

## Oswal Pumps Ltd

### IPO Note



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**Tapping Growth Through Solar & Integration**

Oswal Pumps Limited, established in 2003, is a vertically integrated Indian manufacturer of energy-efficient pumping systems, with a growing footprint in solar energy solutions. It offers a diversified portfolio comprising submersible pumps, monoblock pumps, pressure booster pumps, electric motors, solar pumps, solar panels, and uPVC/CPVC piping systems. The company caters primarily to the agricultural, domestic, and industrial water supply sectors, with expanding participation in India's PM-KUSUM scheme through turnkey solar pump installations. As of Dec-24, Oswal has installed over 38,000 solar pumping systems across 11 states, underlining its execution strength.

The company operates out of its 3.4 lakh sq. ft. Karnal facility, housing in-house R&D, casting, fabrication, motor winding, and testing. Its subsidiary, Oswal Solar Pvt Ltd, handles solar panel manufacturing and EPC project execution. With strong backward integration, a 10,000+ dealer network, and a dual-brand strategy ("Oswal" and "OMAX"), the company effectively serves diverse price points across rural India.

Oswal is executing an INR 548 crore capex plan—INR 272.8 crore for a new solar module unit under Oswal Solar and INR 89.9 crore to expand pump and motor capacity. These will double pump output to 12 lakh units p.a. and solar module capacity to 1.4 GW.

Driven by full backward integration and rising EPC share, Oswal achieved a 30% EBITDA margin in 9MFY25, reflecting scale benefits and supply chain control. FY24's revenue stood at INR 758.5 crore with PAT of INR 97.6 crore (up 187% YoY), while 9MFY25 revenue surpassed INR 1,065 crore. IPO proceeds will support capex, debt repayment, and working capital, positioning Oswal to ride India's solar and agri-electrification wave.

**Key Consolidated Financial Data (INR Cr, unless specified)**

	Net Revenue	EBITDA	Net Profit	EBITDA (%)	Net (%)	EPS (₹)	BVPS (₹)	RoE (%)	RoIC (%)	P/E (X)	EV/EBITDA (X)
FY22	360.4	38.5	16.9	10.7	4.7	1.5	3.8	38.8	17.0	413.4	183.6
FY23	385.0	57.8	34.2	15.0	8.9	3.0	6.9	43.3	26.6	204.6	121.9
FY24	758.6	150.1	97.7	19.8	12.9	8.6	15.7	54.5	41.8	71.7	47.1

Source: Ventura Research & Company update

**Industry Pumps & Motors**
**Scrip Details**

Listing	BSE & NSE
Open Date	June 13, 2025
Close Date	June 17, 2025
Price Band	INR 584 – 614
Face Value	INR 1.00
Market Lot	24 Shares
Minimum Lot	1

**Issue Structure**

Issue Size (INR cr)	INR 1,387.3
Issue Size (Shares)	2,25,95,114
QIB Share (%)	≤ 50%
Non-Inst Share (%)	≥ 35%
Retail Share (%)	≥ 15%
Pre Issue sh. (cr)	9.94
Post Issue sh. (cr)	11.39
Post Issue Market Cap (cr)	6,988

Shareholding (%)	Pre (%)	Post (%)
Promoter	99.88	80.07
Public	0.12	19.93
<b>TOTAL</b>	<b>100</b>	<b>100</b>

## Issue Structure and Offer Details

Oswal Pumps IPO is a bookbuilding of INR 1,387.3 crores. The issue is a combination of fresh shares of 1.45 crores aggregating to INR 890.0 crores and offer for sale of 0.81 crore shares aggregating to INR 497.34 crores.

Issue Structure	
Investor Category	Allocation
<b>QIB</b>	<b>Not more than 50.00% of the Offer</b>
<b>NII (HNI)</b>	<b>Not less than 35.00% of the Offer</b>
<b>Retail</b>	<b>Not less than 15.00% of the Offer</b>

*Number of shares based on a higher price band of INR 614*

*Source: Company Reports*

## Objects of the Issue

The Company proposes utilizing Net Proceeds towards the following objects:

- 1. Capital Expenditure for Expansion Projects – INR 89.90 crore**  
For setting up a new manufacturing unit to expand production of pumping equipment and electric motors.
- 2. Investment in Subsidiary (Oswal Solar Pvt Ltd) – INR 272.80 crore**  
To set up a solar module manufacturing facility and enhance EPC execution capabilities.
- 3. Repayment/Prepayment of Borrowings – INR 311 crore**  
INR 280 crore for Oswal Pumps Ltd and INR 31 crore for Oswal Solar Pvt Ltd.
- 4. General Corporate Purposes – INR 216.40 crore**  
To support working capital, strengthen balance sheet, and enhance overall business operations.

## Financial Summary

Fig in INR Cr (unless specified)	FY22	FY23	FY24	Fig in INR Cr (unless specified)	FY22	FY23	FY24
<b>Income Statement</b>				<b>Per share data &amp; Yields</b>			
Revenue	360.4	385.0	758.6	Adjusted EPS (INR)	1.5	3.0	8.6
<b>YoY Growth (%)</b>		<b>6.8</b>	<b>97.0</b>	Adjusted Cash EPS (INR)	2.1	3.7	9.3
Raw Material Cost	254.2	266.8	503.0	Adjusted BVPS (INR)	3.8	6.9	15.7
<b>RM Cost to Sales (%)</b>	<b>70.5</b>	<b>69.3</b>	<b>66.3</b>	Adjusted CFO per share (INR)	5.7	4.4	1.5
Employee Cost	29.5	29.3	42.4	CFO Yield (%)	0.9	0.7	0.2
<b>Employee Cost to Sales (%)</b>	<b>8.2</b>	<b>7.6</b>	<b>5.6</b>	Adjusted FCF per share (INR)	3.2	2.6	0.3
Other Expenses	38.2	31.0	63.1	FCF Yield (%)	0.5	0.4	0.1
<b>Other Exp to Sales (%)</b>	<b>10.6</b>	<b>8.1</b>	<b>8.3</b>	<b>Solvency Ratio (X)</b>			
EBITDA	38.5	57.8	150.1	Total Debt to Equity	2.0	0.7	0.4
<b>Margin (%)</b>	<b>10.7</b>	<b>15.0</b>	<b>19.8</b>	Net Debt to Equity	1.7	0.7	0.4
<b>YoY Growth (%)</b>		<b>50.1</b>	<b>159.6</b>	Net Debt to EBITDA	1.9	0.9	0.5
Depreciation & Amortization	6.9	7.8	8.6	<b>Return Ratios (%)</b>			
EBIT	31.6	50.1	141.5	Return on Equity	38.8	43.3	54.5
<b>Margin (%)</b>	<b>8.8</b>	<b>13.0</b>	<b>18.7</b>	Return on Capital Employed	17.0	26.6	41.8
<b>YoY Growth (%)</b>		<b>58.5</b>	<b>182.7</b>	Return on Invested Capital	27.0	38.4	56.4
Other Income	0.7	2.4	2.7	<b>Working Capital Ratios</b>			
Interest	8.4	5.9	14.3	Payable Days (Nos)	55	57	31
Fin Charges Coverage (X)	3.8	8.5	9.9	Inventory Days (Nos)	76	64	59
Exceptional Item	0.0	0.0	0.0	Receivable Days (Nos)	38	69	115
PBT	23.9	46.6	129.9	Net Working Capital Days (Nos)	60	77	143
<b>Margin (%)</b>	<b>6.6</b>	<b>12.1</b>	<b>17.1</b>	Net Working Capital to Sales (%)	16.3	21.1	39.2
<b>YoY Growth (%)</b>		<b>94.6</b>	<b>178.7</b>	<b>Valuation (X)</b>			
Tax Expense	7.0	12.4	32.2	P/E	413.4	204.6	71.7
<b>Tax Rate (%)</b>	<b>29.3</b>	<b>26.6</b>	<b>24.8</b>	P/BV	160.2	88.5	39.0
PAT	16.9	34.2	97.7	EV/EBITDA	183.6	121.9	47.1
<b>Margin (%)</b>	<b>4.7</b>	<b>8.9</b>	<b>12.9</b>	EV/Sales	19.6	18.3	9.3
<b>YoY Growth (%)</b>		<b>102.0</b>	<b>185.6</b>	<b>Cash Flow Statement</b>			
Min Int/Sh of Assoc	0.0	0.0	0.0	PBT	23.9	46.6	129.9
Net Profit	16.9	34.2	97.7	Adjustments	(129.7)	38.0	135.8
<b>Margin (%)</b>	<b>4.7</b>	<b>8.9</b>	<b>12.9</b>	Change in Working Capital	177.7	(22.3)	(216.6)
<b>YoY Growth (%)</b>		<b>102.0</b>	<b>185.6</b>	Less: Tax Paid	(7.0)	(12.4)	(32.2)
<b>Balance Sheet</b>				Cash Flow from Operations	64.9	49.9	16.9
Share Capital	5.9	5.9	5.9	Net Capital Expenditure	(34.8)	(25.0)	(24.1)
Total Reserves	37.8	73.2	173.4	Change in Investments	(11.2)	4.5	0.6
Shareholders Fund	43.7	79.1	179.3	Cash Flow from Investing	(46.0)	(20.5)	(23.5)
Long Term Borrowings	14.8	5.8	7.2	Change in Borrowings	(5.1)	(27.4)	17.7
Deferred Tax Assets / Liabilities	(0.1)	(0.2)	(2.1)	Less: Finance Cost	(8.4)	(5.9)	(14.3)
Other Long Term Liabilities	3.1	2.9	4.0	Proceeds from Equity	0.0	0.0	0.0
Long Term Trade Payables	0.0	0.0	0.0	Buyback of Shares	0.0	0.0	0.0
Long Term Provisions	9.8	12.8	14.2	Dividend Paid	0.0	0.0	0.0
Total Liabilities	71.2	100.3	202.6	Cash flow from Financing	(13.5)	(33.3)	3.4
Net Block	71.1	80.9	97.4	Net Cash Flow	5.4	(3.9)	(3.2)
Capital Work in Progress	0.0	3.2	0.6	Forex Effect	0.0	0.0	0.0
Intangible assets under developi	0.0	0.0	0.0	Opening Balance of Cash	2.1	7.5	3.6
Non Current Investments	3.5	0.0	0.0	Closing Balance of Cash	7.5	3.6	0.4
Long Term Loans & Advances	3.4	8.5	9.1				
Other Non Current Assets	1.5	3.7	4.2				
Net Current Assets	(8.3)	4.1	91.2				
Total Assets	71.2	100.3	202.6				

Source: Company Reports

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