



IPO NOTE

POWERICA LIMITED



Rating:

NEUTRAL**ISSUE OFFER**

Issue Opens on	MAR 24, 2026
Issue Close on	MAR 27, 2026
Total IPO size (cr)	₹1,100
Fresh issue (cr)	₹700
Offer For Sale (cr)	₹400
Price Band (INR)	₹ 375-₹ 395
Market Lot	37 SHARES
Face Value (INR)	₹5
Listing At	BSE, NSE
Market Cap (Pre IPO)	₹ 4,998.60 CR

ISSUE BREAK-UP (%)

QIB Portion	<div style="width: 50%;"></div>	50%
NII Portion	<div style="width: 15%;"></div>	15%
Retail Portion	<div style="width: 35%;"></div>	35%

INDICATIVE TIMETABLE

Basis of Allotment	30-03-2026
Refunds/Unblocking ASBA Fund	01-04-2026
Credit of Share to Demat A/c	01-04-2026
Listing Date	02-04-2026

Powerica Ltd is a power solutions company specializing in diesel generator sets (DG sets) for main and backup use. The company offers a comprehensive range of generator sets with capacities ranging from 7.5 kVA to 10,000 kVA, designed to meet the distinctive requirements of diverse industries and applications.

OBJECTS OF THE ISSUE

- Prepayment/repayment of certain outstanding borrowings.
- General Corporate Purposes.

FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2025	FY 2024	FY 2023
Equity Share Capital	13.60	13.60	16.70
Net Worth	1,085.60	912.49	794.60
Revenue	2,710.93	2,356.77	2,422.42
EBITDA Margin%	12.76%	15.38%	13.76%
Net Profit/Loss of the year	175.83	226.11	106.45

FINANCIAL RATIOS OF FY25

ROCE



P/E (Pre IPO)



EPS (Pre IPO)

OUTLOOK & VALUATION

- Powerica is reasonably valued at 24.45x P/E vs higher-valued peers.
- The company reported inconsistency in its top and bottom lines for the reported periods.
- At just 12.76% in FY25, margins are quite modest and declining from 15.38% in FY24 – a red flag for operational efficiency.
- Both net profit (-22% YoY) and EBITDA margins are shrinking simultaneously, suggesting rising cost pressures.
- Revenue grew ~15% YoY in FY25, showing demand traction, but not translating to bottom-line growth.
- Apply with Caution, Suitable for risk-tolerant, long-term investors. Not ideal for pure listing gain seekers given declining profits and legal overhangs. Consider applying with a small allocation only.



COMPANY PROFILE

- Powerica Limited is an integrated power solutions provider engaged in manufacturing and supplying diesel generator sets (DG sets), medium speed large generators (MSLG), and related services.
- Its product portfolio covers a wide capacity range from 7.5 kVA to 10,000 kVA, catering to primary and standby power requirements across industries.
- The company's core business includes the sale of generator sets and allied products, along with associated services.
- It has also diversified into the renewable energy sector, particularly wind power, where it operates as an independent power producer and undertakes engineering, procurement and construction (EPC) as well as operation and maintenance (O&M) services for balance of plant.
- Revenue is generated primarily from its generator set business and power generation activities. Additionally, it offers allied solutions such as acoustic enclosures and electrical control panels.



COMPETITIVE STRATEGIES

- Capitalize on Continued Demand for Generator Sets
- Continue to Develop Wind Power Business and diversify further into wind solar hybrid projects
- Continue to Develop Allied Businesses and RECD Business through Associate
- Further Develop and Strengthen Alliances to Improve position in India
- Continuously evaluate expansion opportunities, considering policy and consumer base attractiveness



KEY CONCERNS

- Heavy dependence on the generator set business for the majority of revenue.
- Reliance on key suppliers like Cummins and Hyundai for critical components.
- Wind power business depends on OEM relationships and operational performance.
- Exposure to risks from power purchase agreements and land lease dependencies.
- Ongoing legal proceedings involving promoters and the company may impact operations.



KEY STRENGTHS

- Integrated power solutions provider with offerings across DG sets and renewable energy.
- Wide product range catering to diverse industrial and commercial power needs.
- Established presence in both conventional and renewable energy segments.
- Diversified capabilities, including EPC and O&M services in wind power.
- Long operating history with experience in power generation and equipment solutions.

COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (₹ Basic)	P/E	NAV	Revenue (cr.)	RoNW%
Powerica	15.26	24.45	79.80	2,710.93	15.37
Peer Group					
Cummins India	72.15	64.13	272.78	10,390.69	26.45
Kirloskar Oil Engines	33.71	43.24	212.60	6,349.13	15.85
NTPC Green Energy	0.67	129.40	21.88	2,209.64	2.58
Acme Solar	4.53	50.74	74.54	1,405.13	5.59
Adani Green Energy	8.37	101.53	76.62	11,212.00	11.90



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