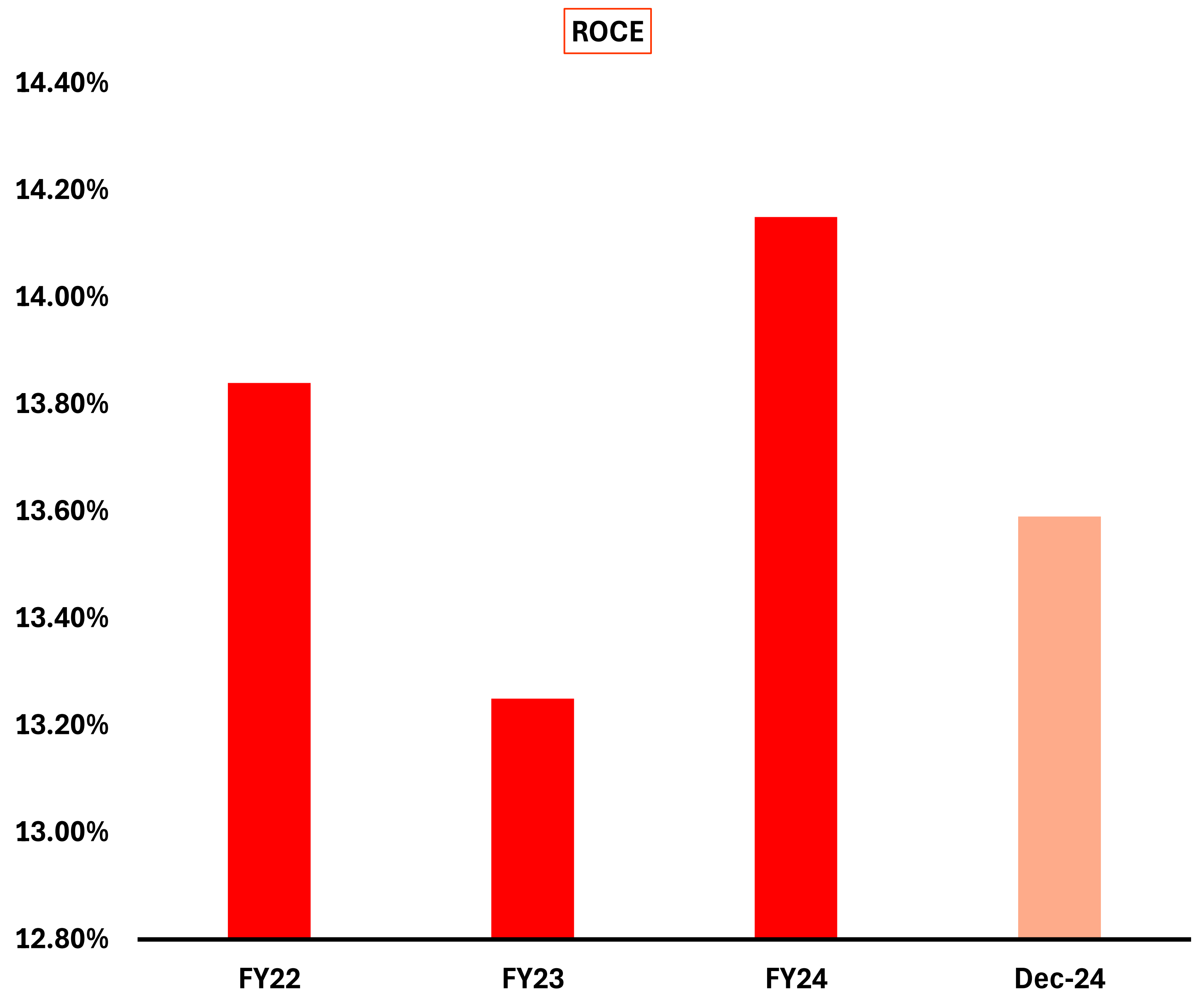


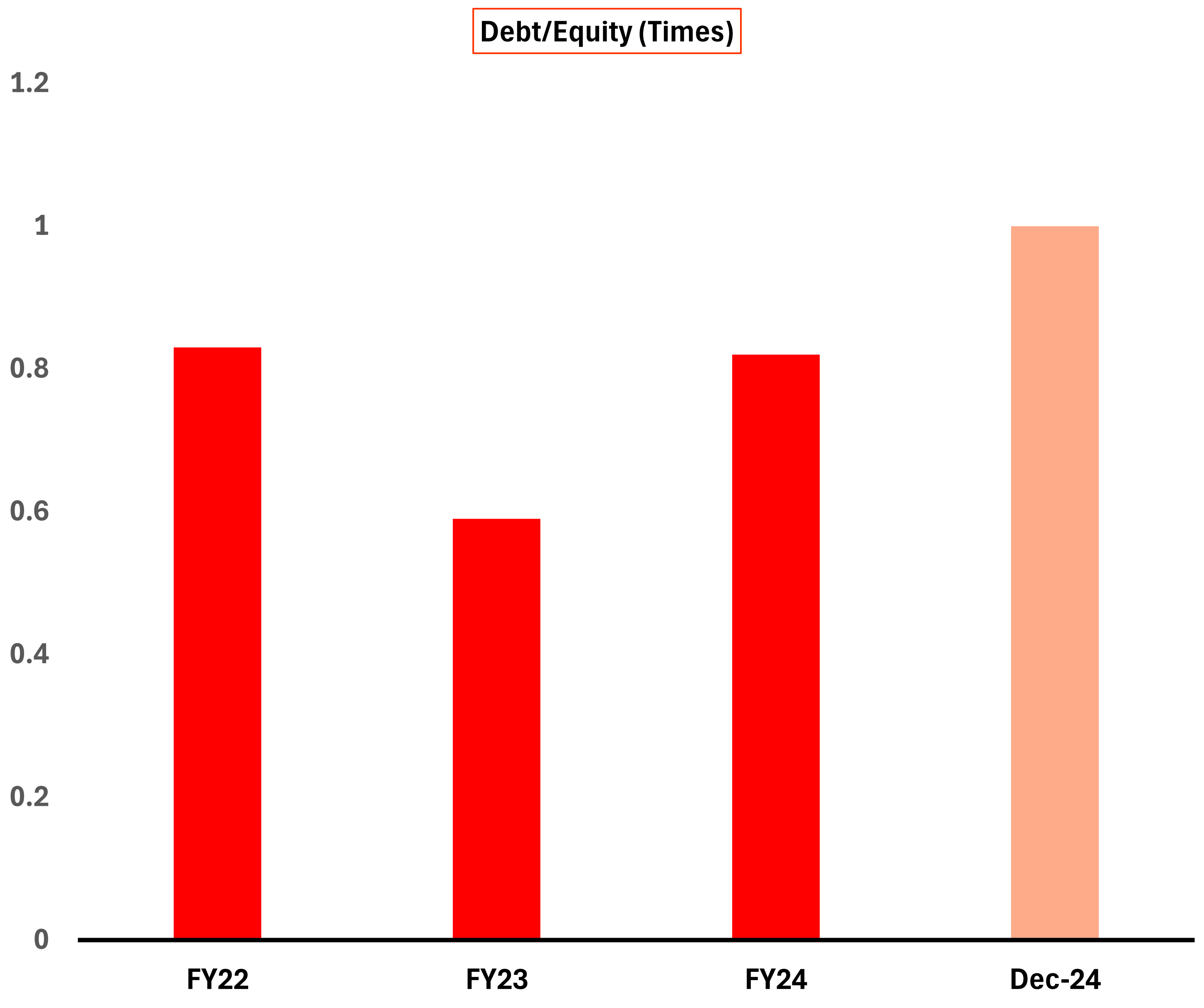


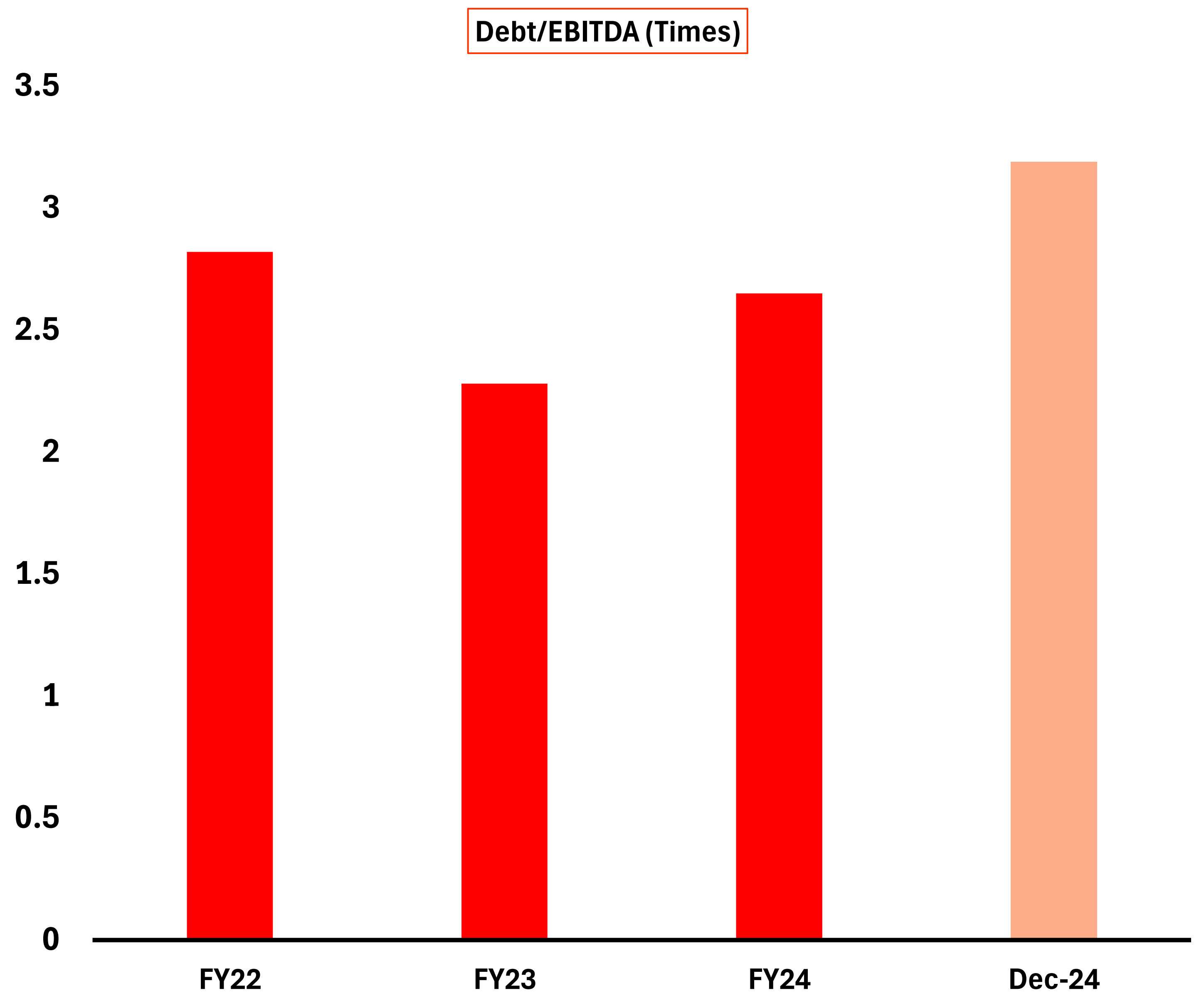


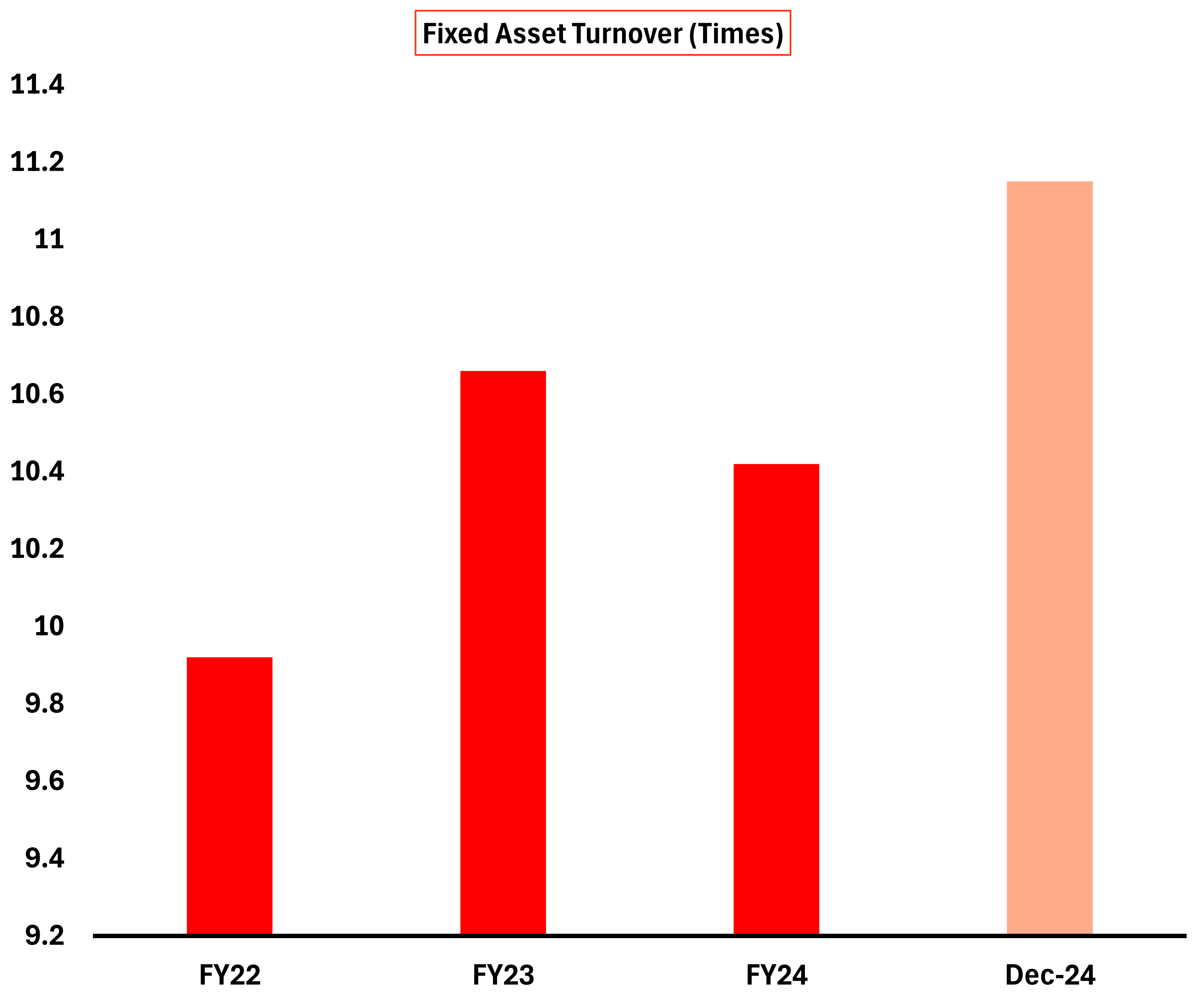
Retail Research	: IPO Note
Sector	: Capital Goods – Electrical Equipment
Price Band (INR)	: 365 to 384
Issue Type	: Fresh Issue & Offer For Sale

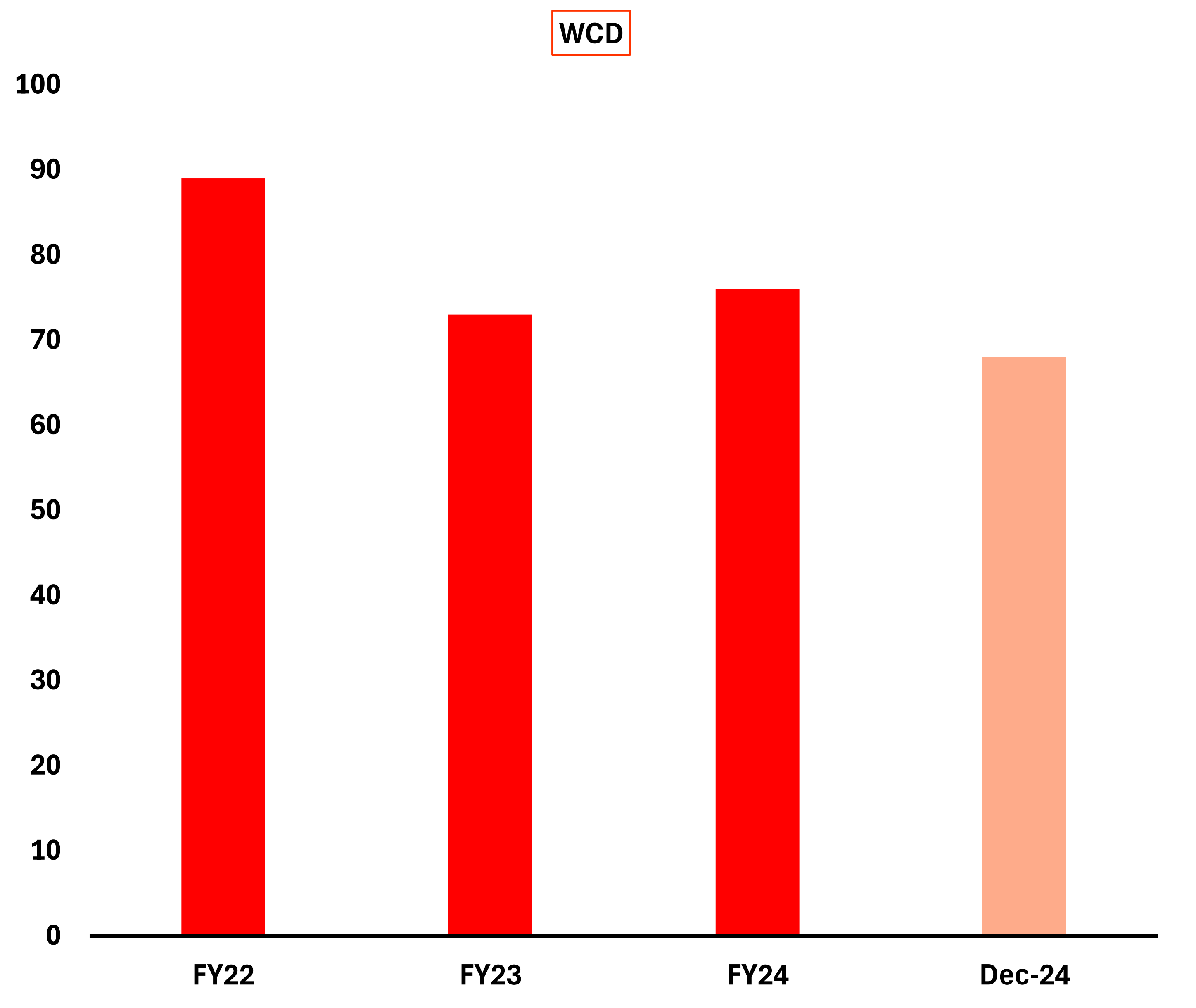












Retail Research	: IPO Note
Sector	: Capital Goods – Electrical Equipment
Price Band (INR)	: 365 to 384
Issue Type	: Fresh Issue & Offer For Sale

DISCLAIMER

Ye research report sirf educational aur informational purpose ke liye prepare ki gayi hai. Ye public circulation, commercial use, ya buy/sell/hold recommendation ke liye nahi hai. Isme jo information use ki gayi hai wo publicly available sources par based hai jo reliable mani jati hain, lekin koi independent verification nahi kiya gaya hai aur na hi iska accuracy, completeness ya reliability guarantee kiya jata hai.

Is report me diye gaye views aur opinions sirf author ke hain, kisi bhi affiliated institution ke nahi. Author ek SEBI registered research analyst nahi hai, aur ye report kisi bhi tarah ka investment advice ya financial instrument me invest karne ka solicitation nahi hai. Readers ko strongly advise kiya jata hai ki wo apna khud ka due diligence karein aur kisi licensed financial advisor se consult karke hi investment decisions lein.

Is report me mention kiye gaye securities me market volatility, currency fluctuation aur economic conditions jaise risks ho sakte hain. Author ke pass securities me position ho bhi sakti hai aur nahi bhi. Author kisi bhi financial loss ke liye responsible nahi hoga jo directly ya indirectly is report ke use se hoga.

Ye document bina author ki written consent ke distribute, publish ya reproduce nahi kiya ja sakta. Is report ko access karna ye imply karta hai ki aap is disclaimer aur terms ko agree karte ho