

## 1. Company Business

Prostarm Info Systems Limited, established in 2008, offers integrated power electronics solutions. It specializes in:

- Uninterrupted Power Supply (UPS) systems
- Solar PV power plants
- Lithium-ion battery packs
- Voltage stabilizers
- Solar hybrid inverters
- IT assets and related power conditioning equipment

The company serves sectors like BFSI, education, healthcare, telecom, railways, defense, and PSUs. It operates with a strong pan-India presence including regional offices across 20 states and manufacturing units in Pune and Mumbai.

In addition to our core manufactured products, we also deal in sale and supply of third party power solution products such as batteries, reverse logistics/end-of-life products and other assets such as IT Assets, solar panel and allied products.

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## 2. Industry Analysis

India's energy storage and power backup sector is witnessing rapid growth driven by:

- Rising power demand and outages

- Government's "24x7 Power for All" mission
- Push towards renewable energy (50% non-fossil target by 2030)
- Replacement of diesel generators with energy-efficient solutions

#### UPS Market Trends:

- Online UPS dominates with ~73% share in FY24
- Major demand from commercial, industrial, and data center segments
- UPS market in solar segment expected to grow at 16.83% CAGR by FY30

### 3. Company Financials (₹ in Crores)

Particulars	Dec 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	268.62	257.87	230.36	171.30
EBITDA	35.88	36.62	29.14	16.56
EBITDA Margins	13.36%	14.20%	12.65%	9.67%
PAT	22.10	22.79	19.34	10.87
PAT Margins	8.23%	8.84%	8.40%	6.35%
ROCE	22.95%	32.41%	41.45%	41.27%
Debt-Equity Ratio	0.56	0.51	0.39	0.07
Working Capital Days	123	126	85	63
CFOA	-10.53	-7.80	-13.50	4.16

## 4. Comparison with Peers

Companies	Revenue	EBITDA Margins	PAT Margins	D/E Ratio	MCap	P/E
Prostarm Info Systems (FY 2024)	257.87 Cr.	14.20%	8.84%	0.51	618 Cr.	27*
Servotech Power System (TTM)	587 Cr.	9%	5.62%	0.33	2,748 Cr.	82.10
Sungarner Energies (TTM)	22.51 Cr.	12.71%	7.19%	0.73	68.90 Cr.	42.50

***\*Forward PE is 20.97 on the basis of FY 25 PAT.***

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## 5. IPO Details with Pre and Post Promoter Holding

**Issue Size: Up to 1.6 crore equity shares (₹ 168 Cr.)**

**Issue Price Band: ₹95 to ₹105 per share**

**Entire Issue is Fresh Issue**

**Pre-Issue Promoter Holding: 100%**

**Post-Issue Promoter Holding: 72. 82%**

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## 6. Objects of the Issue

Funds raised from the IPO will be used for:

- Working capital requirements: ₹ 72.50 Cr.
  - Capital expenditure for expansion: Inorganic Growth
  - Repayment/prepayment of borrowings: ₹ 17.95 Cr.
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## 7. Pros and Cons

### ✓ Pros:

- High Profitability: Best PAT margin among peers
- Pan-India Presence: Operational reach across 20+ states
- Diverse Product Portfolio: UPS, solar, batteries, stabilizers
- Growing Sector: Strong tailwinds in power backup and energy storage

### ✗ Cons:

- Limited Scale: Revenue lower than Servotek Power
- Dependence on Power Sector Capex: Sensitive to govt policies
- Prostarm is facing a ₹24.9 Cr customs duty demand for alleged wrongful exemption on UPS imports. The department claims mis-declaration and seeks confiscation of goods under Section 111. Though the company has cited favorable legal precedents, an adverse outcome could materially impact its financials and reputation.

- Company received show cause notices from regulatory authorities, namely Registrar of Companies and Employees Provident Fund Organization alleging violation of respective legislation.
  - Negative Cash Flow from Operating Activities.
  - Low capacity utilisation.
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## 8. Conclusion

Prostarm Info Systems Limited is a steadily growing player in the UPS and power electronics sector with superior operating margins and a strong domestic footprint. The company is positioned to benefit from rising energy security needs, digital infrastructure growth, and solar power adoption in India.

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