

## OSWAL PUMPS LTD

13-06-2025 TO 17-06-2025

Industry: Manufacturer of pumps and solar modules  
Recommendation: Subscribe for long term

Price Band: ₹584 - 614  
Post Implied Market Cap: ₹ 6,700Cr - ₹ 6,998 Cr

### Key Data

|                       |             |
|-----------------------|-------------|
| Issue Size (₹ Cr)     | 1387        |
| Fresh (₹)             | 890         |
| OFS (₹)               | 497         |
| No. of shares offered | 1,44,95,114 |
| Face Value (₹ /share) | 1           |
| Bid Lot               | 24          |

### About the Company

Oswal Pumps Ltd (Oswal Pumps), with over 22 years of experience, manufactures solar-powered and grid-connected submersible and monoblock pumps, electric motors, and solar modules under the 'Oswal' brand. Their products serve diverse needs across agriculture, residential, commercial, and industrial sectors—for irrigation, water supply, cleaning, water treatment, and machinery applications.

### Investment Rationales

**1) Vertically integrated manufacturing competencies:** Oswal Pumps Ltd has vertically integrated operations, manufacturing key components for pumps and solar modules. Supported by their associate company, Walso Solar Solutions, they also produce mounting structures and components for turnkey solar pumping systems—enabling better product development, cost optimization, and improved margins.

**2) End-to-end pump manufacturing capabilities:** The company has comprehensive in-house pump manufacturing capabilities, including component production and various casting, moulding, stamping, winding, machining, and assembly processes. Its strong backward integration enables production of critical pump and motor parts internally, offering significant competitive advantages in cost, quality, and control.

**3) One of the largest suppliers of solar powered agricultural pumps under the PM Kusum Scheme, well positioned to capitalise on strong industry tailwinds:** Company is the fastest-growing vertically integrated solar pump manufacturer in India, having achieved a robust revenue CAGR of 45.07% between FY2022 and FY2024. The company is focused on delivering sustainable water solutions for the agricultural sector through its advanced solar-powered pumps. As of April 30, 2025, it has successfully supplied 45,454 solar pumping systems across the country.

**4) Manufacturing of solar modules:** Through its wholly owned subsidiary, Oswal Solar Structure Pvt Ltd, the company began manufacturing solar modules on January 8, 2024. This key component for Turnkey Solar Pumping Systems has strengthened its backward integration, boosting both revenue and profitability. As of December 31, 2024, the company had an annual installed capacity of 570 MW for solar module production.

**5) End-to-end capabilities for Turnkey Solar Pumping Systems:** The company offers end-to-end solutions for Turnkey Solar Pumping Systems, covering design, engineering, procurement, site surveys, project management, manufacturing, installation, commissioning, and warehousing. Their services include overseeing manpower across the value chain and ensuring complete on-site setup, verification, and testing of solar pump components.

**6) Comprehensive product portfolio in multiple product specifications:** Oswal Pumps Ltd offers a comprehensive range of over 1,000 varieties of solar-powered and grid-connected pumps, electric motors, and solar modules, catering to both domestic and international markets. Its diverse product portfolio serves agricultural, residential, and industrial sectors, enabling the company to attract new customers, expand its market presence, strengthen its industry position, and mitigate dependency on any single product or segment. The company distributes its products through an extensive pan-India distributor network.

**7) Strong presence in major agricultural states in India including Haryana and growing presence in other states:** The company has significantly expanded its footprint across India between April 1, 2021, and December 31, 2024, by leveraging a robust distributor network of over 2,000 dealers nationwide. It holds a strong presence in North India, particularly in the agriculturally vital state of Haryana, and has established operations in key markets such as Maharashtra, Uttar Pradesh, Rajasthan, Chhattisgarh, and Punjab.

### Indicative Timetable

|                                    |             |
|------------------------------------|-------------|
| Activity                           | On or about |
| Finalisation 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 (No. of shares)

|                                |              |
|--------------------------------|--------------|
| Pre-Issue                      | 9,94,82,300  |
| Post Issue (Lower price band)  | 11,47,22,026 |
| Post Issue (Higher price band) | 11,39,77,414 |

### Shareholding Pattern

#### Promoter:

|            |        |
|------------|--------|
| Pre Issue  | 97.66% |
| Post Issue | 78.13% |

#### Promoter Group:

|            |       |
|------------|-------|
| Pre issue  | 2.22% |
| post issue | 1.94% |

#### Public - Others:

|            |        |
|------------|--------|
| Pre Issue  | 0.12%  |
| Post Issue | 19.93% |

### Issue Breakup

|        |     |
|--------|-----|
| QIB    | 50% |
| NIB    | 15% |
| Retail | 35% |

### Risk

- High dependency on government schemes.
- Geographical and Customer concentration risk.

### MView

We believe Oswal Pumps Ltd IPO brings investors an opportunity to invest in a high-growth, vertically integrated player in the solar pump manufacturing space. We think the company's deep vertical integration—including in-house pump and solar module manufacturing, supported by strategic subsidiaries—enables cost efficiency, quality control, and superior margins. We also think with a diversified product portfolio catering to agricultural, residential, and industrial sectors, and a strong presence in high-demand regions like Haryana, Rajasthan, and Maharashtra, Oswal Pumps has demonstrated both scalability and market responsiveness. By looking at the financials, the company has demonstrated robust performance. Revenue from operations grew sharply by 97% in FY2024, following a modest 6.7% growth in FY2023. Net profit surged by 102% in FY2023 and further accelerated to 185.6% in FY2024, reflecting both operational efficiency and margin expansion. On valuation parse on upper price band of ₹614/-, the issue is asking a Market cap of ₹6998 Cr. Based on annualized FY 2025 annualised earnings and fully diluted post -IPO paid up capital, the company is asking for a PE 24.2x which we feel reasonable relative to industry peers which are trading at an average of 42x. As one of the largest suppliers of solar-powered agricultural pumps under the PM-KUSUM scheme, we believe the company is well positioned to benefit from policy tailwinds and the accelerating shift toward sustainable irrigation solutions. Hence, we recommend investors to "SUBSCRIBE" the Oswal Pumps Ltd IPO for long-term perspective.

### Other Details

**BRLMs:** Axis Capital, IIFL Capital, CLSA India, JM Financial, Nuvama Wealth

**Registrar:** MUFG Intime India Pvt Ltd.

**Listing:** BSE & NSE

### Research Analyst

**Rajan Shinde**

rajan.shinde@mehtagroup.in

022-61507142

## CONSOLIDATED FINANCIAL TABLES

### BASIC FINANCIAL DETAILS

| Particulars ₹ (in Cr)       | As at Dec' 31 | As at March' 31 |       |       |
|-----------------------------|---------------|-----------------|-------|-------|
|                             | 2024 (09)     | 2024            | 2023  | 2022  |
| Equity Share Capital        | 9.9           | 5.8             | 5.8   | 5.8   |
| Reserves as stated          | 368.8         | 154.3           | 54.1  | 18.7  |
| Net Worth                   | 378.8         | 160.2           | 60    | 24.6  |
| Total Borrowings            | 346.3         | 75.4            | 59.3  | 87.5  |
| Revenue from Operations     | 1,065.6       | 758.6           | 385   | 360.4 |
| Revenue Growth              | -             | 97%             | 6.8%  | -     |
| EBITDA                      | 321           | 150.1           | 57.8  | 38.5  |
| EBITDA Margin (%) as stated | 30.1%         | 19.8%           | 15%   | 10.7% |
| Net Profit for the period   | 216.7         | 97.67           | 34.2  | 16.9  |
| Net Profit (%) as stated    | 20.3%         | 12.8%           | 8.8%  | 4.7%  |
| EPS - Basic (₹)             | 21.7          | 9.8             | 3.4   | 1.7   |
| RONW (%)                    | 80.4%         | 88.7%           | 80.9% | 58.9% |
| ROCE (%)                    | 66%           | 81.9%           | 45.5% | 27%   |
| NAV -Basic & Diluted (₹)    | 38.1          | 16.1            | 6     | 2.5   |
| Debt to Equity              | 0.9           | 0.4             | 0.7   | 1.8   |

Source: Company RHP

### COMPARISON WITH INDUSTRY LISTED PEERS ₹ (in Cr)

| Companies                | Revenue from Ops. for fiscal 2024 (₹ in Cr) | Mcap (₹ in Cr) | FV | EPS  | NAV (₹ Per Share) | P/B  | P/E  | RoNW (%) |
|--------------------------|---|----------------|----|------|-------------------|------|------|----------|
| Oswal Pumps Ltd          | 758.5                                       | 6998           | 1  | 25.3 | 111.3             | 5.5  | 24.2 | 88.7%    |
| Kirloskar Brothers Ltd   | 4,001.2                                     | 15,000         | 2  | 43.8 | 216.5             | 7.2  | 35.7 | 22.3%    |
| Shakti Pumps (India) Ltd | 1,370.7                                     | 12,129         | 10 | 12.8 | 68.4              | 10.5 | 29.7 | 24.2%    |
| WPIL Ltd                 | 1,664.4                                     | 4109           | 1  | 17.7 | 127.6             | 3    | 32.6 | 18.8%    |
| KSB Ltd                  | 2,247.2                                     | 14,659         | 2  | 12   | 74.8              | 9.9  | 57.6 | 17.1%    |
| Roto Pumps Ltd           | 274.5                                       | 1840           | 1  | 6.3  | 31                | 8.3  | 55.2 | 22%      |



# MSEARCH

## DISCLAIMER & DISCLOSURE

This Report is published by Mehta Equities Limited (hereinafter referred to as "MEL") for registered client circulation only. MEL is a registered Research Analyst under SEBI (Research Analyst) Regulations, 2014 having Registration no. INH00000552. MEL is a registered broker with the Securities & Exchange Board of India (SEBI) and registered with National Stock Exchange of India Limited and BSE Limited in cash and derivatives segments, Multi Commodity Exchange of India (MCX), National Commodity & Derivatives Exchange Ltd. (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL), is registered with SEBI for providing PMS services and distribute third party PMS product and also member of Association of Mutual Funds of India (AMFI) for distribution of financial products.

MEL a "Research Entity" under SEBI (Research Analyst) Regulations 2014 has independent research teams working with a Chinese wall rule with other business divisions of MEL as mentioned above.

MEL or its associates have not been debarred / suspended by SEBI or any other regulatory authority for accessing / dealing in securities Market. MEL, its associates or Research analyst or his relatives do not hold any financial interest in the subject company. MEL or its associates or Research analysts do not have any conflict or material conflict of interest at the time of publication of the research report with the subject company. MEL or its associates or Research Analyst or his relatives do not hold beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of this research report.

MEL or its associates or Research analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Research analyst during the past twelve months. MEL or its associates have not received any compensation or other benefits from the company covered by Research analyst or third party in connection with the research report. Research Analyst has not served as an officer, director or employee of Subject Company and MEL / Research analyst has not been engaged in market making activity of the subject company.

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. MEL is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. In preparing this research, we did not take into account the investment objectives, financial situation and particular needs of the reader. This research has been prepared for the general use of the clients of MEL and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient, you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MEL will not treat recipients as customers by virtue of their receiving this report. This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MEL & its group companies to registration or licensing requirements within such jurisdictions.

The report is based on the information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up-to-date and it should not be relied upon as such. We accept no obligation to correct or update the information or opinions in it. MEL or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. MEL or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations.

This information is subject to change without any prior notice. MEL reserves its absolute discretion and right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, MEL is committed to providing independent and transparent recommendations to its clients, and would be happy to provide information in response to specific client queries.

The information/document contained herein has been prepared by Mehta Equities Ltd and is intended for use only by the person or entity to which it is addressed to. This information/document may contain confidential and/or privileged material and is not for any type of circulation and any review, retransmission, or any other use is strictly prohibited. This information/document is subject to changes without prior notice. Kindly note that this information/document is based on technical analysis by studying charts, patterns, trends of a stock's price movement and trading volume of the stock and as such, may not match with any company's fundamentals. This information/document does not constitute an offer to sell or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. Though disseminated to all customers who are due to receive the same, not all customers may receive this information/report at the same time. MEL will not treat recipients as customers by virtue of their receiving this information/report.

Before making an investment decision on the basis of this research, the reader needs to consider, with or without the assistance of an adviser, whether the advice is appropriate in light of their particular investment needs, objectives and financial circumstances. There are risks involved in securities trading. The price of securities can and does fluctuate, and an individual security may even become valueless. Opinions expressed are subject to change without any notice. Neither the company nor the director or the employees of MEL accept any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this research and/or further communication in relation to this research. Here it may be noted that neither MEL, nor its directors, employees, or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profit that may arise from or in connection with the use of the information contained in this report.

Analyst Certification: Research Analyst the author of this report, hereby certify that the views expressed in this research report accurately reflects my personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the Research analyst was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The Research analyst is principally be responsible for the preparation of this research report and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

#### **Msearch's Recommendation (Absolute Performance)**

**Buy: > 20% within the next 12 Months**

**Accumulate: 5% to 20% within the next 12 Months**

**Sell : < -20% within the next 12 Months**

#### **MEHTA EQUITIES LTD**

BSE: - Membership Clearing No. 122 - SEBI Regn. No. INB010683856, NSE: - Membership Clearing No. 13512-  
SEBI Regn. No. INB231351231, NSE FO SEBI Regn. No. INF231351231, CIN No: U65990MH1994PLC078478  
MSEI: - Membership Clearing No. 51800 - SEBI Regn. No. INB261351234 SEBI registered RA Reg No INH000000552  
Mehta Equities Limited, 903, 9th Floor, Lodha Supremus, Dr.E.Moses Road, Worli Naka, Worli, Mumbai 400 018, India

Tel: +91 22 6150 7101, Fax: +91 22 6150 7102

Email: [info@mehtagroup.in](mailto:info@mehtagroup.in), Website: [www.mehtagroup.in](http://www.mehtagroup.in)

Compliance Officer: Prakash Joshi

Email Id: [compliance@mehtagroup.in](mailto:compliance@mehtagroup.in)

Phone No +91 22 61507180

For grievance redressal contact Customer Care Team Email: [help.kyc@mehtagroup.in](mailto:help.kyc@mehtagroup.in) Phone: + 91 22 61507154