

CERTIFICATE ON BASIS FOR OFFER PRICE

IIFL Capital Services Limited
(Formerly known as IIFL Securities Limited)
24th floor, One Lodha Place,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai 400 013,
Maharashtra, India

Axis Capital Limited
Axis House, 1st floor,
Pandurang Budhkar Marg,
Worli, Mumbai 400 025
Maharashtra, India

CLSA India Private Limited
8/F Dalamal House,
Nariman Point, Mumbai 400 021
Maharashtra, India

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi,
Mumbai 400 025
Maharashtra, India

Nuvama Wealth Management Limited
801 - 804, Wing A,
Building No 3, Inspire BKC,
G Block Bandra Kurla Complex,
Bandra East Mumbai 400 051,
Maharashtra, India

**The Board of Directors,
Oswal Pumps Limited**
Oswal Estate, NH-1,
Kutail Road, PO Kutail,
Distt Karnal, Haryana – 132037

(IIFL Capital Services Limited (Formerly known as IIFL Securities Limited), Axis Capital Limited, JM Financial Limited, CLSA India Private Limited and Nuvama Wealth Management Limited are collectively referred to as the “**Book Running Lead Managers**” or the “**BRLMs**”)

Re: Proposed initial public offering of equity shares of face value of ₹ 1 each (the “Equity Shares”) of Oswal Pumps Limited (the “Company” and such offering, the “Fresh Issue”) and an offer for sale of Equity Shares by certain existing shareholders of the Company (the “Offer for Sale”, and together with the Fresh Issue, the “Offer”)

We, Singhi & Co., Chartered Accountants, the Statutory Auditors of the Company, have been informed that the Company proposes to file the red herring prospectus (“**RHP**”) and the prospectus (“**Prospectus**”) with the Registrar of Companies, Delhi and Haryana at Delhi, Securities and Exchange Board of India (the “**SEBI**”), BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”) in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”).

We, Singhi & Co., Chartered Accountants, the statutory auditors to the Company have been requested to provide arithmetic accuracy / confirmation in relation to offer price. Annexures to this certificate prepared by the management of the Company and initialled by us for identification purpose.

Management Responsibility

The management of the Company is responsible for preparation and maintenance of appropriate accounting, other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

The management is also responsible for ensuring that the Company complies with the requirements of the Companies Act, 2013 (the “Companies Act”); the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the “ICDR Regulations”) and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, amended from time to time (the “Guidance Note”) and other relevant banking regulations in connection with the proposed Offer.



Pursuant to the requirements of SEBI ICDR Regulations, it is our responsibility to obtain reasonable assurance and verify as to whether the details provided in this certificate are in agreement with the restated consolidated financial information of the Company as at and for nine months ended December 31, 2024 and the financial years ended March 31, 2024, March 31, 2023, March 31, 2022 and our examination report thereon dated May 26, 2025 (the "Restated Consolidated Financial Information"), books of accounts and other records such as agreements, secretarial records, other statutory records maintained by the Company and other documents presented to us.

We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

The Restated Consolidated Financial Information has been derived from the special purpose consolidated interim financial statements as at and for the nine months period ended December 31, 2024 and audited consolidated financial statements as at and for the financial year ended March 31, 2024 and from the special purpose audited consolidated financial statements as at and for the financial years ended March 31, 2023 and March 31, 2022 and restated in accordance with the requirements of Section 26 of Part 1 of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the Institute of Chartered Accountants of India ("ICAI").

We have carried out the following procedures for verification of the financial information as agreed with you and enumerated below. The procedures were performed solely to assist you in matters related to above and summarized as follows:

- We have reviewed the restated consolidated financial statements of the Company as at and for nine months period ended December 31, 2024 and the financial years ended March 31, 2022, March 31, 2023 and March 31, 2024 (together, the "Restated Consolidated Financial Information") and examination report dated May 26, 2025 on Restated Consolidated Financial Information
- We have verified the arithmetic accuracy of details as determined by the Company in relation to the Offer.
- We have reviewed books of accounts and records maintained by the Company, the minutes of the meetings of the board of directors of the Company, the minutes of the meetings of the shareholders of the Company, and the statutory filings and forms filed with the Registrar of Companies, Delhi and Haryana at Delhi, in relation to issuance of this certificate, as provided by the management.

Conclusion

Based on procedures adopted by us, as mentioned above, we certify that the following information are in agreement with books of accounts and other records made available to us by the Company and that:

1. Basic and Diluted Earnings per Share ("EPS"), as adjusted for change in capital

As derived from the Restated Consolidated Financial Statements:

Period	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2024	9.82	9.82	3
March 31, 2023	3.44	3.44	2
March 31, 2022	1.70	1.70	1

Weighted Average	6.34	6.34	
Nine months ended December 31, 2024 [#]	21.78	21.77	

[#] Basic and diluted earnings per Equity Share are not annualised for the nine months period ended December 31, 2024

Notes:

- The face value of each Equity Share is ₹ 1. Pursuant to resolutions passed by the Board at their meeting dated August 29, 2024 and the Shareholders at their extraordinary general meeting dated August 29, 2024, the Company has sub-divided its equity shares of face value of ₹10 each to equity shares of face value of ₹1 each. Basic EPS and Diluted EPS for all the period / years have been derived post the impact of split of shares.
- The Company has pursuant to the Board resolution dated August 31, 2024 allotted 4,09,63,300 bonus Equity Shares ("Bonus Shares") in the ratio of seven Equity Shares for ten Equity Share held by the Shareholders as on record date August 28, 2024. Basic EPS and Diluted EPS for all the period / years have been considered post the impact issue of Bonus Equity Shares in accordance with Ind AS 33 - Earnings per share notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).
- EPS has been calculated in accordance with the Indian Accounting Standard 33 - "Earnings per share".
- Basic EPS= Restated profit for the period / year attributable to equity shareholders of the Company divided by weighted average number of equity shares outstanding during the period / year.
- Diluted EPS= Restated profit for the period / year attributable to equity shareholders of the Company divided by weighted average number of equity shares outstanding during the period / year adjusted for the effects of all dilutive potential equity shares, if any.

2. Price/Earning ("P/E") ratio in relation to price band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E ratio at Floor Price (number of times) [*]	P/E ratio at Cap Price (number of times) [*]
Based on Basic EPS as per the Restated Consolidated Financial Information for Fiscal 2024	[●]	[●]
Based on Diluted EPS as per the Restated Consolidated Financial Information for Fiscal 2024	[●]	[●]

^{*}To be computed after finalisation of the Price Band.

3. Industry Peer Group P/E ratio

Based on the peer group information (excluding the Company) given below in this section, the highest P/E ratio is 66.79, the lowest P/E ratio is 27.31 and the average P/E ratio is 48.97.

	P/E Ratio
Highest	66.79
Lowest	27.31
Average	48.97

Notes:

- The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E ratio of the peer set provided below.
- P/E ratio figures for the peer are computed based on closing market price as on May 23, 2025 on BSE, divided by Diluted EPS (on consolidated basis) based on the financial results declared by the peers available on website of www.bseindia.com for the Financial Year ended March 31, 2024.
- KSB Limited consolidated diluted EPS taken for year ended December 31, 2023, consolidated diluted EPS for all others taken for year ended March 31, 2024.

4. Average return on Net Worth (RoNW)

As per the Restated Consolidated Financial Statements:



Period	RONW (%)	Weight
March 31, 2024	88.73%	3
March 31, 2023	80.91%	2
March 31, 2022	58.88%	1
Weighted Average	81.15%	
Nine months ended December 31, 2024 [#]	80.42%	

[#] RoNW is not annualised for the nine months period ended December 31, 2024

Notes:

- Return on Net Worth (%) = PAT attributable to owners / Average Net worth. Average Net Worth is calculated as the arithmetic average of the opening and closing balance of Net Worth.
- Net Worth = Aggregate value of equity share capital and other equity (excluding the share of Non-Controlling Interest) created out of the profits, securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses but does not include reserves created out of revaluation of assets and write-back of depreciation.

5. Net Asset Value (NAV) per Equity Share

Period	NAV (₹)
As on December 31, 2024	38.06
As on March 31, 2024	16.10
After the completion of the Offer	At the Floor Price: [•] At the Cap Price: [•]
Offer Price	[•]

Notes:

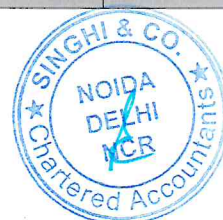
- Offer Price per Equity Share will be determined on conclusion of the Book Building Process.
- Net asset value per share = Net worth (excluding Non-Controlling Interest) as restated / weighted average number of equity shares outstanding at the end of the period / year adjusted for the issue of split and Bonus Shares, in accordance with principles of Ind AS 33
- The figures disclosed above are based on the Restated Consolidated Financial Information of the Company.

6. Comparison of Accounting Ratios with listed industry peers

We understand that listed industry peers of the Company have been identified as Kirloskar Brothers Limited, Shakti Pumps (India) Limited, WPIL Limited, KSB Limited and Roto Pumps (the "Industry Peers").

Based on our review of the audited financial statements of such Industry Peers for their last audited financial year i.e. (Fiscal year 2024), we confirm: (a) the highest P/E ratio among the Industry Peers was Rs. 66.79, while the lowest P/E ratio was Rs. 27.31, and the average P/E ratio was Rs. 48.97; and (b) the additional details as set forth below:

Name of Company	Face Value	Closing price on May 23, 2025	Revenue from Operations for Fiscal 2024	EPS (₹)		NAV	P/E	RoNW (%)
	(₹ Per Equity Share)	(₹ Per Equity Share)	(in ₹ million)	Basic	Diluted	(₹ per share)		



Oswal Pumps Limited *	1.00	NA	7,585.71	9.82	9.82	16.10	NA	88.73%
Listed Peers								
Kirloskar Brothers Limited	2.00	1838.75	40,011.99	43.84	43.84	216.47	41.94	22.30%
Shakti Pumps (India) Limited*	10.00	855.30	13,707.39	12.82	12.82	68.36	66.72	24.15%
WPIL Limited*	1.00	483.95	16,644.04	17.72 [^]	17.72 [^]	127.56	27.31	18.78% [^]
KSB Limited*	2.00	801.10	22,472.38	11.99	11.99	74.81	66.79	17.07%
Roto Pumps Limited*	1.00	264.05	2,744.96	6.28	6.28	31.03	42.08	21.95%

*EPS and NAV nos. are adjusted for split and bonus post March 31, 2024. Accordingly, P/E ratio has been calculated post adjustment in the EPS.

[^]considered profit from continuing operations

Notes:

- All the financial information for listed industry peer mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports as available of the respective company for the relevant year ended March 31, 2024 except for KSB Limited for which the relevant year ends on December 31, 2023. All information with respect to KSB Limited is as on December 31, 2023
- P/E Ratio has been computed based on the closing market price of equity shares on BSE May 23, 2025, divided by the Diluted EPS.
- Return on Net Worth (%) = Net profit after tax (attributable to owners) / Average Net worth. Average Net Worth is defined as the arithmetic average of opening and closing balance of Net Worth
- Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, foreign currency translation reserve, write-back of depreciation as at period /year end, as per Financial Statement of Assets and Liabilities of the Company.

7. Past Primary/ Secondary Transactions

We confirm that there has been no:

- primary/new issue of shares (Equity Shares/convertible securities), excluding grants of any options and issuance of bonus shares, equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated on the pre-issue capital before such transaction and excluding employee stock options granted but not vested), in a single transaction or multiple transactions (combined together over a span of rolling 30 days) during 18 months preceding the date of filing of the Red Herring Prospectus, in a single transaction or multiple transactions combined together over a span of rolling 30 days; and
- secondary sale/acquisition of shares (Equity Share/convertible securities) by Promoters, Promoter Group entities, Shareholders having the right to nominate directors to the Board,

excluding gifts, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated on the pre-issue capital before such transaction and excluding employee stock options granted but not vested), in a single transaction or multiple transactions (combined together over a span of rolling 30 days) during 18 months preceding the date of filing of this Red Herring Prospectus, in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- (c) Since there are no such transactions to report to under (a) and (b) above, the following are the details basis the last five primary or secondary transactions (secondary transactions where the Promoters, members of the Promoter Group, Promoter Selling Shareholder or Shareholder(s) having the right to nominate Director(s) on the Board, are a party to the transaction), not older than three years prior to the date of the Red Herring Prospectus irrespective of the size of transactions:

Sr. No.	Date	Name of Allottee / Transferee	No. of Equity Shares allotted	Face value per equity share (in ₹)	Issue price per Equity Share (in ₹)*	Nature of allotment	Nature of consideration	Total Consideration
Primary Transaction								
1	August 31, 2024	Mr. Vivek Gupta	1,03,81,000	1	NA	Allotment pursuant to bonus issue	Other than Cash	Nil
2	August 31, 2024	Ess Aar Corporate Services Private Limited	72,43,250	1	NA	Allotment pursuant to bonus issue	Other than Cash	Nil
3	August 31, 2024	Shorya Trading Company Private Limited	2,24,50,050	1	NA	Allotment pursuant to bonus issue	Other than Cash	Nil
4	August 31, 2024	Prem Lata	7,000	1	NA	Allotment pursuant to bonus issue	Other than Cash	Nil
5	August 31, 2024	Padam Sain Gupta (HUF)	7,000	1	NA	Allotment pursuant to bonus issue	Other than Cash	Nil
6	August 31, 2024	Padam Sain Gupta	1,75,000	1	NA	Allotment pursuant to bonus issue	Other than Cash	Nil
7.	August 31, 2024	Radhika Gupta	7,00,000	1	NA	Allotment pursuant to bonus issue	Other than Cash	Nil
Weighted average cost of acquisition ("WACA") for primary issuance (₹ per Equity Share)								Nil
Secondary Transaction								

Sr. No.	Date	Name of Allottee / Transferee	No. of Equity Shares allotted	Face value per equity share (in ₹)	Issue price per Equity Share (in ₹)*	Nature of allotment	Nature of consideration	Total Consideration
1	January 07, 2025	Rajev Gupta	3,25,000	1	NA	Gift	Gift	Nil
2	January 07, 2025	Pernika Mittal	60,000	1	NA	Gift	Gift	Nil
3	January 07, 2025	Renu Goyal	40,000	1	NA	Gift	Gift	Nil
4	January 07, 2025	Renu Goyal	17,000	1	NA	Gift	Gift	Nil
5	January 07, 2025	Renu Goyal	17,000	1	NA	Gift	Gift	Nil
6	January 07, 2025	Renu Goyal	1,68,000	1	NA	Gift	Gift	Nil
7	January 07, 2025	Vishal Goela	45,000	1	NA	Gift	Gift	Nil
8	January 07, 2025	Vikas Goela	45,000	1	NA	Gift	Gift	Nil
9	January 20, 2025	Nikita Goyal	60,000	1	NA	Gift	Gift	Nil
Weighted average cost of acquisition ("WACA") for secondary issuance (₹ per Equity Share)								Nil

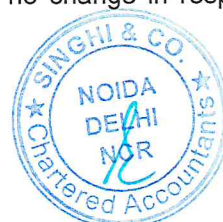
Other Matters

This certificate is issued for the sole purpose of the Offer, and can be used, in full or part, for inclusion in the red herring prospectus, prospectus and any other material used in connection with the Offer, and for the submission of this certificate by the Company or BRLMs, as may be necessary, to any regulatory / statutory authority, stock exchanges, including repository system of SEBI and/or Stock Exchanges, any other authority as may be required and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law.

We also consent to the inclusion of this letter as a part of "Material Contracts and Documents for Inspection" in connection with this Offer, which will be available for public for inspection from date of the filing of the RHP until the Bid/ Offer Closing Date.


This certificate may be relied on by the BRLMs, their affiliates and legal counsel appointed in relation to the Offer. Accordingly, we consent to this certificate and its contents (in whole or in part) being presented and/or utilized in connection with the Offer and should not be used by any other person or for any other purpose. Singhi & Co. neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior consent in writing.

We undertake to update you in writing of any changes in the abovementioned position, immediately upon us becoming aware, until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.



All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

For Singhi & Co.,
Chartered Accountants
Firm Registration Number: 302049E


Bimal Kumar Sipani
(Partner)
Membership Number: 088926
UDIN: 25088926BMJHGE2700



Place : Noida (Delhi-NCR)
Date : June 07, 2025

Copy To:

Legal counsel to the Book Running Lead Managers, as to Indian laws

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