

ABOUT THE COMPANY: The Company is India’s largest pure-play EPC provider of solar-powered agricultural water pump systems under the PM-KUSUM Scheme. Between Jan 2022 and Jul 2025, it installed 62,559 pumps, holding a 7.37% market share. It is empaneled under the Ministry of New and Renewable Energy in five major states—Maharashtra, Haryana, Rajasthan, Uttar Pradesh, and Madhya Pradesh.

KEY BUSINESS INSIGHTS: The company operates on asset light model it procures the solar pump and other required material for the installation from other players and brands it. The company sells then takes care of installation and after sales service of the products. The farmer has option to select the vendor in the online portal of the government where all the vendors are listed, in spite that the company has grown which it attributes to word of mouth in the farming community. The promoter bring a lot of experience in the solar power industry. Mr. Kabra who has been working in this sector for 18 years and Mr. Shah who has been working for more than 14 years. The Solar Pump market has flourished in the past couple of years owing to PM KUSUM yojana. As reported by a leading financial newspaper, ministry of renewable energy is already gearing up for the second phase of this scheme, as PM KUSUM 2.0, which will give revenue visibility in the medium term for this company.

VIEW:

The company has had a robust financial performance with revenue growing form 258 Cr to 1095 Cr from FY 23 to FY 25 with a CAGR of 96%, PAT has grown from 10 Cr in FY 23 to 133 Cr in FY25 with a CAGR of 264 %. The issue is fairly priced at 19 X PE and 12 XPB as compared to 28 X PE and 14 X PB average of listed players. The company is well poised for growth as it has become of the key players in solar EPC space. The company also has orders in the solar rooftop EPC space. However, we have concerns with the negative cash flow from operations which are a result of increasing receivables and competition in the space. The company is raising funds for working capital as operating cash generation remains inadequate, despite strong revenue growth and improved margins. We recommend **SUBSCRIBE** the issue for long term gains for investors with high-risk appetite.



ISSUE DETAILS	
Price Band (in ₹ per share)	145 - 153
Issue size (in ₹ Crore)	464.26
Fresh Issue (in ₹ Crore)	400.00
Offer for Sale (in ₹ Crore)	64.26
Issue Open Date	19-09-2025
Issue Close Date	23-09-2025
Tentative Date of Allotment	24-09-2025
Tentative Date of Listing	26-09-2025
Total Number of Shares (in lakhs)	303.44
Face Value (in ₹)	2
Exchanges to be Listed on	BSE & NSE

APPLICATION	LOTS	SHARES	AMOUNT (₹)
Retail (Min)	1	98	14,994
Retail (Max)	13	1274	1,94,922
S-HNI (Min)	14	1372	2,09,916
S-HNI (Max)	66	6468	9,89,604
B-HNI (Min)	67	6566	10,04,598

BRLMs: IIFL Capital Services Ltd, HDFC Bank Ltd

PROMOTERS: Gopal Kabra, Mehul Shah

BRIEF FINANCIALS

PARTICULARS (Rs. Cr)	FY25	FY24	FY23
Share Capital	34.03***	1.30	1.30
Net Worth	209.09	55.96	19.87
Revenue from Operations	1,094.83	411.09	285.03
EBITDA	199.69	53.83	17.18
EBITDA Margin (%)	18.24	13.09	6.03
Profit/(Loss) After Tax	133.21	36.09	10.08
EPS (in Rs.)	7.86	2.14	0.66
Net Asset Value (in Rs.)	12.35	3.31	1.3
Total borrowings	217.79	62.29	42.61
P/E [#]	19	NA	NA
P/B [#]	12	NA	NA

** In December 2024, bonus issued in the ratio 25:1 , further in December 2024, Private Placement of 1,138,829 shares at 175 per share (face Value 2), and in August 2025 Private Placement of 6,535,947 shares at 153 per share (face value 2)

OBJECTS OF THE OFFER

The Company proposes to utilize the net proceeds towards funding the following objects:

- Funding the company long-term working capital requirements (322.46 Crores).
- General corporate purposes

FINANCIAL STATEMENTS

Profit & Loss Statement

Particulars (In Crores)	FY2023	FY2024	FY2025
INCOME			
Revenue from operations	285.03	411.09	1094.83
Other Income	0.43	1.22	4.35
Total Income	285.45	412.31	1099.18
YoY Growth (%)	-	-	-
Cost of Materials Consumed	241.65	297.81	702.69
Purchases of stock in trade	10.92	12.00	0.71
Decrease in inventories of work in progress	2.58	1.26	-
Employee Benefit Expenses	0.77	8.01	18.00
Other Expenses	11.93	38.19	173.74
EBIDTA	17.18	53.83	199.69
EBIDTA Margin (%)	0.06	0.13	0.18
Depreciation and amortisation expense	0.48	0.67	1.42
EBIT	17.12	54.38	202.62
EBIT Margin (%)	0.06	0.13	0.19
Finance cost	3.65	6.10	22.35
Profit before tax	13.47	48.28	180.27
Tax expenses			
Current tax	3.38	12.11	46.21
Deferred tax charge/(credit)	0.02	0.08	-0.72
Earlier year adjustments	0.00	-	1.57
Total tax expenses	3.39	12.19	47.06
Profit for the year	10.08	36.09	133.21
PAT Margin (%)	3.53%	8.75%	12.12%
Earnings per share			
Basic earnings per share (₹)	3.29	4.39	8.57

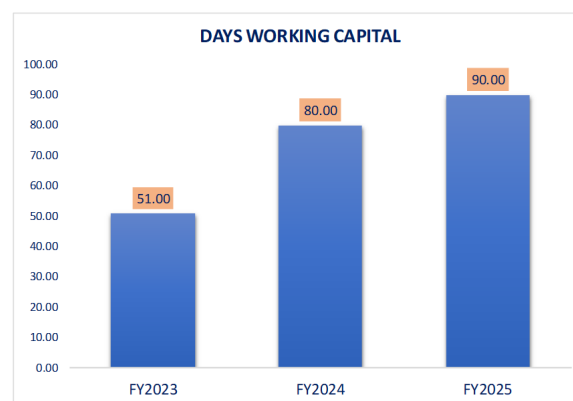
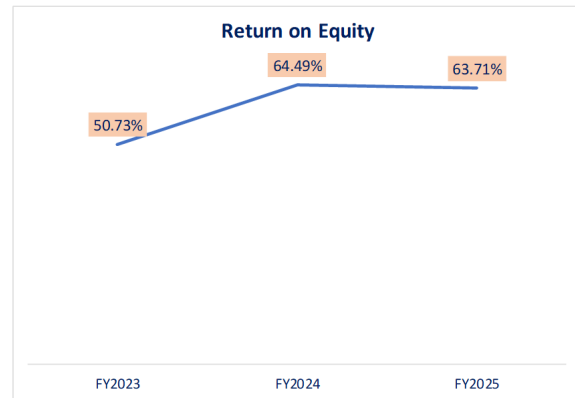
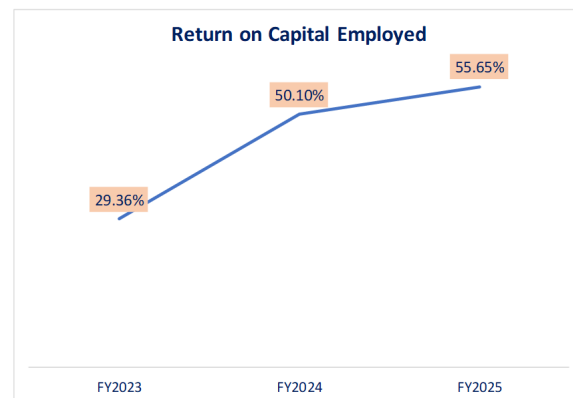
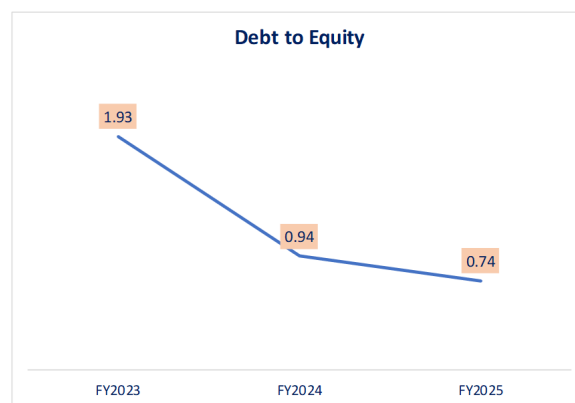
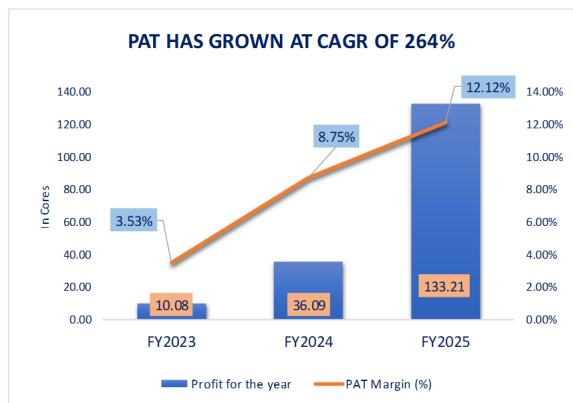
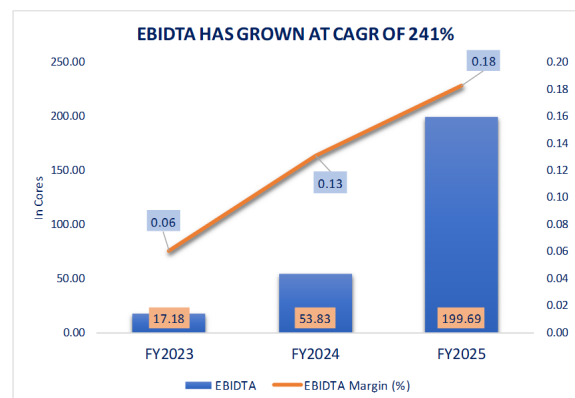
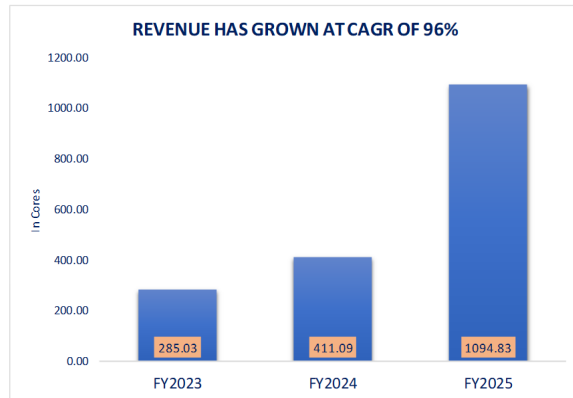
Cashflow Statement

Particulars (In Crores)	FY2023	FY2024	FY2025
Cash generated from operations	-11.568	1.035	-48.67
Income Tax (net of refunds)	-3.373	-5.898	-49.94
Net cash generated from operating activities	-14.94	-4.86	-98.60
Net cash used in investing activities	-0.34	-9.74	-53.02
Net cash used in financing activities	15.45	14.62	152.06
Net increase/(decrease) in cash and cash equivalents before effect of rate exchange	0.17	0.01	0.43
Balance as at beginning	0.50	0.67	0.68
Cash and cash equivalent as at year end	0.67	0.68	1.12

Balance Sheet

Particulars (In Crores)	FY2023	FY2024	FY2025
ASSETS			
Non-current assets			
Property plant and equipment and intangible			
Property, plant and equipment	5.98	10.53	13.08
Right to use of asset	-	0.19	0.15
Intangible assets	0.00	0.00	0.74
Capital work-in-progress	-	0.02	-
Financial assets			
Investments	-	-	-
Other financial assets	3.86	10.23	14.57
Deferred Tax Assets		-	0.03
Total non-current assets	9.84	20.97	28.56
Current assets			
Inventories	11.91	19.76	59.94
Financial assets			
Trade receivables	112.64	151.92	360.85
Cash and cash equivalents	0.67	0.68	1.12
Other bank balances	3.50	9.02	61.70
Other financial assets	1.13	1.14	5.35
Loans	-	-	-
Current tax assets (net)	0.34	0.04	-
Other current assets	2.80	10.54	66.11
Total current assets	132.99	193.11	555.06
TOTAL ASSETS	142.82	214.08	583.62
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1.30	1.30	34.03
Other equity	18.57	54.66	175.07
Total Equity	19.87	55.96	209.09
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	6.11	16.24	12.37
Lease Liability	-	0.14	0.12
Other financial liabilities	0.30	1.19	0.46
Deferred tax liabilities (Net)	0.62	0.69	-
Provisions	-	0.13	0.15
Other non-current liabilities	0.94	1.17	-
Total non-current liabilities	7.97	19.56	13.09
Current liabilities			
Financial liabilities			
Borrowings	36.50	46.05	205.42
Lease Liability	-	0.04	0.04
Trade payables			
Dues of micro and small enterprise	-	2.29	2.22
Other than dues of micro and small enterprise	76.97	64.38	115.04
Other financial liabilities	0.10	9.14	31.41
Provisions	-	6.22	4.05
Other current liabilities	1.42	10.44	3.26
Total current liabilities	114.99	138.56	361.44
TOTAL EQUITY AND LIABILITIES	142.82	214.08	583.62

PERFORMANCE THROUGH CHARTS



INDUSTRY REVIEW

DOMESTIC SOLAR-POWERED PUMP SYSTEMS MARKET

- The solar-powered pump systems market has witnessed significant growth globally over the past five years from the beginning of CY2018 to CY2023. These pumps are increasingly seen as a sustainable and economically viable alternative to traditional diesel-powered irrigation systems, especially in rural areas with limited access to electricity. To respond to growing concerns over climate change, energy access, and rising fuel prices, governments and international organizations are providing incentives to encourage the adoption of solar-powered pump systems.
- The agriculture solar-powered pump systems installed capacity has grown nearly 2 times between 2018 and 2023. The total additions from the beginning of CY2019 till the end of CY2023 touched 603 MW with India accounting for 95% of the additions.
- Estimates suggest that 1 MW of power output would translate to 250-450 solar-powered pump systems in India, basis the average power output of solar-powered pump systems installed in the country. India's agriculture land as share of land area was 60% while that of Bangladesh was 77%. These economies also benefit from a good global horizontal irradiance and have policies/incentives in place to promote installations of solar-powered pump systems.

MARKET SIZE OF AGRICULTURE SOLAR-POWERED PUMP SYSTEMS IN INDIA

- The Indian solar-powered pump systems market has experienced remarkable growth, especially driven by the PMKUSUM initiative launched by the central government in 2019. Fresh installations of solar-powered pump systems under PM KUSUM from the beginning of Fiscal 2019 to July 2025 scaled up to approximately 0.85 million.
- Within PM-KUSUM, the installed base by July 2025 was largely driven under component B to the extent of ~99%. States like Maharashtra, Haryana, Rajasthan have shown high policy focus on enhancing deployment. They collectively accounted for 72% of the sanctions under component B by July 2025.
- The top three states of Maharashtra (50%), Haryana (19%) and Rajasthan (13%) were cumulatively responsible for 81% of all installations in PM-KUSUM component B from the beginning of Fiscal 2019 to July 31, 2025. The market size of domestic solar-powered pump systems logged a 15% CAGR from ₹19.3 billion in Fiscal 2019 to ~₹39 billion in Fiscal 2024. A key driver for the market has been the inclusion of other categories of players, especially EPC participants, post November 2020. This has led to a rapid rise in installation rate since the beginning of Fiscal 2022.
- Going ahead, installations are expected to be driven by policy, increased consumer awareness and player proliferation. The segment is expected to witness a multi-fold growth under the PM KUSUM initiative. PM-KUSUM witnessed a capacity addition of ~0.5 million solar pumps between March 2024 and July 2025, indicating faster implementation, complemented by higher demand. This is expected to drive expansion in the coming period.

COMPETITIVE STRENGTHS OF THE COMPANY

ROBUST ORDER BOOK

- As at August 15, 2025, the company had an Order Book of ₹10,289.64 million consisting of an SPPS Order Book of ₹10,088.81 million and orders for rooftop solar systems of ₹200.83 million.

Particulars	Order Book as at August 15, 2025	
	₹ in million (consolidated)	% of total Order Book
SPPS Order Book ⁽¹⁾	10,088.81	98.05
<i>Of which:</i>		
<i>EPC for solar-powered pump systems - Direct-to-beneficiary</i>	<i>9,341.81</i>	<i>90.79</i>
<i>EPC for solar-powered pump systems - Sales to others</i>	<i>747.00</i>	<i>7.26</i>
Rooftop solar systems	200.83	1.95
Total	10,289.64	100.00

- There are approximately 30 million grid-connected and diesel-powered water pump systems in aggregate in use among the nearly 118 million small farmers in India. Grid-connected pump systems, which comprise approximately two-thirds of the total, suffer from unreliable electricity supply. Diesel pump systems, which comprise approximately one-third of the total, are costly to operate and generate carbon emissions. The company expertise in solar-powered pump system solutions has allowed it to benefit from, and the company believe the company will continue to benefit from, the demand for solar-powered pump systems as an alternative to these technologies.

DECENTRALISED INFRASTRUCTURE AND WORKFORCE

- The company have a decentralized infrastructure, comprising 12 warehouses in three states as at August 30, 2025, and a localised workforce of 90 employees and 709 workmen as at March 31, 2025, which enable its to efficiently operate across broad geographic areas in five states.
- The company generally hire and train the company manpower locally, which enhances the local economy by providing jobs, better earnings and skill enhancement for local residents, while also contributing to the company operational efficiency.
- The company decentralized warehouses also contribute to the company operational efficiency. In addition, where there is less demand for solar-powered pump systems, the company have flexible arrangements with the company third-party installation and commissioning service providers to temporarily utilise their facilities for storage. The company decentralised infrastructure and access to the storage facilities of the company third-party installation and commissioning service providers reduce the time needed to install solar-powered pump systems and provide after-sales services, thus increasing the company operational efficiency.

END TO END SOLUTION AND SERVICING

- The company goal is to satisfy every customer by installing their solar-powered pump system in a timely manner and providing comprehensive after-sales support, thus ensuring a seamless experience for the customer.
- Under the PM-KUSUM Scheme and other state schemes, all solar-powered pump system vendors are required to provide a warranty for their installed solar-powered pump systems for five years. It is, therefore, critical that the company are able to fix any pump systems that break down as quickly and cost-effectively as possible.
- The company operate a customer contact centre which provides attentive customer service to ensure that each of the company customers is satisfied with their solar-powered pump system. The company are able to save on costs by performing certain maintenance tasks remotely. For example, a farmer who receives an error message on the digital display of his or her pump monitoring system can send the company contact center a photograph of the error code, and in most cases the company can remotely update the system. In cases where there is a more serious issue with the performance of equipment, the company generally will replace the faulty system from the company buffer stock provided by the manufacturer of such equipment rather than attempt to repair it. The company also provide a smart-phone app that the company customers can access and use for free to remotely operate and monitor their pump.

RISK FACTORS

HIGH DEPENDENCY ON THE EPC SEGMENT

- For Fiscals 2025, 2024 and 2023, the company derived ₹10,873.63 million, ₹3,743.68 million and ₹2,580.93 million, equivalent to 99.32%, 91.07% and 90.55%, respectively, of the company revenue from operations from the EPC of solar-powered agricultural water pump systems on a turnkey basis. The company EPC for solar-powered pump systems business comprises direct-to-beneficiary sales and sales to others.
- Direct-to-beneficiary sales comprise (i) the EPC of GK Energy brand solar-powered pump systems to farmers who chose its as their vendor on portals of agencies appointed by state governments wherein the orders are placed with its by SNAs/ SIAs under the Central Government's Pradhan Mantri Kisan Urja Suraksha evam Utthan Mahabhiyan scheme (the "PM-KUSUM Scheme") and similar state government schemes, and (ii) the EPC of GK Energy brand solar dual water pump systems (solar-powered pump systems that include water storage) to local government bodies.
- Any decrease in demand for the EPC of solar-powered pump systems could have a material adverse effect on the company business, financial condition, results of operations and cash flows.

NEGATIVE CASH FLOW FROM OPERATIONS IN THE PAST

- The company business requires its to have a significant amount of working capital, as the company need to pay for all of the materials and components for the company EPC services before the company receive payment for the company services. Payment terms under the PM-KUSUM Scheme are typically within 30 days of completion of a solar-powered pump system.
- The company typically offer the company customers not under government schemes payment terms of up to 60 days. The company finance the company operations through a combination of retained earnings and bank financing. As such, the company expect that the company will continue to experience net cash used in operating activities in the future and that the company will continue to require working capital financing, which if unavailable could have a material adverse effect on the company ability to operate the company business and implement the company growth plans.

Particulars	Year ended March 31,		
	2025	2024	2023
	(consolidated)	(standalone)	(standalone)
	₹ in million		
Net cash generated from/(used in) operating activities	(986.02)	(48.63)	(149.41)
Net cash generated from/(used in) investing activities	(530.21)	(97.44)	(3.35)
Net cash generated from/(used in) financing activities	1,520.55	146.20	154.47
Net increase/(decrease) in cash and cash equivalents	4.32	0.13	1.71
Cash and cash equivalents at the beginning of the year	6.84	6.71	5.00
Cash and cash equivalents at the end of the year	11.16	6.84	6.71

HIGH DEPENDENCY ON PM KUSUM

- The company business, financial condition, results of operations and cash flows currently primarily depend on the number of solar-powered pump systems the company install for farmers who select its as their vendor under the PM-KUSUM Scheme. The company derived ₹9,177.52 million, ₹3,058.22 million and ₹2,537.23 million, equivalent to 83.83%, 74.39% and 89.02% of the company revenue from operations for Fiscals 2025, 2024 and 2023, respectively, from the installation of solar-powered pump systems - direct-to-beneficiary sales under the PM-KUSUM Scheme.
- The PM-KUSUM Scheme is scheduled to end on March 31, 2026. If the PM-KUSUM Scheme is not extended and similar state government schemes do not replace a substantial part of the revenue that the company historically have derived from the PM-KUSUM Scheme, it could have a material adverse effect on the company business, financial condition, results of operations and cash flows.
- One of the company strategies to decrease the company reliance on the PM-KUSUM Scheme is to take advantage of the company market knowledge and technical expertise to seize untapped market opportunities. These opportunities include selling large capacity solar-powered pump systems to farmers with larger farms who are not eligible for government subsidies, solarizing existing grid-connected pump systems, selling the EPC for solar rooftop solutions to commercial and industrial customers, and supplying full sets of solar-powered pump systems to smaller industry peers.

PEER COMPARISON							
Name of the company	Revenue from Operations (in ₹ Cr)	Face Value (Rs per share)	EPS (in Rs)	NAV (Per share Rs)	RoE (%)	P/E*	P/B*
GK Energy Limited	1,095	2	7.86	12.35	63.71	19	12
Shakti Pumps (India) Limited	2,516	10	33.97	96.59	35.20	26	9
Oswal Pumps Limited	1,430	1	28.21	44.56	93.00	29	18

Financials are of FY2025 Data ^ Calculated at upper price band of 153. *Calculated at closing of 15th September 2025



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