

IPO Note



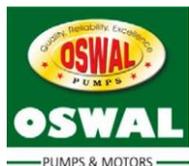
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OSWAL PUMPS LIMITED

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OSWAL PUMPS LIMITED- IPO NOTE



ABOUT COMPANY:

- ❖ Oswal Pumps (“OPL”) was originally incorporated on 15th July 2003. OPL is the fastest growing vertically integrated solar pump manufacturers in India. between Fiscal 2022 and 2024 their revenues growing at a CAGR of 45.07%. OPL manufactures solar-powered and grid-connected submersible and Monoblock pumps, electric motors comprising induction and submersible motors as well as solar modules, which they sell under the ‘Oswal’ brand.
- ❖ They have over 22 years of experience in pumps encompassing engineering, product design, manufacturing and testing.
- ❖ They cater to the diverse requirements of end-users in the agricultural sector for irrigating fields; the residential sector for maintaining gardens and fountains, extracting water, supplying water to overhead tanks and cleaning households and small establishments; commercial premises such as shopping malls, offices and hotels; industries which use their pumps in boilers and water treatment, water transportation and sewage applications and use their electric motors in machinery applications and cooling tower systems.
- ❖ OPL is also supplying solar powered agricultural pumps to players participating and providing Turnkey Solar Pumping Systems under the PM Kusum Scheme, including Tata Power Solar Systems Ltd. Subsequently, in 2021, they started offering turnkey solar pumping systems comprising solar powered agricultural pumps, solar modules, mounting structures, pump controllers and their installations (“Turnkey Solar Pumping Systems”).
- ❖ Under the PM Kusum Scheme, OPL: • Providing Turnkey Solar Pumping Systems directly under the PM Kusum Scheme to farmers, • Providing Turnkey Solar Pumping Systems to players participating in the PM Kusum Scheme, and • Supplying only solar pumping system (including solar pump sets, solar modules, structures and balance of systems (“BOS”) kits and excluding installation services) to players participating in the PM Kusum Scheme.
- ❖ Between April 1, 2021, and December 31, 2024, they have supplied: • 38,132 solar pumps as part of Turnkey Solar Pumping Systems directly under the PM Kusum Scheme for several states such as Haryana, Rajasthan, Uttar Pradesh and Maharashtra, • 1,45,578 solar pumps to players participating under the PM Kusum Scheme, • 7,255 solar pumps as part of Turnkey Solar Pumping Systems to players participating under the PM Kusum Scheme.

ISSUE BREAK-UP

Investor	No. of Equity Shares		₹ In Cr		% of Allocation
	Upper	Lower	Upper	Lower	
QIB	1,16,69,862	1,12,97,556	681.52	693.67	50%
NIB	35,00,959	33,89,268	204.46	208.10	15%
-NII 1	23,33,973	22,59,512	136.30	138.73	-
-NII 2	11,66,986	11,29,756	68.15	69.37	-
Retail	81,68,905	79,08,290	477.06	485.57	35%
Total	8,47,45,762	8,04,59,769	1,363.04	1,387.34	100%

NIB-1=NII Bid between ₹ 2 to 10 Lakhs

NIB-2 =NII Bid Above ₹ 10 Lakhs

Anchor Bid on : Thursday, 12th June 2025
Issue opens on : Friday, 13th June 2025
Issue closes on : Tuesday, 17th June 2025

Issue Details *Fresh Issue of Equity Shares aggregating upto ₹890 Cr + Offer for Sale of 81,00,000 Equity Shares*

Issue size: ₹ 1,363 – 1,387 Cr

No. of shares: 233,39,726 - 225,95,114

Face value: ₹ 1

Price band: ₹ 584 - 614

Bid Lot: 24 Shares and in multiple thereof

Post Issue Implied Market Cap: ₹ 6,700 – 6,998 Cr

BRLM IIFL Capital, CLSA India,
JM Financial, Nuvama Wealth

Registrar: MUFG Intime India Pvt Ltd

Industry: Industrial Machinery Manufacturing

Listing: BSE & NSE

INDICATIVE TIMETABLE:

Activity	On or about
Finalization of Basis of Allotment	18-06-2025
Refunds/Unblocking ASBA Fund	19-06-2025
Credit of equity shares to DP A/c	19-06-2025
Trading commences	20-06-2025

SHAREHOLDING (APPROX. NO. OF SHARES):

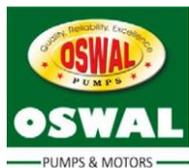
Pre issue	Post issue~	Post issue^
9,94,82,300	11,47,22,026	11,39,77,414

~@Lower price Band ^@ Upper Price Band

SHAREHOLDING PATTERN(%)

Particulars	Pre-Issue	Post-Issue
Promoters	97.66%	78.13%
Promoter Group	2.22%	1.94%
Public – Others S/h	0.12%	19.93%
Total	100.00%	100.00%

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII – Bid Above ₹ 10 Lakhs
Minimum Bid Lot (Shares)	24 Shares	336 Shares	1,632 Shares
Minimum Bid Lot Amount (₹)	₹ 14,736^	₹ 2,06,304^	₹ 10,02,048^
No. Of Applications For 1x	3,29,512 Applications	3,362 Applications	6,725 Applications



OSWAL PUMPS LIMITED- IPO NOTE



KEY FINANCIALS:

₹ in Cr

Particular (INR Cr)	As at Dec 31, 2024 (09M)	As at Mar' 31,		
		2024	2023	2022
Equity Share Capital	9.95	5.85	5.85	5.85
Reserves as stated#	368.86	154.32	54.12	18.72
Net Worth as stated	378.8	160.17	59.97	24.57
Total Borrowings	346.3	75.42	59.28	87.54
Revenue from Operations	1,065.67	758.57	385.04	360.38
Revenue Growth (%)	-	97.01%	6.84%	-
EBITDA	321.01	150.12	57.82	38.52
EBITDA Margin (%)	30.12%	19.79%	15.02%	10.69%
Net Profit for the Period	216.71	97.67	34.2	16.93
Net Profit (%) as stated	20.30%	12.83%	8.83%	4.69%
EPS – Basic (₹)	21.78^	9.82	3.44	1.7
RONW (%)	80.42%^	88.73%	89.01%	58.88%
ROCE (%)	65.96%	81.85%	45.47%	27.01%
NAV (₹)	38.08	16.1	6.03	2.47
Debt to Equity	0.87	0.42	0.7	1.83

Source: RHP, *Restated Consolidated, ^ not annualized, #Reserve excluding write off depreciation & amortization.

OBJECT OF THE ISSUE :

Objects	Amount (₹ Cr)
Funding certain capital expenditure of the company	89.86
Investment in the wholly owned Subsidiary, Oswal Solar, in the form of equity, for funding the setting up of new manufacturing units at Karnal, Haryana	272.76
Pre-payment/ re-payment, in part or full of certain outstanding borrowings availed by the company	280.00
Investment in the wholly owned Subsidiary, Oswal Solar, in the form of equity, for repayment/prepayment, in part or full of certain outstanding borrowings availed by Oswal Solar	31.00
General Corporate Purposes	[•]
Total	[•]

OFFER DETAIL :

Fresh Issue	No. of Shares
Fresh Issue (₹ 890 Cr)	Upto 1,52,39,726~ – 1,44,95,114 Equity Shares^
The Offer for Sale by:	No. of Shares
Promoter Selling Shareholder: Vivek Gupta	Upto 81,00,000 Equity Shares

SHAREHOLDING PATTERN:

Shareholders	Pre-offer		Fresh Issue & Offer for Sale	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoter	9,71,55,300	97.66%	81,00,000	8,90,55,300	78.13%
Promoters Group	22,07,000	2.22%	-	22,07,000	1.94%
Total for Promoter and Promoter Group	9,93,62,300	99.88%	81,00,000	9,12,62,300	80.07%
Public	1,20,000	0.12%	1,44,95,114	2,27,15,114	19.93%
Total for Public Shareholder	1,20,000	0.12%		2,27,15,114	19.93%
Total Equity Share Capital	9,94,82,300	100.00%		11,39,77,414	100.00%

BUSINESS OVERVIEW:

OPL commenced its operations in 2003 with the manufacturing of low speed Monoblock pumps. Over the years, they expanded their operations to manufacture grid-connected high-speed Monoblock pumps, grid-connected submersible pumps and electric motors. In March 2019, the Govt launched the PM KUSUM Scheme with a total ₹ 344 billion central financial support with the objective of installing 1.40 crore standalone solar agriculture pumps in off-grid areas to provide energy security for farmers, reduce the consumption of diesel, promote the use of renewable energy in the agricultural sector and reduce environmental pollution.

The PM KUSUM Scheme also focuses on the solarization of 3.50 million existing grid-connected agricultural pumps and provides subsidies to individual farmers who have grid-connected pumps to retrofit their pumps with solar panels. Recognizing the benefits provided by the PM KUSUM Scheme, they decided to leverage their extensive experience in pump manufacturing and expanded their operations to manufacture solar powered agricultural pumps in 2019. They started supplying these pumps to players participating and providing Turnkey Solar Pumping Systems under the PM KUSUM Scheme, including Tata Power Solar Systems Ltd. They also supplied pumps to certain vendors empanelled under the Mukhyamantri Saur Krushi Pump Yojana launched by the Government of Maharashtra in 2019. Subsequently, in 2021, they started offering turnkey solar pumping systems comprising solar powered agricultural pumps, solar modules, mounting structures, pump controllers and their installations ("Turnkey Solar Pumping Systems"), either directly or through third party bidders under the PM KUSUM Scheme.

As of December 31, 2024, they have executed orders for 38,132 Turnkey Solar pumping Systems directly under the PM KUSUM Scheme for several states such as Haryana, Rajasthan, Uttar Pradesh and Maharashtra. Within 4 years of supplying solar powered agricultural pumps, in Fiscal 2024 and 2023, they emerged as one of the largest suppliers of solar powered agricultural pumps under the PM KUSUM Scheme, (i) providing Turnkey Solar Pumping Systems directly under the PM KUSUM Scheme to farmers, (ii) providing Turnkey Solar Pumping Systems to players participating in the PM KUSUM Scheme, and (iii) supplying only solar pumping system (including solar pump sets, solar modules, structures and balance of systems ("BOS") kits and excluding installation services) to players participating in the PM KUSUM Scheme.

They are the few fully integrated Turnkey Solar Pumping Systems providers in India with the capability to manufacture solar powered agricultural pumps, solar modules and pump controllers and provide installation services for such systems. To enhance their capabilities as Turnkey Solar Pumping Systems provider, OPL commenced manufacturing solar modules for Turnkey Solar Pumping Systems in January 2023 through their wholly owned subsidiary, Oswal Solar Structure Pvt Ltd. They also benefit from their associate company, Walso Solar Solution Pvt Ltd, which manufactures mounting structures, BOS and essential components for Turnkey Solar Pumping Systems. Of the estimated 0.61 million solar powered agricultural pumps installed at ground level in various states under the PM KUSUM Scheme, as of December 31, 2024, they have, directly and indirectly, supplied 0.23 million solar powered agricultural pumps, representing approximately 38.04% of the total solar powered agricultural pumps installed.

OPL has end-to-end pump manufacturing capabilities and have undertaken several backward integration initiatives over the years, enabling them to produce several components of a pump in-house and providing them with competitive advantages. They also focus on recycling scraps to produce certain components of pumps. They also harness the capabilities of electronics to optimise the end-use efficiency of their pumps.

BUSINESS OVERVIEW

OPL operates a manufacturing facility located at Karnal, Haryana, which is one of India’s largest single-site facilities for manufacturing pumps, covering a total land area of 41,076 sq. mtr. as of December 31, 2024. Their manufacturing facility is strategically located near major agricultural states such as Haryana, Punjab and Uttar Pradesh and had an annual installed capacity of 1,160.07 MT for stainless steel pumps, 2,366.04 MT for cast iron pumps, 1,314.72 MT for stainless steel motors and 561.60 MT for cast iron motors, as of December 31, 2024. Their manufacturing facility is equipped with advanced machines and equipment, including pneumatic and mechanical presses, computer numerical control (“CNC”) and automatic winding machines, induction furnace, pressure die casting, high-precision grinding, lapping and polishing machines and hydraulic injection moulding machines. They also operate a manufacturing facility through their wholly owned Subsidiary Oswal Solar Structure Pvt Ltd at Karnal, Haryana, for manufacturing solar modules for their Turnkey Solar Pumping Systems and as of December 31, 2024, their annual installed capacity was 570 MW for solar modules. Both their manufacturing facilities are accredited with ISO 9001:2015, ISO 45001:2018 and ISO 14001:2015 certifications, ensuring that their operations adhere to internationally recognised quality management standards systems, environmental management systems and occupational health and safety management systems.

They are also included in the approved list of manufacturers and models (“ALMM”) for solar modules issued by the Ministry of New and Renewable Energy, Gol, which comprises eligible models and manufacturers that adhere to BIS standards. They have a strong engineering and design team comprising 20 employees, as of December 31, 2024, which focuses on driving cost-saving innovations and enhancing product design. Their engineering and design team consists of qualified professionals from diverse backgrounds, including engineering, science, and technology. OPL has an extensive network of distributors in India, which has grown from 473 distributors as of March 31, 2022, to 925 distributors as of December 31, 2024. Their distribution network has enabled them to serve retail customers in India and increase their brand presence in the market.

As of December 31, 2024, they had a team of 171 employees who were responsible for addressing customer queries and resolving operational issues related to their products. They also provide toll-free support services to their customers in English and Hindi. They have a dedicated sales and marketing team, comprising 71 employees, as of December 31, 2024, which participates in product campaigns and exhibitions, including international events, to promote their product portfolio and establish strong relationships with their customers.

COMPANY PRODUCTS – PUMPS AND ELECTRIC MOTORS

Launched Monoblock & Submersible Pumps	Backward Integration	Backward Integration	Forayed in Solar Pumps	Forayed in Solar PV Modules
 <p>Single Phase Electric Motors</p>  <p>Centrifugal Monoblock Pumps (2880 RPM)</p>  <p>Submersible Pumps</p>  <p>Mini block pumps</p>  <p>Shallow-well Pumps (2880 RPM)</p>  <p>Pressure booster pumps</p>	 <p>Stamping Unit</p>  <p>Investment Casting</p>  <p>Launched Stainless Steel Submersible Pumps</p>	 <p>Plastic Molding</p>  <p>Submersible Wires</p>  <p>Aluminum Die Casting</p>  <p>Thrust Bearing Division</p>  <p>Packaging Division</p>  <p>Casting Division</p>	 <p>Solar AC Pumps & Motors</p>  <p>Solar DC Pumps & Motors</p>  <p>Solar AC & DC Controller</p>	 <p>Solar EPC Operations</p>  <p>Solar PV Module Manufacturing</p>  <p>Solar Structure & BOS</p>

ORDER BOOK / LETTER OF AWARD

The details of the orders received and executed by OPL directly under the PM Kusum Scheme, as of April 30, 2025:

State Government	Number of Solar Pumping Systems Supplied
Government of Haryana	16,615
Government of Himachal Pradesh	79
Government of Karnataka	124
Government of Uttarakhand	512
Government of Rajasthan	273
Government of Uttar Pradesh	2,033
Government of Maharashtra	23,609
Total	45,454

THE DETAILS OF THE PUMPS AND ELECTRIC MOTORS:

Product	Product Description	Market Size & Growth
Solar Submersible Pumps	Submerged in fluid; no priming needed. Power range: 1 HP to 25 HP.	Market to grow at a CAGR of 18.7% (FY25–FY30), reaching USD 22 crore by FY30.
Solar Monoblock Pumps	Surface-installed. Power range: 3 HP to 20 HP.	Market valued at USD 1 crore in FY25, expected to reach USD 18 crore by FY30, CAGR of 13.5%.
Grid-Connected Submersible & Monoblock Pumps	Submersible: submerged, no priming. Power range: 0.5 HP to 40 HP. Monoblock: surface type. Power range: 0.5 HP to 15 HP.	Market estimated at USD 47 crore in FY25, growing at a CAGR of 8.3% until FY30.
Induction Motors	AC motors. Power range: 0.5 HP to 75 HP.	Market size USD 80 crore in FY24, expected to reach USD 150 crore by FY29. CAGR: 13.8% (FY24–FY29).
Submersible Motors	Designed for underwater use. Power range: 0.5 HP to 150 HP.	Market valued at USD 108 crore in FY25, projected to reach USD 176 crore by FY29. CAGR: 10.3% (FY25–FY30).

MANUFACTURING FACILITIES

The company operates 2 manufacturing facilities located in Karnal, Haryana, which is one of India's largest single-site facilities for manufacturing pumps, covering an area of 41,076 square meters as of December 31, 2024. Their manufacturing facility is strategically located near major agricultural states such as Haryana, Punjab and Uttar Pradesh. As of December 31, 2024, they had an annual installed capacity of 1,160.07 MT for stainless steel pumps, 2,366.04 MT for cast iron pumps, 1,314.72 MT for stainless steel motors and 561.60 MT for cast iron motors.

COMPETITIVE STRENGTH:

- **One of the largest suppliers of solar powered agricultural pumps under the PM Kusum Scheme, well positioned to capitalise on strong industry tailwinds**

OPL is the fastest growing vertically integrated solar pump manufacturers in India in terms of revenue growth during the last 3 fiscals, with the revenues growing at a CAGR of 45.07% between Fiscal 2022 and Fiscal 2024. They are committed to providing sustainable solutions for agricultural water needs through their solar powered agricultural pumps.

- **Vertically integrated manufacturing competencies**

Company' operations are vertically integrated, encompassing the manufacturing of components for their pumps and the production of solar modules for solar-powered pumps. Their capabilities are further strengthened by their associate. company, Walso Solar Solutions Pvt Ltd, specializing in the manufacturing of mounting structures, BOS and essential components for Turnkey Solar Pumping Systems. This approach provides them several advantages including the ability to design and develop new products, optimize their operational costs and improve their margins.

- **End-to-end pump manufacturing capabilities**

The company has end-to-end pump manufacturing capabilities, encompassing manufacturing components of Monoblock and submersible pumps using processes such as cast-iron casting, investment casting, aluminium die casting, electrical grade stamping, submersible cable and wire winding, injection plastic moulding, rubber moulding, thrust bearing, stainless steel stator casing, stamping, machining and assembly and packaging. Over the years, they have undertaken extensive backward integration initiatives, enabling them to produce several critical components of a pump and motors and undertake various processes in-house which provides them with competitive advantages.

- **Manufacturing of solar modules**

The company, through their wholly owned subsidiary, Oswal Solar Structure Pvt Ltd, commenced manufacturing of solar modules on January 8, 2024, which is an integral component for Turnkey Solar Pumping Systems and has helped them enhance their backward integration capabilities, revenues and profitability. As of December 31, 2024, they had an annual installed capacity of 570 MW for the production of solar modules.

- **End-to-end capabilities for Turnkey Solar Pumping Systems**

The company provide end-to-end solutions for Turnkey Solar Pumping Systems, offering comprehensive services including design, engineering, procurement, site survey, project management, manufacturing, installation, commissioning, and warehousing. Their project management services involve supervising and dealing with manpower across the value chain, while their installation and commissioning services encompass several tasks such as setting up the entire solar pump at the site and verification and testing of components.

- **Strong engineering and design capabilities**

The company has a strong engineering and design team, comprising 20 employees, as of December 31, 2024, who focus on enhancing product design and driving cost-saving innovations. They also have invested in advanced simulation software for computational fluid dynamics and seismic analysis to ensure their products are of superior quality. Their team is also equipped with AutoCAD and SolidWorks software which helps them create detailed technical drawings, 3D modelling, simulation and analysis

- **Comprehensive product portfolio in multiple product specifications**

The company offers pumps and electric motors with diverse product specifications for domestic and international markets. They offer a wide range of solar-powered and grid-connected submersible and Monoblock pumps, electric motors as well as solar modules. Their comprehensive product portfolio allows them to address the diverse requirements of the end-users in the agricultural, residential and industrial sectors. Their product portfolio helps them attract new customers, expand the market reach, solidify their industry position, and mitigate business risks by reducing dependence on any single product or end-use market.

- **Strong presence in major agricultural states in India including Haryana and growing presence in other states**

The company has expanded their footprint in India, with their products being sold in India between April 1, 2021, and December 31, 2024, through their distributors. They have a strong presence in North India particularly in the major agricultural state such as Haryana and have presence in other regions in India such as Maharashtra, Uttar Pradesh, Rajasthan, Chhattisgarh and Punjab.

- **Extensive distribution network catering to a diversified customer base**

The company has an extensive network of 925 distributors in India that has enabled them to serve customers in India, as of December 31, 2024. In the 9 months ended December 31, 2024, and Fiscal 2024, 2023 and 2022, they have added 289, 62, 101 and 170 distributors respectively. In March 2024, they introduced the 'Oswal Shoppe' concept to bolster their market presence.

- **Experienced Promoter and senior management team**

The company leverages the extensive experience of their Promoters. They have an experienced Board of Directors. They also have oversight from the Non-Executive Independent Directors on their Board of Directors. The strength of their Board and senior management and their experience has enabled them to take advantage of market opportunities and better serve their customers.

KEY BUSINESS STRATEGIES

- **Backward integration in pump manufacturing value chain, enhance automation in pump manufacturing and strengthen the capabilities through strategic acquisitions**

The company intend to continue to focus on increasing integration in their operations to optimise their margins by (i) integrating certain processes and manufacture certain components for pumps in-house; (ii) automate specific pump manufacturing processes; and (iii) strengthen the technological capabilities and enhance automation and IT interface of the products through strategic acquisitions.

- Backward integration in pump manufacturing value chain: The company intends to integrate processes such as no bake casting and aluminium heat sink die casting to enhance their manufacturing operations for pump manufacturing and improve their operating margins. In addition, as part of their pump manufacturing operations, they intend to produce variable frequency drives (“VFDs”) and single-phase controller components.
- Automate specific pump manufacturing processes: They intend to automate the pump manufacturing processes, which will enable them to reduce their labour costs, increase production efficiency, enhance quality, improve traceability and optimise space utilization, which in turn, will help them improve their operating profit margins.
- Strengthen the capabilities through strategic acquisitions: The company may consider opportunities for inorganic growth through acquisitions to strengthen their technological capabilities and enhance automation and IT interface of their products. They intend to maintain a disciplined approach to acquisitions and consider various selection criteria such as skills of the management team, technological capabilities and valuation.

- **Continue to focus on government schemes and maintain leadership position**

The company intends to leverage their pump and solar module manufacturing capabilities to capitalise on the growth opportunities provided by the PM Kusun Scheme and also tap into the growing market of farmers seeking to adopt solar technology for irrigation to reduce costs and enhance productivity.

- **Increase manufacturing capacity for solar modules and backward integration in solar module manufacturing**

The company intend to increase their manufacturing capacity for solar modules and backward integration capabilities for solar modules.

- Backward integration in solar module manufacturing: The company intends to enhance their backward integration capabilities for solar modules by producing aluminium extrusion frames, ethylene-vinyl acetate (“EVA”), junction box back sheet and on-grid inverters.
- Increase manufacturing capacity for solar modules: As of December 31, 2024, company’s annual installed capacity for solar modules was 570 MW. They intend to use ₹153.66 crore, excluding civil work, from the Net Proceeds to increase the installed capacity by 1,500 MW to support the demand for their solar pumps in the future and meet the growing demand for solar modules in the Indian and global markets.

- **Introduce new products in the industrial pumps and electric motors categories**

The company intends to introduce a range of industrial pumps and electric motors to meet the diverse needs of industries and capitalise on the rising demand for industrial pumps and electric motors. They intend to introduce certain industrial pumps such as helical rotor pumps, progressive cavity pumps, PCP screw pumps, industrial centrifugal pumps, inline pumps, pressure pumps, reciprocating pumps, chemical pumps. Further, they also intend to introduce vibrant electric motors which are mainly used in construction industry, good. feed and flour factories.

- **Increase the presence in select geographies in India and grow the exports**

The company intends to enhance their presence and increase the sale of their products in India. They intend to do so by growing their distributors network. Their network of distributor has grown from 473 distributors as of March 31, 2022 to 925 distributors as of December 31, 2024. They intend to increase their distributors, particularly, in Chhattisgarh, Karnataka, Assam, Kerala, Andhra Pradesh, Telangana, Tamil Nadu and Gujarat.

REVENUE FROM OPERATIONS

Key Operational Metrics (₹ in crore)

Business Segment	As for/for the 9 months ended December 31	As for/for the Financial Year ended 2024		
	2024	2024	2023	2022
	Amount	Amount	Amount	Amount
Sale of products	1,050.28	744.86	369.83	345.46
- Export sales	36.45	35.07	41.7	36.99
- Domestic sales	715.62	560.38	281.37	291.1
- Traded goods	65.95	15.22	13.71	9.21
- Sale of Services	232.27	134.18	33.06	8.16
Other Operating Income	15.39	13.71	15.21	14.92
- Export incentive	0.74	0.53	1.37	0.68
- Scrap Sale	14.65	13.18	13.84	14.24
Total Revenue from Operations	1,065.67	758.57	385.04	360.38

Business Segment	As for/for the 9 months ended December 31		As for/for the Financial Year ended 2024					
	2024		2024		2023		2022	
	Amount	% to Total Revenue	Amount	% to Total Revenue	Amount	% to Total Revenue	Amount	% to Total Revenue
Turnkey Solar Pumping Systems	656.24	66.62%	361.9	49.49%	64.61	18.03%	13.33	3.91%
Turnkey Solar Pumping Systems	117.44	11.92%	84.53	11.56%	34.01	9.49%	Nil	Nil
Solar Submersible Pumps	43.7	4.44%	81.61	11.16%	115.27	32.17%	169.42	49.74%
Solar Monoblock Pumps	12.16	1.23%	21.17	2.89%	27.12	7.57%	17.01	4.99%
Non-Solar Submersible Pumps	35.78	3.63%	40.13	5.49%	44.27	12.35%	81.37	23.89%
Non-Solar Monoblock Pumps	4.1	0.42%	4.15	0.57%	4.7	1.31%	7.08	2.08%
Electric Motors	43.98	4.47%	37.18	5.08%	30.76	8.59%	9.68	2.84%
Others	71.59	7.27%	100.64	13.76%	37.57	10.49%	19.43	5.70%
Total	984.99	100.00%	731.31	100.00%	358.3	100.00%	340.61	100.00%

INDUSTRY OVERVIEW :

Peer Group analysis

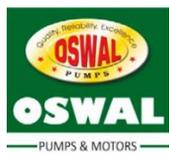
Company	Revenue from Operations for FY 24 (₹ Cr)	EPS Basic (₹)	EPS Diluted (₹)	NAV (₹ per share)	P/E (x)
Oswal Pumps Ltd	758.57	9.82	9.82	16.1	[●]
Kirloskar Brothers Ltd	4,001.20	43.84	43.84	216.47	41.94
Shakti Pumps (India) Ltd [^]	1,370.74	12.82	12.82	68.36	66.72
WPIL Ltd [^]	1,664.40	17.72	17.72	127.56	27.31
KSB Ltd [^]	2,247.24	11.99	11.99	74.81	66.79
Roto Pumps Ltd [^]	274.5	6.28	6.28	31.03	42.08

Source: RHP; All the financial information for listed industry peer mentioned above is on a consolidated basis (unless otherwise available only on standalone basis), [^]EPS and NAV numbers are adjusted for split and bonus post March 31, 2024.

Operational Benchmarking:

Key Industries								
Oil and Gas	✓	✓	✓	✓	✓	✓	✓	✓
Power Generation	✓	✓	✓	✓	✓	✓	✓	✓
Agriculture	✓	✓	✓	✓	✓	✓	✓	✓
Building & Construction	✓	✓	✓	✓	✓	✗	✓	✓
Wastewater Treatment	✓	✓	✓	✓	✓	✓	✓	✓
Chemical	✓	✓	✓	✓	✓	✓	✓	✓
Pharmaceutical	✓	✓	✓	✓	✗	✓	✗	✓
Other Industrial Services	✓	✓	✓	✓	✗	✓	✓	✓
Municipal Projects	✓	✓	✗	✓	✗	✓	✓	✓

Key Industries								
Submersible Pumps	✓	✓	✓	✓	✓	✓	✓	✓
Monoblock Pumps	✓	✓	✓	✓	✓	✗	✓	✓
Pressure Booster Pumps	✓	✓	✓	✓	✓	✗	✓	✓
Centrifugal Pumps	✓	✓	✓	✓	✓	✓	✓	✓
Solar Pumps	✓	✓	✓	✓	✗	✗	✓	✓
Positive Displacement Pumps	✓	✓	✓	✓	✓	✓	✓	✓
Solar Panel	✓	✗	✗	✓	✗	✓	✓	✓



HENSEX OUTLOOK:

Rating: or long-term investors – Subscribe, backed by sector growth, integration benefits, and financial improvement

- ✓ *Oswal Pump Ltd demonstrates solid fundamentals with a strong foothold in the solar agricultural pump segment, underpinned by consistent revenue growth and vertical integration.*
- ✓ *A wide-ranging product portfolio and growing distribution footprint help reduce dependency on specific markets, allowing for scalability.*
- ✓ *The Indian solar pump industry, valued at ₹164.5 billion in FY25, is projected to grow at 11% CAGR, reaching ₹271.1 billion by FY30.*
- ✓ *The company posted impressive profitability metrics in FY24: ROE and ROCE were 54.5% and 54.9%, respectively. ROAE reached 75.6% for the same period.*
- ✓ *It reduced its debt-to-equity ratio from 2.1x in FY22 to 0.4x in FY24. Although short-term debt rose in 9MFY25 (D/E at 0.9x), the company maintained a strong financial position.*
- ✓ *Its robust domestic distribution network and expanding presence in high-growth states further enhance its ability to monetise the sector's rising demand.*
- ✓ *On the financial front, EBITDA margins expanded from 10.7% to 19.8% between FY22 and FY24, reflecting the company's strong operational control and backward integration efforts.*
- ✓ *Proceeds from the IPO will likely be used for capacity expansion and working capital, positioning the company well for future growth.*
- ✓ *On 9MFY25 annualized earnings, the issue is valued at a P/E of 21.2x, making it reasonably priced compared to industry peers.*

MAJOR RISK FACTOR:

- ✓ *Approximately 70% of revenues come from Turnkey Solar Pumping Systems awarded through government tenders under the PM-KUSUM scheme.*
- ✓ *Business performance is closely linked to the agricultural sector, making it vulnerable to monsoons, farm income, and rural government spending.*
- ✓ *Revenue heavily depends on a limited number of customers: Top 10 customers accounted for: 79.5% in FY24, 72.6% in FY23 and 66.3% in FY22*
- ✓ *Company depends on a few key suppliers for raw materials, exposing it to supply chain disruptions and pricing volatility.*
- ✓ *All manufacturing facilities are located in Karnal, Haryana, exposing the company to local and regional risks (e.g., labor unrest, natural disasters, regulatory changes)*
- ✓ *The pump manufacturing industry is experiencing increasing competition, putting pressure on margins and market share.*
- ✓ *Other Risks include Changes in government policy; Reduction in subsidies or funding ; Inability to win future tenders and Delays in execution and cash flows*

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Source: RHP (Red Herring Prospectus)

(For Additional & Detailed information, please refer RHP.)

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