

Powerica Ltd.

Nifty: 22,513 | Sensex: 72,696

IPO Note | 24th March 2026

Subscribe

Sector: Capital Goods

Price Range: ₹375 - ₹395

Established Diesel Generator Player with Emerging Renewable Portfolio

Powerica Ltd, founded in 1984, is an integrated power solutions provider focused on diesel generator sets (DG sets) for primary and standby power. A long-standing OEM partner of Cummins India, the company also operates in the medium speed large generator (MSLG) segment through a collaboration with HD Hyundai Heavy Industries. The company manufactures generator sets ranging from 7.5 kVA to 10,000 kVA across its Bengaluru, Silvassa, and Khopoli plants. Powerica has diversified into renewables with 330.8 MW of wind assets in Gujarat and also offers emission control solutions via its associate, Platino Automotive.

- ◆ The DG market in India has grown at a 17% CAGR over the past two years, reaching ₹14,449cr in FY25, and is expected to grow at a 10% CAGR to ₹23,803cr by FY30, supported by infrastructure development, telecom expansion, industrial growth, and data centers. *(Source: Frost & Sullivan analysis)*
- ◆ Powerica recorded topline growth of 5.6% CAGR, reaching ₹2,653cr in FY25 from FY23, driven by steady orders from clients due to long-standing partnership with key OEMs and growth in the wind business.
- ◆ Margins contracted by 190 bps from FY23, settling at 12.7% in FY25 for the overall business, with DG sets at 8.3% due to rising input costs and competitive pricing pressure, while margins in the wind business remained stable at 41.0%.
- ◆ PAT grew strongly at a 28.6% CAGR, reaching ₹177cr in FY25 from ₹106cr in FY23, supported by topline growth, lower finance costs, and reduced depreciation.
- ◆ Powerica's strong technical depth and integrated operations drive quality and cost efficiency, supported by credible OEM partnerships. DG demand remains steady on power deficits and infrastructure growth, while renewables offer policy-led higher-margin diversification.
- ◆ The planned debt repayment of ₹525cr from the IPO proceeds will result in substantial savings on interest costs (D/E will reduce from 0.5x to 0.0x), which should also result in an increase in PAT.
- ◆ At the upper price band of ₹395, Powerica is valued on adj. P/E of an 28x for FY25 EPS and 19x for FY26E EPS annualized. The company's topline has improved momentum in H1FY26, with strong demand visibility for DG sets driven by data centers and rising power demand. Its wind energy business provides higher-margin potential, and strong relationships with global players further enhance growth prospects. With healthy ROE of 17.5% and an improved D/E ratio, the balance sheet should be able to support project execution in the wind sector. Hence we assign a Subscribe rating for a long-term investment horizon.

Issue Details	
Date of opening	March 24, 2026
Date of closing	March 27, 2026
Total No. of shares offered (cr.)	2.78
Post Issue No. of shares (cr)	12.7
Face Value	₹5
Bid Lot	37 Shares
Minimum application for retail (upper price band for 1 lot)	₹14,615
Maximum application for retail (upper price band for 13 lot)	₹1,89,995
Listing	BSE,NSE
Lead Managers	ICICI Securities Ltd, IIFL Capital Services Ltd, Nuvama Wealth Management Ltd
Registrar	MUFG Intime India Pvt Ltd.

Issue size (upper price)	Rs. cr
Fresh Issue	700.0
OFS	400.0
Total Issue	1,100.0

Shareholding (%)	Pre-Issue	Post Issue
Promoter & Promo. Group.	99.99	78.0
Public & others	0.01	22.0
Total	100.0	100.0

Issue structure	Allocation (%)	Size Rs. cr
QIB	50	549.0
Non-Institutional	15	164.7
Retail	35	384.2
Employee Reservation	-	2.0
Total	100	1,100.0

Y.E March (Rs cr.)	Consol.	FY24	FY25	H1FY26
Sales		2,210.0	2,653.3	1,447.4
Growth YoY(%)		-7.1	20.1	-
EBITDA		362.5	336.6	213.7
Margin(%)		16.4	12.7	14.8
Reported PAT		226.1	166.8	127.9
Growth (%)		87.5	-26.2	-
PAT Adj.		226.1	175.8	134.6
Growth (%)		112.5	-22.2	-
EPS		17.8	13.8	21.3*
P/E (x)		22.2	28.5	18.6*
EV/EBITDA (x)		15.1	14.2	15.6
P/Bv (x)		5.5	4.6	4.1

* Annualised

Purpose of IPO

The offer consists of a fresh issue of ₹700cr and an Offer for Sale (OFS) amounting to ₹400cr. The purpose of the issue is to i) Repayment/prepayment of certain borrowings and related penalties (₹525cr) and ii) remaining for general corporate purposes.

Key Risks

- Segment concentration risk, DG set business contributes 80% of revenue as of H1FY26 therefore any slowdown may significantly impact performance.
- Heavy reliance on Cummins India Ltd and Hyundai Heavy Industries Ltd as suppliers as business with them makes up entire DG set segment revenue.

Peer Valuation

Company	CMP(Rs.)	MCap(Rs. cr)	Sales (Rs. cr)	EBITDA(%)	PAT (%)	EPS(Rs.)	RoE (%)	P/E(x)	P/BV	Mcap/sales	EV/EBITDA
Powerica Ltd.	395	4,999	2,653	12.7	6.6	13.8	17.5	28.5	4.6	1.9	15.6
Cummins India Ltd	4,524	1,25,366	10,391	20.9	19	70.7	16.6	64.0	16.6	12.1	40.0
Kirloskar Oil Engines Ltd	1,296	18,852	6,295	18.9	8	30.9	6.1	42.0	6.1	3.0	12.6

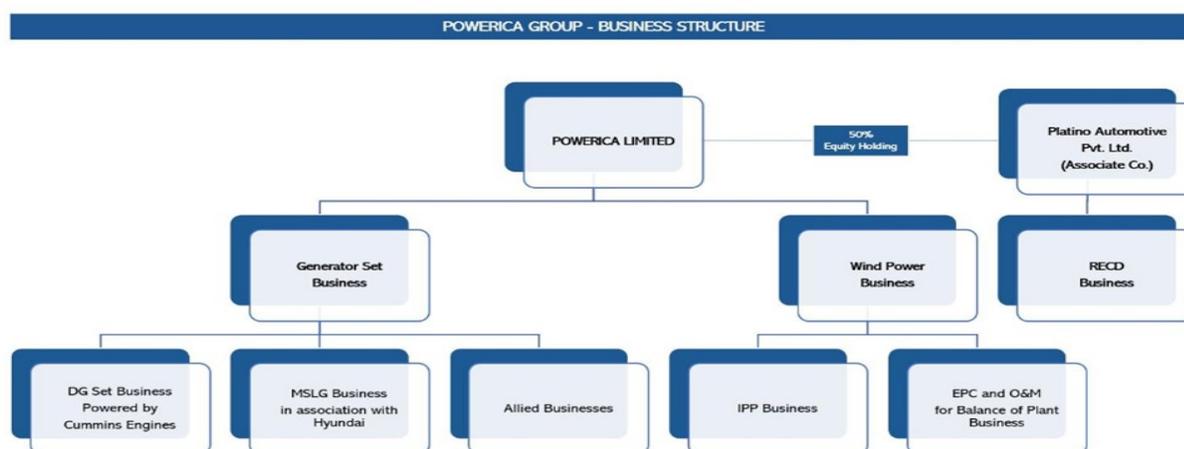
Source: Geojit Research, Bloomberg; Valuations of Powerica are based on upper end of the price band (post issue), Financials as per FY25 consolidated.



Business Description:

Powerica operates through mainly in 3 segments:

- Generator Set Business:** The company manufactures Cummins-powered DG sets from 7.5–3,750 kVA with integrated enclosures, fuel systems, and control panels, supported by three facilities and a nationwide network. Its DG solutions serve sectors spanning infrastructure, manufacturing, data centers, defense, and agriculture. The company also offers Hyundai collaborated MSLG up to 10,000 kVA for heavy industries and nuclear projects, complemented by EMI shelters, acoustic enclosures, and PRISMA panels, reinforcing its integrated power solutions positioning.
- Wind Power Business:** The company has been in wind power since 2008 and operates 330.8MW across 12 projects in Gujarat, with 52.7MW under construction, taking its IPP portfolio to 383.5MW. Long-term Power Purchase Agreement (PPA) with Gujarat Urja Vikas Nigam Ltd (GUVNL) and Solar Energy Corporation of India (SECI) provide stable revenues with ~18 years of average contract life. The company has strong project infra capabilities, having executed 450.40MW and holding new mandates over 435MW, alongside O&M services for 296.50MW. With 15+ years of experience and secure payment structures, Powerica maintains a diversified renewable presence across IPP, EPC, and O&M.
- Retrofit Emission Control Devices (RECD):** Through its associate Platino Automotive, the company supplies RECDs that help older DG sets meet emission norms by reducing key pollutants. The business is growing, with strong FY25 revenue of ₹75.9 crore and an EBITDA margin of 34%, and it complements Powerica's DG portfolio by offering cost-effective environmental compliance solutions.



Source: Geojit research, RHP

Key strengths

◆ Established Position in the Generator Set Market.

Incorporated in 1984, the company has a long operating track record in the DG sets industry with a comprehensive product portfolio ranging from 7.5 kVA to 10,000 kVA across horse power segments. It provides end-to-end solutions including manufacturing, supply, installation, testing, commissioning and O&M services, supported by a captive manufacturing model across three facilities. The company also benefits from a longstanding relationship of over four decades with Cummins and has expanded into high-capacity MSLG solutions integrated with Hyundai systems. Its diversified presence across sectors such as infrastructure, manufacturing, data centers and commercial ensures steady demand. Additionally, favorable industry tailwinds including rising data center capacity and continued reliance on backup power solutions support strong growth visibility and position the company well to capitalize on future opportunities.

◆ Collaborations and Alliances with Established Industry Players.

The company has strong collaborations with leading global OEMs, enhancing its technical capabilities and competitiveness. Its four decade relationship with Cummins supports product planning and market alignment, while its partnership with Hyundai since 2014 strengthens its MSLG portfolio with integrated high capacity systems. In renewables, alliances with GE Vernova and Vestas have enabled execution of multiple wind projects and a joint development agreement for large scale wind solar hybrid projects in Gujarat. Additionally, its association with Schneider Electric supports advanced control panel solutions, and international partnerships further enhance wind energy expertise. These collaborations reinforce industry credibility, broaden the company's technological base, and enable expansion across DG sets, renewable energy, and integrated power solutions, positioning it well to capture emerging opportunities.

◆ Strong Technical and Execution Capabilities.

The company has strong technical and execution capabilities backed by advanced manufacturing infrastructure and a skilled workforce. It uses CNC-based fabrication systems and in-house engineering for design and structural manufacturing, supported by 3D modelling for accuracy and timely execution. Integrated capabilities across design, manufacturing and EPC, along with experience in MSLG projects, enhance project delivery and operational efficiency. In wind power, the company maintains end to end in house capabilities across design, development, construction and operations, ensuring quality control and cost efficiency. A disciplined project development process—including detailed wind resource assessment and micro-siting to mitigate wake effects—supports optimized output. With a trained workforce and continuous skill development, the company ensures timely execution, efficient asset utilization and improved project feasibility.

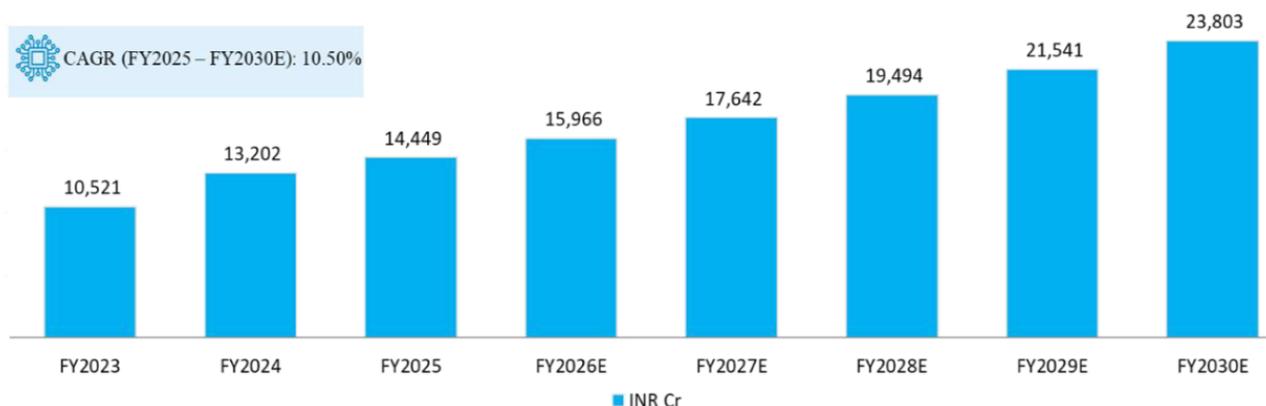
Key strategies:

- ◆ 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 business and RECD business through associate.
- ◆ Further develop and strength alliances to improve position in India.
- ◆ Continuously evaluate expansion opportunities, considering policy and consumer base attractiveness .

Industry Outlook

The DG market in India is valued at ₹14,449cr in FY25 and is expected to reach ₹23,803cr by FY30E, reflecting a CAGR of 10%. This growth will be supported by infra development, telecom expansion, IT/data center's, commercial growth and continued need for power reliability in Tier II and Tier III cities. While in wind power sector, India saw capacity addition of 83GW in FY19-25 and expected add 16GW in FY26-30 which will be backed by strong policy push from the Govt. (Source: Frost & Sullivan analysis, Crisil Intelligence)

Overall DG market size, in value (INR Cr) (FY2023-FY2030E)



Source: RHP, Geojit Research

Promoter and promoter group

The Promoters of Company are the Bharat Oberoi, Renu Naresh Oberoi, Jai Ram Oberoi, Naresh Oberoi Family Trust, Bharat Oberoi Family Trust and Kabir and Kimaya Family Private Trust.

Brief Biographies of directors

- **Bharat Oberoi**, is the Chairman and Managing Director. A promoter associated with the company since 1994, he oversees manufacturing, business development, and customer relationships. He has over 30 years of experience in the generator set industry and previously served as a director at PSSPL (now amalgamated).
- **Pradeep Omprakash Gupta**, is a Whole-time Director. Associated with the company since 2004, he leads overall strategy, investments, and operations of the wind division. With more than 34 years of managerial experience, he has previously held leadership roles at Texmaco Limited, GSL (India) Limited, and Eastern Spinning Mills.
- **Renu Naresh Oberoi** is a Whole-time Director. Connected with the company since 2012, she oversees corporate and administrative functions along with strategic initiatives. She has over 12 years of experience in wind power operations and corporate roles.
- **Jai Ram Oberoi** is a Whole-time Director. A part of the company since 2022, he manages generator set business strategy, operations, systems development, and business relationships. He brings academic credentials from Emory University and Columbia University, and prior experience at Clarivate Analytics and Emory University.
- **Maheswar Sahu** is an Independent Director. Appointed in 2018, he is a retired IAS officer with over 33 years of government experience, including serving as Additional Chief Secretary, Industries & Mines, Government of Gujarat. He also serves on multiple boards as an independent director.
- **Udaya Shankar Jena** is an Independent Director. With over 20 years of management experience, he has previously worked with SBI Gilts Limited and Societe Generale across various managerial roles
- **Sowmya Chaturvedi** is an Independent Director. She has over 14 years of experience in the power and energy sector, and has held roles in project management, sourcing, and supply chain at Cummins India, Cummins Asia Pacific, TAFE, and TAL Manufacturing Solutions.
- **Sunil Godwin Lobo** is an Independent Director. With nearly three decades of experience in corporate and investment banking, he previously served as Director – Wealth Management at BNP Paribas and currently heads Corporate Banking for Doha Bank in India.
- **Tapan Ray** is an Independent Director. A former IAS officer who served as Secretary, Ministry of Corporate Affairs, Government of India. He has been on the boards of SEBI and Central Bank of India, and served as MD & Group CEO of GIFT City company, Gujarat.

CONSOLIDATED FINANCIALS

PROFIT & LOSS

Y.E March (Rs cr)	FY23	FY24	FY25	H1FY26
Sales	2,378.3	2,210.0	2,653.3	1,447.4
% change	-	-7.1	20.1	-
EBITDA	347.4	362.5	336.6	213.7
% change	-	4.3	7.1	-
Depreciation	135.5	128.0	116.5	53.9
EBIT	211.9	234.5	220.2	159.8
Interest	56.0	40.5	32.2	12.4
Other Income	44.1	146.8	57.7	27.4
Exceptional items	0.0	0.0	0.0	0.0
PBT	200.0	340.7	245.6	174.9
% change	-	70.4	-27.9	-
Tax	79.4	114.6	78.8	47.0
Tax Rate (%)	40	34	32	0
Reported PAT	120.6	226.1	166.8	127.9
% change	-	88	-26	-
Adj	-14.2	0.0	9.0	6.7
Adj. PAT	106.4	226.1	175.8	134.6
% change	-	112.5	-22.2	-
Post issue No. of shares (cr)	12.7	12.7	12.7	12.7
Adj EPS (Rs)	8.4	17.9	13.9	21.3*
% change	-	112.5	-22.2	-

CASH FLOW

Y.E March (Rs cr)	FY23	FY24	FY25	H1FY26
PBT Adj.	200.0	340.7	245.6	174.9
<i>Non-operating & non cash adj.</i>	159.0	30.1	101.7	42.2
Changes in W.C	-84.2	-27.2	-42.7	31.3
C.F. Operating	252.1	283.4	247.4	219.7
Capital expenditure	-61.8	-253.2	-333.4	-441.8
Change in investment	-70.8	106.0	-30.4	-0.3
Sale of investment	15.3	124.1	25.7	2.8
Other invest.CF	23.6	9.3	1.3	-3.0
C.F - investing	-93.7	-13.8	-336.8	-442.2
Issue of equity	0.0	-108.4	0.0	0.0
Issue/repay debt	-107.5	-111.3	123.3	271.2
Dividends paid	0.0	0.0	0.0	-1.8
Other finance.CF	-57.4	-48.1	-37.7	-13.5
C.F - Financing	-164.8	-267.8	85.6	255.9
Change. in cash	-6.4	1.8	-3.8	33.4
Opening Cash	29.7	23.3	25.2	21.4
Closing cash	23.3	25.2	21.4	54.8

Note:

◆ *Annualised

BALANCE SHEET

Y.E March (Rs cr)	FY23	FY24	FY25	H1FY26
Cash	30.7	32.6	43.1	86.3
Accounts Receivable	262.3	318.5	399.3	342.4
Inventories	203.4	269.5	206.9	315.1
Other Cur. Assets	116.5	113.2	120.4	157.3
Investments	394.3	333.4	395.1	417.1
Def. Tax Assets	0.0	0.0	0.0	0.0
Net Fixed Assets	1,080.1	939.1	853.7	817.3
CWIP	4.4	23.5	352.2	429.3
Intangible Assets	11.3	11.6	11.8	11.7
Other Assets	23.0	43.6	32.5	153.2
Total Assets	2,125.8	2,084.9	2,414.8	2,729.7
Current Liabilities	409.1	500.2	476.9	588.3
Provisions	34.9	23.8	31.3	31.3
Debt Funds	278.9	182.3	311.9	585.9
Other Fin. Liabilities	494.1	296.4	296.5	78.5
Deferred Tax liability	114.3	170.2	204.7	219.3
Equity Capital	16.7	13.6	13.6	54.5
Reserves & Surplus	777.9	898.7	1071.0	1159.0
Shareholder's Fund	794.6	912.1	1093.8	1226.5
Total Liabilities	2,125.8	2,084.9	2,414.8	2,729.7
BVPS (Rs)	62.8	72.1	86.4	96.9

RATIOS

Y.E March	FY23	FY24	FY25	H1FY26
Profitab. & Return				
EBITDA margin (%)	14.61	16.4	12.7	14.8
EBIT margin (%)	8.9	10.6	8.3	11.0
Net profit mgn.(%)	4.5	10.2	6.6	9.3
ROE (%)	13.4	26.5	17.5	21.9
ROCE (%)	26.1	23.3	15.8	15.8
W.C & Liquidity				
Receivables (days)	40.3	48.0	49.4	10.8
Inventory (days)	47.3	60.0	47.9	15.9
Payables (days)	36.1	50.4	36.3	24.4
Current ratio (x)	2.3	2.0	2.3	2.1
Quick ratio (x)	0.7	0.7	0.9	0.7
Turnover & Levq.				
Net asset T.O (x)	2.2	2.2	3.0	1.8
Total asset T.O (x)	1.1	1.0	1.2	1.1
Int. covge. ratio (x)	3.8	5.8	6.8	12.9
Adj. debt/equity (x)	0.4	0.2	0.3	0.0**
Valuation ratios				
EV/Sales (x)	2.2	2.3	2.0	3.8
EV/EBITDA (x)	15.1	14.2	15.6	25.7
P/E (x)	47.2	22.3	28.5	18.6*
P/BV (x)	6.3	5.5	4.6	4.1

DISCLAIMER & DISCLOSURES

Certification: I, Mithun T Joseph, author of this Report, hereby certify that all the views expressed in this research report reflect our personal views about any or all of the subject issuer or securities. This report has been prepared by the Research Team of Geojit Investments Limited, hereinafter referred to as GIL.

For general disclosures and disclaimer: Please [Click here](#).

Regulatory Disclosures:

Geojit Investments Limited is a wholly owned subsidiary of Geojit Financial Services Limited. Group companies/ Fellow subsidiaries of Geojit Investments Ltd (GIL) are Geojit Technologies Private Limited (Software Solutions provider), Geojit Credits Private Limited (NBFC), Geojit Fintech Private Ltd, Geojit IFSC Ltd (a company incorporated under IFSC Regulations), Qurum Business Group Geojit Securities LLC (a subsidiary of holding company in Oman engaged in Financial Services), Barjeel Geojit Financial Services LLC (a joint venture of holding company in UAE engaged in Financial Services), BBK Geojit Consultancy and Information KSC (C) (a joint venture in Kuwait-engaged in Financial services) and Aloula Geojit Capital Company (a joint venture in Saudi Arabia under liquidation).

Geojit Investments Limited is an investment services company with memberships in National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Multi Commodity Exchange (MCX) and National Commodity & Derivatives Exchange (NCDEX). GIL offers advanced trading and investing platforms, and in-depth research reports & recommendations on equities, commodities, currencies and bonds. As a depository participant of NSDL and CDSL, GIL offers comprehensive investment related services like de-materialization, transmission and, hassle free distribution of benefits from corporate actions. In the context of the SEBI Regulations on Research Analysts (2014), GIL affirms that we are a SEBI registered Research Entity and in the course of our business as a stock market intermediary, we issue research reports / research analysis etc. that are prepared by our Research Analysts.

We also affirm and undertake that no disciplinary action has been taken against us or our Analysts in connection with our business activities. In compliance with the above-mentioned SEBI Regulations, the following additional disclosures are also provided which may be considered by the reader before making an investment decision:

1. Disclosures regarding Ownership:

GIL confirms that:

(i)It/its associates have no financial interest or any other material conflict in relation to the subject company (ies) covered herein, at the time of publication of the research report.

(ii)It/its associates have no actual beneficial ownership of 1% or more in relation to the subject company (ies) covered herein, at the end of the month immediately preceding the date of publication of the research report.

Further, the Analyst confirms that:

(i) He, his associates and his relatives shall take reasonable care to ensure that they do not have any financial interest in the subject company (ies) covered herein, and they have no other material conflict in the subject company, at the time of publication of the research report.

(ii) He, his associates and his relatives have no actual/beneficial ownership of 1% or more in the subject company covered, at the end of the month immediately preceding the date of publication of the research report.

2. Disclosures regarding Compensation:

During the past 12 months, GIL or its Associates:

(a) Have not received any compensation from the subject company; (b) Have not managed or co-managed public offering of securities for the subject company (c) Have not received any compensation for investment banking or merchant banking or brokerage services from the subject company. (d) Have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company. e) Have not received any compensation or other benefits from the subject company or third party in connection with the research report (f) The subject company is / was not a client during twelve months preceding the date of distribution of the research report.

3. Disclosure by GIL regarding the compensation paid to its Research Analyst:

GIL hereby confirms that no part of the compensation paid to the persons employed by it as Research Analysts is based on any specific brokerage services or transactions pertaining to trading in securities of companies contained in the Research Reports.

4. Disclosure regarding the Research Analyst's connection with the subject company: It is affirmed that I, Mithun T Joseph, Research Analyst (s) of GIL have not served as an officer, director or employee of the subject company.

5. Disclosure regarding Market Making activity: Neither GIL/its Analysts have engaged in market making activities for the subject company.

6. Disclosure regarding conflict of interests: GIL shall abide by the applicable regulations/ circulars/ directions specified by SEBI and Research Analyst Administration and Supervisory Body (RAASB) from time to time in relation to disclosure and mitigation of any actual or potential conflict of interest. GIL will endeavour to promptly inform the client of any conflict of interest that may affect the services being rendered to the client.

7. "Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors."

8. Clients are required to keep contact details, including email id and mobile number/s updated with the GIL at all times.

9. In the course of providing research services by GIL, GIL cannot execute/carry out any trade (purchase/sell transaction) on behalf of, the client. Thus, the clients are advised not to permit GIL to execute any trade on their behalf.

10. GIL will never ask for the client's login credentials and OTPs for the client's Trading Account Demat Account and Bank Account. The Clients are advised not to share such information with anyone including GIL.

11. Standard Warning: "Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

12. Disclosures regarding Artificial Intelligence tools

Neither Geojit Investments Limited nor its Analysts have utilized any AI tools in the preparation of the research reports.

Please ensure that you have read the "Risk Disclosure Documents for Capital Market and Derivatives Segments" as prescribed by the Securities and Exchange Board of India before investing.

Geojit Investments Ltd. Registered Office: 7th Floor 34/659-P, Civil Line Road, Padivattom, Kochi-682024, Kerala, India. Phone: +91 484-2901000, Website : www.geojit.com/GIL . For investor queries: customercare@geojit.com

GRIEVANCES

Step 1: The client should first contact the RA using the details on its website or following

contact details: Compliance officer: Ms. Indu K. Address: 7th Floor, 34/659-P, Civil Line Road, Padivattom, Ernakulam,; Phone: +91 484-2901367; Email: compliance@geojit.com. For Grievances:grievances@geojit.com. **Step 2:** If the resolution is unsatisfactory, the client can also lodge grievances through SEBI's SCORES platform at www.scores.sebi.gov.in **Step 3:** The client may also consider the Online Dispute Resolution (ODR) through the Smart ODR portal at <https://smartodr.in>

Corporate Identity Number: U66110KL2023PLC080586, Research Entity SEBI Reg No : INH000019567; Depository Participant : IN-DP-781-2024.

