

IPO Report

Choice

**“Subscribe for Long Term” to
Oswal Pumps Ltd.**

Profit sustainability concern.



Salient features of the IPO:

- **Oswal Pumps Ltd.** (OPL), is a vertically integrated solar pump manufacturer in India, is coming up with an IPO to raise around Rs. 1,363.04 - 1,387.34cr, which opens on 13th Jun. 2025 and closes on 17th Jun. 2025. The price band is Rs. 584 - 614 per share.
- This public issue is a combination of fresh issue (Rs. 890cr) and OFS (Rs. 473.04 - 497.34). The company will not receive any proceeds from the OFS portion. From the fresh issue net proceeds, the company will be utilizing Rs. 89.8cr for funding certain capital expenditure of the company; and Rs. 272.75cr for 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; Rs. 280cr for pre-payment/ re-payment, in part or full, of certain outstanding borrowings availed by the company; Rs. 31cr for 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. Residual proceeds will be used for general corporate purposes.
- One of the promoter & promoter group (P&PG) entities is participating in the OFS and are offloading 0.81cr equity shares. Post-IPO, the P&PG and public shareholders will have 80.07% and 19.93% stake in the company, respectively.

Key competitive strengths:

- One of the largest suppliers of solar powered agricultural pumps under the PM Kusum Scheme, well positioned to capitalise on strong industry tailwinds
- Vertically integrated manufacturing competencies
- Strong engineering and design capabilities
- Comprehensive product portfolio in multiple product specifications
- Strong presence in major agricultural states in India including Haryana and growing presence in other states
- Extensive distribution network catering to a diversified customer base

Risk and concerns:

- Majority of the revenue comes from the government institutions under the PM Kusum Scheme
- Dependent on the agriculture sector
- Geographical concentration risk
- Customer concentration risk
- High working capital requirement
- Competition

Below are the key highlights of the company:

- Incorporated on July 15, 2003, OPL is one of the fastest-growing vertically integrated solar pump manufacturers in India by revenue. The company manufactures a wide range of products, including 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.
- Starting with the manufacturing of low-speed monoblock pumps, the company has, over the past 22 years, built extensive expertise across engineering, product design, manufacturing, and testing, enabling it to expand its operations significantly.
- OPL 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 the pumps in boilers and water treatment, water transportation and sewage applications and use the electric motors in machinery applications and cooling tower systems.

Issue details

Price band	Rs. 584 - 614 per share
Face value	Rs. 1
Shares for fresh issue	1.449 - 1.523cr shares
Shares for OFS	0.810cr shares
Fresh issue size	Rs. 890cr
OFS issue size	Rs. 473.04 - 497.34
Total issue size	2.259 - 2.333cr shares (Rs. 1,363.04 - 1,387.34cr)
Bidding date	13 th Jun. - 17 th Jun. 2025
Implied MCAP at higher price band	Rs. 6,998.21cr
Implied enterprise value at higher price band	Rs. 6,328.67cr

Book running lead manager
IIFL Capital Services Ltd., Axis Capital Ltd., CLSA India Pvt. Ltd., JM Financial Ltd., and Nuvama Wealth Management Ltd.

Registrar
MUFG Intime India Pvt. Ltd.

Sector
Pumps

Promoters
Vivek Gupta, Amulya Gupta, Shivam Gupta, Ess Aar Corporate services Pvt. Ltd., Shorya Trading company Pvt. Ltd., and Singh Engcon Pvt. Ltd.

Category	Percent of issue (%)	Number of shares
QIB portion	50%	1.130 - 1.167cr shares
Non institutional portion (Big)	10%	0.226 - 0.233cr shares
Non institutional portion (Small)	5%	0.113 - 0.117cr shares
Retail portion	35%	0.791 - 0.817cr shares

Indicative IPO process time line

Finalization of basis of allotment	18 th Jun. 2025
Unblocking of ASBA account	19 th Jun. 2025
Credit to demat accounts	19 th Jun. 2025
Commencement of trading	20 th Jun. 2025

Pre and post - issue shareholding pattern

	Pre-issue	Post-issue
Promoter & promoter group	99.88%	80.07%
Public	0.12%	19.93%
Non-promoter & Non-public	0.00%	0.00%
Total	100.00%	100.00%

Retail application money at higher cut-off price per lot

Number of shares per lot	24 shares
Application money	Rs. 14,736

Key highlights of the company (Contd...):

Company name	FV (Rs.)	CMP (Rs.)	MCAP (Rs. cr)	EV (Rs.)	6M Return (%)	12M Return (%)	FY24Revenue (Rs. cr)	FY24 EBITDA (Rs. cr)	FY24 PAT (Rs. cr)	FY24 Gross Margin (%)	FY24 EBITDA margin (%)	FY24 PAT margin (%)
Oswal Pumps Ltd	1	614	6,998	6,329	-	-	759	150	98	33.7%	19.8%	12.9%
Kirloskar Brothers Ltd	2	1,873	14,872	14,771	-23.3%	-1.3%	4,001	520	350	50.4%	13.0%	8.7%
Shakti Pumps (India) Ltd	10	998	11,976	11,860	15.2%	124.0%	1,371	225	142	32.9%	16.4%	10.4%
WPIL Ltd	1	422	4,123	3,714	-43.5%	9.2%	1,664	298	193	43.1%	17.9%	11.6%
KSB Ltd	2	837	14,564	14,244	5.2%	-6.0%	2,533	338	247	43.9%	13.3%	9.8%
Roto Pumps Ltd	1	298	1,871	1,871	-17.0%	21.3%	274	66	39	65.1%	24.1%	14.2%
Average										47.1%	16.9%	10.9%

Company name	3Y top-line growth (CAGR)	3Y EBITDA growth (CAGR)	3Y PAT growth (CAGR)	Average 3Y EBITDA margin	Average 3Y PAT margin	3Y average RoE	3Y average RoCE	Avg 3Y Receivable days	Avg 3Y Inventory Days	Avg 3Y Payable Days	Net Worth
Oswal Pumps Ltd	45.1%	97.4%	140.2%	15.2%	8.8%	45.5%	29.1%	55	63	46	1,288
Kirloskar Brothers Ltd	14.4%	58.9%	93.0%	10.2%	6.0%	15.4%	20.7%	51	70	117	1,719
Shakti Pumps (India) Ltd	7.8%	43.0%	47.8%	10.9%	6.1%	16.0%	21.1%	113	67	91	756
WPIL Ltd	18.7%	19.1%	27.9%	17.5%	11.8%	21.2%	24.2%	122	78	461	1,246
KSB Ltd	17.9%	17.0%	16.2%	13.3%	9.7%	17.3%	23.5%	73	94	99	1,302
Roto Pumps Ltd	24.8%	21.1%	14.0%	24.5%	15.3%	23.3%	29.4%	73	71	88	195
Average	16.7%	31.8%	39.8%	15.3%	9.8%	18.6%	23.8%	86	76	171	

Company name	Total Debt	Cash	FY24 RoE (%)	FY24 RoCE (%)	P / E	P / B	EV / Sales	EV / EBITDA	MCAP / Sales	EPS (Rs.)	BVPS (Rs.)	D/E
Oswal Pumps Ltd	228	897	54.5%	33.6%	71.7	5.4	8.3	42.2	9.2	8.6	113	0.2
Kirloskar Brothers Ltd	192	293	20.4%	28.7%	42.5	8.7	3.7	28.4	3.7	44.1	216	0.1
Shakti Pumps (India) Ltd	85	201	18.8%	31.5%	84.3	15.8	8.7	52.7	8.7	11.8	63	0.1
WPIL Ltd	220	629	15.5%	24.2%	21.4	3.3	2.2	12.5	2.5	19.8	128	0.2
KSB Ltd	3	323	19.0%	23.9%	59.0	11.2	5.6	42.1	5.7	14.2	75	0.0
Roto Pumps Ltd	53	32	20.0%	26.8%	48.0	9.6	6.8	28.4	6.8	6.2	31	0.3
Average			18.7%	27.0%	51.0	9.7	5.4	32.8	5.5			0.1

Note: Considered financials for the period during FY22-24 with (IPO adjustment); Source: Choice Broking Research

- In March 2019, the Government of India launched the PM-KUSUM Scheme with a Rs. 344bn (USD 4.1 billion) outlay to install 1.4 mn standalone solar agriculture pumps in off-grid areas. The scheme aims to provide energy security to farmers, reduce diesel use, promote renewable energy in agriculture, and cut environmental pollution.
- Recognizing the opportunities under the PM-KUSUM Scheme, OPL leveraged its expertise in pump manufacturing to enter the solar-powered agricultural pumps segment in 2019. The company began supplying these pumps to turnkey solution providers under the scheme, including Tata Power Solar Systems Ltd. Additionally, OPL catered to vendors empanelled under the Mukhyamantri Saur Krushi Pump Yojana, launched by the Government of Maharashtra in 2019.
- Over the years, OPL has significantly expanded its presence across India. Its products are sold through a growing distributor network, which increased from 473 distributors in FY22 to 925 as of December 31, 2024. The company has established a strong foothold in North India, particularly in key agricultural states like Haryana, and has also built a presence in other regions including Maharashtra, Uttar Pradesh, Rajasthan, Chhattisgarh, and Punjab.
- In terms of revenue contribution, Haryana accounted for 49.6% in FY22, 44% in FY23, and increased significantly to 72.3% in FY24, before moderating to 34.75% for the nine months ended December 31, 2024. Maharashtra contributed 9.86% in FY22, rose to 18.7% in FY23, dipped to 7.9% in FY24, and surged to 44.3% in the nine-month period of FY25. Uttar Pradesh's share steadily increased from 2.7% in FY22 to 6.1% in FY24, maintaining at 6.1% for the nine months ended December 2024. Rajasthan contributed 17.9% in FY22, declining to 7.3% in FY23, 4.5% in FY24, and stood at 5.3% for the nine months ended December 2024.
- According to the RHP, out of the estimated 0.61 mn solar-powered agricultural pumps installed across various states under the PM-KUSUM Scheme as of December 31, 2024, the company has directly and indirectly supplied around 0.23 mn pumps, accounting for approximately 38.04% of the total installations.
- From April 1, 2021 to December 31, 2024, OPL supplied 38,132 solar pumps directly under Turnkey Solar Pumping Systems of the PM-KUSUM Scheme, 1,45,578 solar pumps to participating players under the scheme, and 7,255 solar pumps as Turnkey Solar Pumping Systems to players participating under the PM Kusum Scheme.

Key highlights of the company (Contd...):

- According to the RHP, the solar pump market in India was valued at Rs. 164.5bn in FY25 and is projected to grow at a CAGR of 11.0% to reach Rs. 271.1bn by FY30. In comparison, the global solar pump market stood at Rs. 300 bn in 2024 and is expected to expand at a CAGR of 19.5% to Rs. 700 bn by 2029.
- The company operates a manufacturing facility located in Karnal, Haryana, which is one of India's largest single-site facilities for pump manufacturing. As of December 31, 2024, the facility spanned a total land area of 41,076 square meters. Strategically positioned near major agricultural states such as Haryana, Punjab, and Uttar Pradesh, the facility benefits from proximity to key markets. As of the same date, it had an annual installed capacity of 1,160.07 metric tonnes (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. The capacity utilization stood at 75.00% for stainless steel pumps, 46.81% for cast iron pumps, 77.59% for stainless steel motors, and 40.54% for cast iron motors.
- OPL, through its wholly-owned subsidiary Oswal Solar Structure Private Limited, commenced the manufacturing of solar modules on January 8, 2024. Solar modules are a critical component of turnkey solar pumping systems, and this backward integration has strengthened the company's operational capabilities, improved profitability, and contributed to revenue growth.
- As of December 31, 2024, the company had an installed annual production capacity of 570 MW for solar modules. To further support the growing demand for solar pumps and cater to the increasing requirement for solar modules in both domestic and international markets, OPL plans to enhance its installed capacity by an additional 1,500 MW using proceeds from the proposed IPO.
- The company derives its revenue from a diversified customer base, including institutional customers, government entities, and distributors. In FY22, 58.7% of the revenue was generated from institutional customers, which increased to 75.6% in FY23. However, this contribution declined to 43.4% in FY24 and further to 7.15% for the nine months ended December 31, 2024. The company did not generate any revenue from government entities in FY22 and FY23. However, in FY24, revenue from government entities accounted for 45.6%, rising significantly to 78.51% during the nine-month period ended December 31, 2024. Sales through distributors contributed 24% of the revenue in FY22, reducing to 11.1% in FY23, 5.4% in FY24, and 10.62% for the nine-month period ended December 31, 2024. This shift in revenue composition reflects the company's evolving customer focus, with a significant increase in business from government entities in recent periods.

Peer comparison and valuation: With over 22 years of experience in the pumps industry, OPL has established itself as one of India's fastest-growing, vertically integrated solar pump manufacturers. The company has delivered strong revenue growth over the past three years, supported largely by government projects, especially under the PM-KUSUM scheme. Holding an impressive ~38% market share in solar pumps, OPL's market leadership continues to drive sustained growth and profitability.

At the higher price band, OPL is seeking a P/E multiple of 71.7x based on its FY24 EPS of Rs. 8.6. However, after annualized 9M FY25 earning, the valuation moderates to a P/E of 24.2x, making the offer attractive. The company's recent growth has been largely driven by its participation in the PM-KUSUM scheme, raising concerns over concentration risk and the sustainability of this growth momentum. Additionally, the elongated working capital cycle and cash flow pressures add to the overall risk profile. Thus, we recommend **"Subscribe for Long Term"** rating for issue.

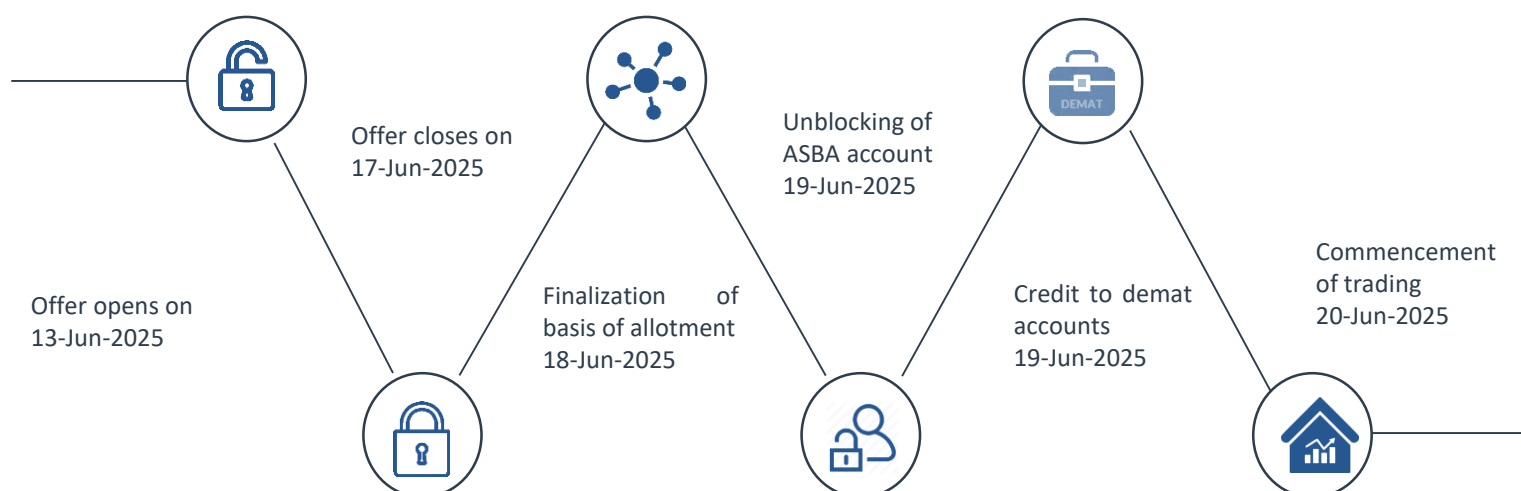
About the issue:

- OPL is coming up with an IPO with 2.259 - 2.333cr shares (fresh issue: 1.449 - 1.523cr shares; OFS shares: 0.81cr shares) in offering. This offer represents 19.82% of the post-issue paid-up equity shares of the company. Total IPO size is Rs. 1,363.04 - 1,387.34cr.
- The issue is through book building process with a price band of Rs. 584 - 614 per share.
- Lot size comprises of 24 equity shares and in-multiple of 24 shares thereafter.
- The issue will open on 13th Jun. 2025 and close on 17th Jun. 2025.
- This public issue is a combination of fresh issue (Rs. 890cr) and OFS (Rs. 473.04 - 497.34). The company will not receive any proceeds from the OFS portion. From the fresh issue net proceeds, the company will be utilizing Rs. 89.8cr for funding certain capital expenditure of the company; and Rs. 272.75cr for 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; Rs. 280cr for pre-payment/ re-payment, in part or full, of certain outstanding borrowings availed by the company; Rs. 31cr for 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. Residual proceeds will be used for general corporate purposes.
- One of the promoter & promoter group (P&PG) entities is participating in the OFS and are offloading 0.81cr equity shares. Post-IPO, the P&PG and public shareholders will have 80.07% and 19.93% stake in the company, respectively.
- 50% of the net issue is reserved for qualified institutional buyers, while 15% and 35% of the net issue is reserved for non-institutional bidders and retail investors, respectively.

Pre and post-issue shareholding pattern (%)		
	Pre-issue	Post-issue (at higher price band)
Promoter & promoter group	99.88%	80.07%
Public	0.12%	19.93%
Non-promoter & Non-public	6.50%	0.00%

Source: Choice Equity Broking

Indicative IPO process time line:



Pre-issue financial performance:

Performance over FY22-24: During this period, OPL witnessed strong growth, supported by an expanding distributor network, reflecting growing confidence in its products. Additionally, the company's entry into government projects under the PM-KUSUM scheme further contributed to the growth in both its revenue and profitability.

The company reported strong growth, with total operating revenue reaching Rs. 758.6cr in FY24, achieving a CAGR of 45.1%. This performance was primarily driven by higher sales of Turnkey Solar Pumping Systems supplied directly under the PM-KUSUM Scheme, along with increased sales to institutional customers.

The company's EBITDA witnessed robust growth, increasing from Rs. 38.5cr in FY22 to Rs. 150.1cr in FY24. Consequently, the EBITDA margin expanded by 910 bps to 19.8% in FY24, compared to 10.7% in FY22. This improvement was primarily driven by lower material costs, along with a reduction in employee and other operating expenses. Supported by the strong operating performance, the company's PAT also rose sharply from Rs. 16.9cr in FY22 to Rs. 97.7cr in FY24, with the PAT margin improving by 818 bps to 12.9% during the same period.

OPL has gradually increased its borrowings over the years to meet its working capital needs; however, improved profitability has significantly strengthened its financial position. As a result, the debt-to-equity ratio declined from 2.2x in FY22 to 1.3x in FY24. Pre-issue RoCE and RoE stood at 33.6% and 54.5%, respectively, in FY24.

Pre-issue financial snapshot (Rs. cr)	FY22	FY23	FY24	9MFY25	CAGR over FY22-24	Y-o-Y
Revenue by products						
Turnkey Solar Pumping Systems (Submersible Pumps)	13.3	64.6	361.9	656.2	421.1%	460.2%
Turnkey Solar Pumping Systems (Monoblock Pumps)	0.0	34.0	84.5	117.4		148.6%
Solar Submersible Pumps	169.4	115.3	81.6	43.7	-30.6%	-29.2%
Solar Monoblock Pumps	17.0	27.1	21.2	12.2	11.6%	-21.9%
Non-Solar Submersible Pumps	81.4	44.3	40.1	35.8	-29.8%	-9.3%
Non-Solar Monoblock Pumps	7.1	4.7	4.2	4.1	-23.4%	-11.7%
Electric Motors	33.0	30.8	37.2	44.0	6.2%	20.9%
Others	19.4	37.6	100.6	71.6	127.6%	167.9%
Revenue by Geography						
India	308.5	328.1	709.8	1,013.8	51.7%	116.3%
Outside India	37.0	41.7	35.1	36.5	-2.6%	-15.9%
Revenue from operations	360.4	385.0	758.6	1,065.7	45.1%	97.0%
Gross profit	106.2	118.2	255.6	483.5	55.2%	116.3%
EBITDA	38.5	57.8	150.1	321.0	97.4%	159.6%
Reported PAT	16.9	34.2	97.7	216.7	140.2%	185.6%
Restated adjusted EPS	1.5	3.0	8.6	19.0	140.2%	185.6%
Cash flow from operating activities	64.9	49.9	16.9	(197.4)	-48.9%	-66.1%
NOPLAT	22.3	36.7	106.4	236.3	118.3%	189.7%
RoIC (%)	35.6%	41.7%	56.2%	57.8%	2,064 bps	1,456 bps
Revenue growth rate		6.8%	97.0%			
Gross profit growth rate		11.3%	116.3%			
Gross profit margin	29.5%	30.7%	33.7%	45.4%	423 bps	300 bps
EBITDA growth rate	0.0%	50.1%	159.6%			
EBITDA margin	10.7%	15.0%	19.8%	30.1%	910 bps	477 bps
Restated PAT growth rate	-	102.0%	185.6%			
Restated PAT margin	4.7%	8.9%	12.9%	20.3%	818 bps	399 bps
Inventories days	76.4	67.9	45.7	42.3	-22.6%	-32.7%
Trade receivables days	38.0	52.3	75.3	180.2	40.8%	43.8%
Trade payables days	(54.8)	(53.9)	(29.9)	(19.9)	-26.2%	-44.7%
Cash conversion cycle	59.6	66.4	91.1	202.6	23.6%	37.4%
Total asset turnover ratio	1.6	1.5	1.5	1.0	-4.4%	-2.8%
Current ratio	0.9	1.0	1.3	1.4	17.2%	26.4%
Total debt	94.4	72.8	227.8	542.2	55.4%	212.9%
Net debt	86.8	69.2	227.4	541.2	61.8%	228.6%
Debt to equity	2.2	0.9	1.3	1.4	-23.3%	38.0%
Net debt to EBITDA	2.3	1.2	1.5	1.7	-18.0%	26.6%
RoE	38.8%	43.3%	54.5%	54.5%	1,571 bps	1,123 bps
RoA	7.6%	13.6%	19.1%	19.8%	1,147 bps	555 bps
RoCE	22.5%	31.1%	33.6%	32.6%	1,105 bps	249 bps

Note: Pre-IPO financials; Source: Choice Equity Broking

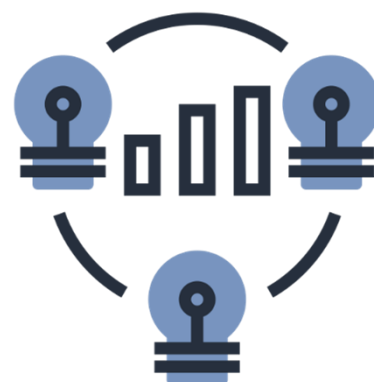


Competitive strengths:

- One of the largest suppliers of solar powered agricultural pumps under the PM Kusun Scheme, well positioned to capitalise on strong industry tailwinds
- Vertically integrated manufacturing competencies
- Strong engineering and design capabilities
- Comprehensive product portfolio in multiple product specifications
- Strong presence in major agricultural states in India including Haryana and growing presence in other states
- Extensive distribution network catering to a diversified customer base

Business Strategy:

- Backward integration in pump manufacturing value chain, enhance automation in pump manufacturing and strengthen the capabilities through strategic acquisitions
- Continue to focus on government schemes and maintain leadership position
- Increase manufacturing capacity for solar modules and backward integration in solar module manufacturing
- Introduce new products in the industrial pumps and electric motors categories
- Increase the presence in select geographies in India and grow the exports



Risk and concerns:

- Majority of the revenue comes from the government institutions under the PM Kusun Scheme
- Dependent on the agriculture sector
- Geographical concentration risk
- Customer concentration risk
- High working capital requirement
- Competition

Financial statements:

Restated consolidated profit and loss statement (Rs. cr)						
	FY22	FY23	FY24	9MFY25	CAGR over FY22-24	Annual growth over FY23
Revenue from operations	360.4	385.0	758.6	1,065.7	45.1%	97.0%
Cost of materials consumed	(260.2)	(247.8)	(511.8)	(504.6)	40.3%	106.5%
Purchase of stock-in-trade	(8.9)	(12.9)	(13.8)	(61.1)	24.5%	7.5%
Changes in inventories	14.9	(6.1)	22.7	(16.4)	23.5%	-469.9%
Gross profit	106.2	118.2	255.6	483.5	55.2%	116.3%
Employee benefits expenses	(29.5)	(29.3)	(42.4)	(48.7)	20.0%	44.5%
Other expenses	(38.2)	(31.0)	(63.1)	(113.9)	28.5%	103.3%
EBITDA	38.5	57.8	150.1	321.0	97.4%	159.6%
Depreciation and amortization expenses	(6.9)	(7.8)	(8.6)	(8.4)	11.4%	10.9%
EBIT	31.6	50.1	141.5	312.6	111.7%	182.7%
Finance costs	(8.4)	(5.9)	(14.3)	(28.8)	30.8%	142.6%
Other income	0.7	2.4	2.7	1.7	91.8%	9.3%
PBT	23.9	46.6	129.9	285.5	132.9%	178.7%
Tax expenses	(7.0)	(12.4)	(32.2)	(69.7)	114.3%	159.7%
PAT	16.9	34.2	97.7	215.8	140.2%	185.6%
Share of profit of associate (net of tax)	0.0	0.0	0.0	0.9	0.0%	0.0%
Consolidated PAT	16.9	34.2	97.7	216.7	140.2%	185.6%

Restated consolidated balance sheet statement (Rs. cr)						
	FY22	FY23	FY24	9MFY25	CAGR over FY22-24	Annual growth over FY23
Equity share capital	5.9	5.9	5.9	9.9	0.0%	0.0%
Other equity	37.8	73.2	173.4	388.0	114.1%	136.9%
Minority interest	0.0	0.0	0.0	0.0	0.0%	0.0%
Non-current borrowings	14.8	5.8	7.2	11.9	-30.2%	25.5%
Non-current lease liabilities	2.6	2.5	2.7	4.9	1.6%	7.3%
Other non-current financial liabilities	0.4	0.4	0.5	0.4	9.1%	30.1%
Non-current provisions	9.8	12.8	14.2	16.4	20.5%	10.7%
Deferred tax liability	0.0	0.0	0.0	0.7	0.0%	0.0%
Other non-current liabilities	0.0	0.0	0.8	1.7	0.0%	0.0%
Trade payables	54.1	59.7	64.4	78.6	9.1%	7.8%
Current borrowings	72.7	53.5	68.2	334.4	-3.2%	27.4%
Current lease liabilities	0.3	0.3	0.3	0.5	5.7%	20.7%
Other current financial liabilities	3.5	10.3	148.8	190.2	554.7%	1343.5%
Other current liabilities	6.1	10.8	7.6	19.7	11.5%	-29.9%
Current provisions	3.1	3.9	5.2	6.2	30.9%	35.5%
Net current tax liabilities	10.7	13.2	12.0	32.6	5.7%	-9.0%
Total liabilities	221.8	252.3	511.3	1,096.0	51.8%	102.7%
Property, plant & equipments	67.6	77.7	94.0	117.2	17.9%	21.0%
Capital work-in-progress	0.0	3.2	0.6	6.5	0.0%	-80.2%
Right-of-use assets	3.5	3.3	3.4	5.5	-2.0%	3.3%
Other intangible assets	0.0	0.0	0.1	0.2	66.8%	178.4%
Intangible assets under development	0.0	0.0	0.0	0.2	0.0%	0.0%
Non-current investments	3.5	0.0	0.0	4.0	-100.0%	0.0%
Other non-current financial assets	2.3	4.9	5.6	8.9	57.8%	14.3%
Deferred tax assets (net)	0.1	0.2	2.1	5.1	322.8%	816.7%
Other non-current assets	2.7	7.2	7.6	6.7	68.7%	5.7%
Inventories	75.5	67.9	122.2	167.1	27.3%	80.0%
Trade receivables	37.5	72.9	239.9	711.1	152.9%	228.9%
Cash & cash equivalents	7.5	3.6	0.4	1.0	-76.5%	-88.4%
Other bank balances	6.9	4.2	3.2	6.3	-32.2%	-25.0%
Other current financial assets	1.3	0.5	0.7	0.6	-25.4%	58.5%
Other current assets	13.4	6.7	31.4	55.6	52.8%	370.1%
Total assets	221.8	252.3	511.3	1,096.0	51.8%	102.7%

Financial statements (Contd...):

Restated consolidated cash flow statement (Rs. cr)						
	FY22	FY23	FY24	9MFY25	CAGR over FY22-24	Annual growth over FY23
Cash flow before working capital changes	49.8	61.2	161.3	332.5	79.9%	163.6%
Working capital changes	17.8	(1.0)	(108.7)	(478.4)		
Cash flow from operating activities	64.9	49.9	16.9	(197.4)	-48.9%	-66.1%
Purchase of fixed assets & CWIP	(35.1)	(25.0)	(25.5)	(37.8)	-14.8%	1.9%
Cash flow from investing activities	(46.0)	(20.5)	(23.5)	(43.9)	-28.5%	14.5%
Cash flow from financing activities	(13.5)	(33.3)	3.4	242.0		-110.2%
Net cash flow	5.4	(3.9)	(3.2)	0.6		-19.2%
Cash and cash equivalent as at the beginning of the year	2.1	7.5	3.6	0.4	30.9%	-52.3%
Cash and cash equivalent as the end of the year	7.5	3.6	0.4	1.0	-76.5%	-88.4%

Financial ratios				
Particulars	FY22	FY23	FY24	9MFY25
Profitability ratios				
Revenue growth rate		6.8%	97.0%	
Gross profit growth rate		11.3%	116.3%	
Gross profit margin	29.5%	30.7%	33.7%	45.4%
EBITDA growth rate		50.1%	159.6%	
EBITDA margin	10.7%	15.0%	19.8%	30.1%
EBIT growth rate		58.5%	182.7%	
EBIT margin	8.8%	13.0%	18.7%	29.3%
Restated adjusted PAT growth rate		102.0%	185.6%	
Restated adjusted PAT margin	4.7%	8.9%	12.9%	20.3%
Turnover ratios				
Inventory turnover ratio	4.8	5.4	8.0	6.4
Trade receivable turnover ratio	9.6	7.0	4.8	1.5
Accounts payable turnover ratio	6.7	6.8	12.2	13.6
Fixed asset turnover ratio	5.1	4.6	7.7	8.2
Total asset turnover ratio	1.6	1.5	1.5	1.0
Liquidity ratios				
Current ratio	4.2	1.4	1.7	4.0
Quick ratio	4.2	1.3	1.7	4.0
Total debt	99.7	2,407.4	3,371.3	3,805.6
Net debt	92.8	2,384.5	3,265.7	3,037.8
Debt to equity	52.8	2.5	3.4	2.0
Net debt to EBITDA	(161.5)	10.4	8.2	8.9
Cash flow ratios				
CFO to PAT	3.8	1.5	0.2	(0.9)
CFO to Capex	1.9	2.0	0.7	(5.2)
CFO to total debt	0.7	0.7	0.1	(0.4)
CFO to current liabilities	0.4	0.3	0.1	(0.3)
Return ratios				
RoIC (%)	35.6%	41.7%	56.2%	57.8%
RoE (%)	38.8%	43.3%	54.5%	54.5%
RoA (%)	7.6%	13.6%	19.1%	19.8%
RoCE (%)	22.5%	31.1%	33.6%	32.6%
Per share data				
Restated EPS (Rs.)	1.5	3.0	8.6	19.0
BVPS (Rs.)	3.8	6.9	15.7	34.9
Operating cash flow per share (Rs.)	5.7	4.4	1.5	(17.3)

IPO rating rationale

Subscribe: An IPO with strong growth prospects and valuation comfort.

Subscribe for Long Term: Relatively better growth prospects but with valuation discomfort.

Avoid: Concerns on both fundamentals and demanded valuation.

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