“Shakti Pumps (India) Limited

Q3 & 9MFY '26 Earnings Conference Call”

February 14, 2026

MANAGEMENT: **MR. DINESH PATIDAR – CHAIRMAN**
MR. RAMESH PATIDAR – MANAGING DIRECTOR
MR. RAMAKRISHNA SATALURI – CHIEF EXECUTIVE OFFICER, SHAKTI ENERGY SOLUTIONS LIMITED
MR. DINESH PATEL – CHIEF FINANCIAL OFFICER
MR. RAVI PATIDAR – COMPANY SECRETARY AND COMPLIANCE OFFICER

MODERATOR: **MR. ROHIT ANAND – ERNST & YOUNG LLP**

Moderator: Ladies and gentlemen, good day, and welcome to Q3 and 9M FY '26 Earnings Conference Call, hosted by Shakti Pumps (India) Limited. As a reminder, all participants' line will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone.

I now hand over the conference to Mr. Rohit Anand from EY. Thank you, and over to you, sir.

Rohit Anand: Good afternoon, everyone. Before we proceed, let me remind you that the discussion may contain forward-looking statements that may involve known or unknown risks, uncertainties, and other factors. It must be viewed in conjunction with our business risks that could cause future results, performance, or achievements to differ significantly from what is expressed or implied by such forward-looking statements.

To take us forward through the financial results and developments and to answer your questions today, we have the senior management of Shakti Pumps (India) Limited, represented by Mr. Dinesh Patidar, Chairman; Mr. Ramesh Patidar, Managing Director; Mr. Ramakrishna Sathuluri, CEO, Shakti Energy Solutions Limited; Mr. Dinesh Patel, Chief Financial Officer; and Mr. Ravi Patidar, CS and Compliance Officer. We will start the call with a brief overview of the past quarter by Mr. Ramesh Patidar, our Managing Director.

I will now hand over the call to Mr. Ramesh Patidar sir. Over to you, sir.

Ramesh Patidar: Thank you, Rohit. Good afternoon, everyone, and thank you for joining us on a Saturday. I am pleased to welcome you to Shakti Pumps' earnings call for the third quarter and nine months ended December 31, 2025.

Let me start by saying that Q3 FY '26 was a quarter of deliberate and disciplined choice for us. While our reported financial performance for the quarter was below our earlier expectations, the actions we took were intentional, prudent, and aimed at strengthening the company for the long term. During Q3, we consciously moderated execution, especially in Maharashtra, to address elevated receivable levels and protect balance sheet strength.

As part of this approach, we temporarily paused execution of orders of approximately INR200 crores. This decision resulted in lower revenue recognition and pressure on margins on both Q-o-Q and Y-o-Y basis. However, we want to clearly emphasize that this was a strategic decision, prioritizing cash flows and working capital discipline over short-term revenue growth.

Margins during the quarter were also impacted by several factors. These included lower realizations of around 4% in Magel Tyala orders, a continued increase of around 2% in raw material prices such as copper, steel, and solar panels, and higher employee costs. Additionally, we consumed some inventory that was procured in Q2 FY '26 when input prices were higher, which also impacted the margins.

We also incurred a one-time manpower cost of INR4.4 crores due to the implementation of the new Labor Codes, along with investments in emerging businesses that are still in their build-up phase. Importantly, our working capital position has started to stabilize. Even with incremental revenue recognition during the quarter, trade receivables remained broadly stable compared to Q2 FY '26, reflecting improved collections and tighter execution discipline. This gives us confidence that the corrective steps taken are already showing results.

We continue to maintain a strong diversified order book of approximately INR2,100 crores with healthy representation across multiple states, including Maharashtra, Karnataka, Madhya Pradesh, Jharkhand, Uttar Pradesh, and Haryana. Payments from Maharashtra have started improving following the release of funds by the Asian Infrastructure Investment Bank and the state government.

The execution in the state has now resumed. Our entry into Karnataka with our first large order marks an important expansion into the southern region. The execution there will be closely aligned with the payment timelines. Our export business remained resilient, performing well during the quarter, with the retail business reporting 25% Y-o-Y growth.

Revenue from export business stood at INR307 crores in 9M FY '26 and INR105 crores in Q3 FY 26. We expect this segment to grow at a healthy pace for the full year, supported by the strong retail exports and expanding international opportunities. We also expect our export business to gain traction with the signing of trade agreements of India in major international markets like USA, our major export market, and also with Europe.

We also continue to see encouraging traction in emerging businesses. Cash sales grew strongly during the 9MFY26 period to INR66.6 crores, a Y-o-Y growth of 68%. Our solar rooftop business is steadily expanding its dealer network, positioning it to become a meaningful contributor post commissioning of our DCR module capacity of 500 megawatts in Q1 FY '27.

Looking ahead, we expect execution momentum to improve meaningfully in Q4 FY '26, which we anticipate being our highest revenue quarter ever, although some revenue may spill over into subsequent quarters. We aim to reach as close to our revenue guidance given for the full year FY '26. Our focus remains firmly on strengthening the balance sheet, disciplined execution, and sustainable growth.

In closing, we believe the steps we have taken during the quarter place Shakti Pumps on a much stronger footing, allowing us to capture upcoming opportunities while protecting long-term value for all stakeholders. Thank you for your continued trust and support.

Now, I would like to request Mr. Ramakrishna Sataluri ji to share the developments and outlook for the solar rooftop business. Thank you.

Ramakrishna Sataluri: Thank you very much, Mr. Ramesh Patidar. We have had a very exciting set of actions in the quarter for the rooftop business. This being a new business that we are starting off, the focus isn't to look into the long term but work on the basics at present. We spent a lot of time in

building the channel infrastructure for the business. We placed our products in the market to get feedback, and the feedback has been very positive.

We also started a digital campaign speaking about our products, our strengths, the legacy of Shakti. That has been well-received as well. And as Mr. Patidar just said, we are looking at some volumes coming in, in the next financial year once our module plant, the 500 megawatt module plant also comes up.

I now open the floor for questions, please.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Mahesh Bendre from LIC Mutual Fund. Please proceed.

Mahesh Bendre: Hi. Good afternoon, sir. Thank you for the opportunity. Sir, I mean, this quarter was an unexpected one. So was that expected from your end, or is it that as the quarter progressed, the situation became challenging in terms of execution?

Dinesh Patidar: Yes, Mahesh. In the Maharashtra government, due to the possibility of some payment delays, we had paused the execution of some of our orders, worth approximately INR200 crores in the last quarter. The funds have now been sanctioned by the Asian Infrastructure Investment Bank and the state government budget. In the last quarter, because of payments delays, we had deliberately paused execution, despite having the required material and the stocks ready, so that we could focus on strengthening our balance sheet and keep working capital disciplined. This decision, yes, a bit bitter, but it was necessary for us.

Now we feel that the situation has improved significantly. The Maharashtra government has already sanctioned INR1,000 crores and the Asian Infrastructure Investment Bank's sanction has also come. So, in this quarter, we think we will increase our execution further and we have already started and are trying to execute at an increased pace.

We have also started receiving some payments, we have received some payment yesterday and are expecting more in a day or two, which gives us some confidence. The situation looks good. They are also likely to open another tender of 100,000 pumps. So now they will have to clear all the payments. Anyway, at the end of March, government departments want to clear all the payments.

Mahesh Bendre: Sir I mean when we go into this quarter do you feel that the thing which got impacted in Q3 that will get reverse in Q4?

Dinesh Patidar: Yes, absolutely, because we ourselves had paused execution. See, out of our order book of INR2,100 crores, the INR200 crores orders we stopped, which were waiting for dispatches in the pipeline, and everything was ready. We stopped it because we wanted discipline. Now that their payments are getting cleared, money has come from the budget, AIIB sanction has come and they are bringing the next tender, they will pay on time. The Maharashtra government will now be disciplined; this is what we think, and we are confident about that.

Mahesh Bendre: Okay. Sir another thing is non Kusum business and export business what was your contribution from this non Kusum and export business, what will be outlook going forward?

Dinesh Patidar: I will request Ramesh to address your queries for exports.

Ramesh Patidar: As I mentioned, we have maintained a growth of 25% in the 9M and we will absolutely maintain that. We have good orders in exports and the tariff change in USA from 50% to 18% is a very positive development for us. We are already established in the market there, so we will definitely get the benefit of that.

Mahesh Bendre: And in non-Kusum pumps business?

Ramesh Patidar: Non-Kusum, the cash business, we have just done a growth of 68% YoY in 9M. So there too, we are working on the dealer network, and we are maintaining that growth well. You will definitely get its results in the next quarter, I mean in Q1FY27.

Mahesh Bendre: Last question from my end I think we were doing two projects. One was backward integration project with solar cell capacity and secondly EV business who are going to make motor. So what is the timelines for these two businesses and what will be impact in FY27?

Dinesh Patel: So, in the pump expansion, which is underway, a lot of work has been done. Site development has started, the building work is going on and we have also ordered some machinery. Most probably, in August '26 we will be able to start trial runs and then full-fledged production.

In our module capacity, there are two updates. One, we are building a 0.5 gigawatt Module capacity which will get commissioned in Q1 FY27, from which we will be able to start production. Second, the cell plus module capacity of 2.2 gigawatts we are talking about, the remaining capacity is expected to be operational by April 2027. So both projects are going according to their timeline.

Dinesh Patidar: Regarding Shakti EV, a lot of good work has happened this quarter, but it will take another year for the sales to come. We have developed some motors, testing has also been done, and we have also started increasing varieties for our existing customer, JBM. We have also made some controllers for them, which have also been proven and tested.

We have also got our motor and controller approved in a few other companies. So in the next year, we will see good sales in the EV business and SES (Shakti Energy Solutions), the solar panel making company, next year. Currently, both these companies are in the initial stage and development has happened very well in both of them.

In Solar, we have proven technology and in motors, we already have 40+ years of experience. In the controllers also we have 10 years of experience now. Also, we are getting support from the Government of India in EV because they have also increased the domestic content requirement now. So, customers who were earlier installing imported motors are now coming towards us.

Mahesh Bendre: Sure. Thank you so much, sir.

Moderator: Thank you, sir. The next question is from the line of Aashish from InvesQ PMS Please proceed.

Aashish: Yes. Sir, this realization has decreased in Maharashtra. So, what is the trajectory like? This 4% decrease has hit our gross margins and EBITDA margins, which were around 24% last year. In this quarter, there are two or three things, but what is the sustainable margin in this because if it continues like this due to competition or whatever factors, our margins will always be under pressure in a downward trajectory. So how will we deal with this?

Dinesh Patidar: Actually, the margin history you are seeing in the last quarters, in this, we installed more of 3 and 5 HP pumps, which were a part of the Magel Tyala orders from Maharashtra. Whereas in the other states where we supply higher HP pumps, there are higher margins, such as Rajasthan, Haryana, UP, Jharkhand, MP and now the state that has opened in the South.

Our margin increases whenever we install higher horsepower pumps. Yes, I agree that there was pressure in Magel Tyala, firstly due to lower HP pumps with lower realisation. Secondly, the prices of raw materials had also increased, due to the effect of the high dollar price. Whenever the dollar increases, our raw material, stainless steel, copper, solar panels, also increases. Now, the DCR panel price has decreased a bit, but in other things we have felt a bit of a hit in price. Because of this, the margin fluctuates a bit temporarily.

And let me tell you one more thing: we are a dollar-plus company. So, we get the benefit of dollar appreciation, but because our raw material is linked to the dollar, so the margin is affected a bit.

Aashish: It's not that because of competition L1 prices have come down our rates have decreased overall and margins are decreasing. Is this a proper interpretation or not?

Dinesh Patidar: No, I would like to correct you there. We always make the strategy of the business and consider the margin and decide where to work and where not to work. So, in our business, you will notice that we get around 20%-25% revenue from exports. In other states, where the margin is more, we work there. So, it depends on how much business we are able to conclude where there is more margin. And we get a good margin in exports. Because of that, we are able to maintain our margin.

Yes, I am talking in a calculated way that the installation of low HP in Maharashtra increased this quarter. Because of this, our margin has come down. Going forward, we will make all the efforts to improve the margin as much as we can.

Aashish: But sir, what should be the guess? What rate of margin will we be at next year? You know the ground situation and your business better than us. So, if you can give some direction on that, it will be great. Second is the working capital that was stuck. So, the collections that would have come from the Maharashtra government.

So, you have given the December balance sheet. In that, the working capital loan and term loan both have gone up. So, what is the situation now? Has the working capital been released? I mean, has it been less than the December balance sheet? Because one and a half months of Q4 has already passed. So, these are two things. If you can add more and tell us, it will be helpful?

Dinesh Patel: As sir also explained earlier, in the debtors the realization has started to improve. And the visibility is also there as the Maharashtra government has started releasing money. So, as such, we are not seeing any problem there and that is why we have increased our execution there. Based on this, we are able to say that Q4 will be very good and in fact it will be the highest. As far as the margins are concerned, the whole team is working on that, and moving forward, we see that there will be a lot of improvements in it. So, this effect is one-off because the sales mix has changed and we installed more small HP pumps this time. As the sales mix changes, the margin will also improve there.

Aashish: But how much can the working capital come down? This is visible in the balance sheet. These are very big numbers. So, we will talk a little about the number. What was the total working capital? And what is it looking like till the end of Q4? Because half Q4 has already passed. So, you will have an idea that if the Maharashtra government is going for a reasonable collection, then it should be less?

Dinesh Patel: Yes, it will reduce but you will have to wait till March. Because by March, the whole funds will be released. After that, the working capital and the debtor's position that you are seeing will certainly improve. You must have heard the recent announcement about the support given by the Maharashtra government of INR1,100 crores for solar pumps, plus the support given by AIIB of INR900 crores to the Maharashtra government.

So, both these funds will be released in the next 15 days to 1 month. So, after this, I will be able to comment on this much better. We are also waiting. But yes, we can see the visibility that the availability of funds is there. That is why we have speeded up our execution. And now we are doing our work with full strength.

Aashish: Okay. If I can ask one more question, sir, then what is the update in KUSUM 2.0.? I mean, what is the central government hearing? Where are things stuck and when is the announcement expected? I mean, the states are doing their own work. But if that scheme is clarified, then maybe it will be a little better for investors? Visibility wise?

Dinesh Patidar: We are very confident that KUSUM 2.0 will come. There is no doubt about this. But even if KUSUM does not come, then our cash business will grow at an even higher pace. Because today my customer wants a pump but does not get it. Because the number of pumps we are seeing in KUSUM is very low.

Till now 5 lakh - 7 lakh pumps have been installed in Maharashtra, whereas they have a total requirement of 40 lakh pumps. Now 5 lakh pumps is very less as compared 40 lakh pumps which 40 lakh farmers want to buy. The farmers want to buy but they are not able to buy since the sanctioned pumps is so less.

And it is not that they do not have money. They have money and they also want to buy. And they want to buy our pump, that is evident because within 30 to 40 minutes our portal for 15,000 pumps is full. So people have the requirement of our pump.

But the farmer keep waiting for subsidies. They also wait for subsidies because if a neighbour gets a subsidy pump, and I buy a pump with full payment, then my ego hurts. So because of that, it is not happening.

Aashish: Sir, the government must also know about all these issues. Even if we do it directly, it is still worth doing. But because of the government's incentives, people keep waiting. Because of that, it is not being implemented. So, the government must also know about this. What is the solution to this? Will there be an improvement to all this?

Dinesh Patel: Ashish Bhai, you have to consider two facts. One is the allocation of INR5,000 crores in the budget for KUSUM and INR22,000 crores for PM Surya Ghar. So visibility is there from both. Because in the last year, this allocation was INR2,600 crores for KUSUM and INR10,000 crores for PM Surya Ghar. So, you will see that the allocation of the starting budget has just doubled. This budget is revised and increased, and we have seen this trend every time. So there is no doubt that PM KUSUM will not come. KUSUM 2.0 will come. This is completely certain. And we are also waiting for it.

Along with this, we will be able to tell you in advance that the state government is also bringing its tenders. So not only KUSUM, but now state tenders are also available. Third thing, as sir told you, that even if this tender business reduces, we are more than happy in that. The reason behind this is that we will be able to do quality competition there. In today's date, no competitor can match our quality. So we see ourselves as leaders in quality competition. So we have no worries about it.

Aashish: Sir, can you tell us something about the other states? Maharashtra is one of the states, but a major one. But our concentration is mostly in Maharashtra. So what do you think about the other states? Will the numbers increase there? Because they are very small numbers now, given the size that India has. And is the process the same in that too? That the farmer chooses on the portal? Or is there a different tendering in that?

Dinesh Patidar: The process is the same everywhere that the farmer chooses. This is done in a rate contract mode. That means decision maker is a farmer in this. And in the coming time, we feel that every state is ready to increase the numbers. Our chief minister in MP is also saying that he wants to increase but his process is a bit stuck in some things. So it’s slow.

But everyone is planning in other places too. And all the states will have to take good numbers. If they want to reduce the losses of their DISCOMs, then this is the only way, to solarize the agriculture pump. Either the consumer does it himself or the state government helps in it or the centre government does it. Only then will the situation of our DISCOMs improve.

Aashish: Sir, I have more questions. But I don't know. Maybe other people will also have to ask. questions. So I will come back.

Moderator: Thank you. The next question is from the line of Praveen Motwani from BOIMF. Please proceed. Mr. Praveen, are you there on the line?

Praveen Motwani: Yes, hi. Thanks for the opportunity, sir. I have a couple of questions. Firstly, I want to understand the margins we have reported in this quarter. How do we see this? If we look at the one-off, how do we see the margin trajectory in the coming quarters? Because our margin trajectory is above 20% and this quarter is 11%. So, will we be able to do more than 20% margins in the coming quarters? How do we see this? If you can explain?

Dinesh Patel: Yes, as sir explained, we stopped the execution of orders worth INR200 last quarter, and now we have increased our execution. So, we will get the benefit of the scale up as well. And we are trying to take the margin to the maximum. So, the whole team is focused on that.

Praveen Motwani: But sir, how do we see it directionally? Will it improve from here? We have shown the one-time margins? In the future, it will come back to 20% plus level. And how do we see it? I am trying to understand that?

Dinesh Patidar: Praveen, I just told earlier that the margin you are seeing in the last quarter, because we only worked on the business of Magel Tyala where the rate is already low. There are small 3HP and 5HP pumps. And their rates are also low. So, because of the product mix you are seeing this.

But currently, we have the order from South, which is on a good margin. The other 10HP and 7.5HP products that go to other states also have a good margin.

Yes, right now, because of the Dollar, our raw material price was hit. And we are trying our best to maintain our margin.

Praveen Motwani: Okay, okay. And sir, the guidance that you gave in the last quarter, will we be able to achieve it in the next quarter? Or there is some delay?

Dinesh Patidar: Yes, Praveen, we are trying our best. The guidance that we gave, we are trying our best to achieve that. Because we have started work in the South and we have also increased the pace of execution in Maharashtra. So we will definitely try our best and we hope that we will try to reach as close to the guidance that we have given.

Praveen Motwani: Okay, okay. Sir, second, I wanted to ask, sir, how are the margins in non-Kusum and Kusum? What is the margin difference?

Dinesh Patel: In export, there is always a 10% higher margin as compared to the domestic market.

Praveen Motwani: Okay, okay. And sir, how did we see this rooftop ramp-up in 2027? Initially, I mean, how will the revenue trajectory be built in '27? What are your internal targets in '27?

Ramakrishna Sataluri: As I said, we are still studying the whole market. We have just started the marketing program. And we are also expecting our 500-megawatt plant to start in Q1 FY '27. This will also

increase our volumes. So we will do the planning, and I think by Q1, we will be clear on what volumes we will be looking for the year.

Praveen Motwani: Okay, got it. So you will give us some more clarity in Q1 of '27?

Ramakrishna Sataluri: Yes.

Praveen Motwani: Okay, got it. Sir, last question. If you can just help me to give some timeline on the new businesses. Sorry, I missed your initial remarks, sir. When is the capacity of the cell coming? When is the capacity of the module coming? Can you please tell me the timeline again?

Dinesh Patel: The capacity expansion of pumps will be completed by August '26 and we will start full production from there. The capacity of our module is in 2 phases. The module capacity of 0.5 giga is coming in Q1 of FY '27, as sir told you. And the capacity of the cell of 2.2 Giga is expected in April '27. So that is the update for the project. The capacity of the structure and VFD is already built up.

Praveen Motwani: Okay, sir. Thank you. Thank you.

Moderator: Thank you. The next question is from the line of Kamlesh Bagmar from Lotus Asset Managers. Please proceed.

Kamlesh Bagmar: Thank you, sir. The first question is that sir, right now the Karnataka order is about 37%-38% of our total order book. And if we see the finances of the State of Karnataka, their highest ever dues have reached in January 2026.

Although orders are being received, an inherent issue of recovery has occurred in them. This Maharashtra one was also an issue for a long time. In other companies like DI pipe companies, this issue was going on continuously for the past one year. And sir, from the last two quarters, this question was also being asked on the call that sir, how will the dues be recovered? Because the company has always said that we will get the money. And in this quarter, in reality, this time it has played out in your earnings, sir.

So, sir, I think there is an issue of a little miscommunication, sir, in the last two quarters. And like this Maharashtra order also did not come in this quarter and the margin dipped. 4% realization is lower.

So, this time, because there was an impact in the earnings, that's why we are saying it this time. But sir, it is visible that there is an issue in a little communication. And lastly, sir, the prices of copper and all this have increased.

And they are also stabilizing at that level. There is not much fall from there. This is our order book of INR2100 crores. In this, if these current governmental prices continue, then what level of margins do we have to see? Because we know that if there are prices, then what margin will we operate on? So, sir, if we can give some clarity then it will be very good?

Dinesh Patidar: Kamlesh, I'll try to answer your question. Your first question is that issues can come regarding payment in Karnataka. As per the information we have, is that MNRE has already given some money in advance to Karnataka. So, we should get 25-30% of the payment for the order we have got immediately from this money and some from farmer's money.

And out of the order, which is around 30%, we might be able to supply 40%-50% this quarter. So for this quarter, we are seeing the possibility of payment. In Karnataka, we will only move forward as we get clarity of payment. We have been saying this in every call and to everyone, that we move forward only when we have the possibility of payment.

See, our whole quarter we paused because we wanted to strengthen our balance sheet. We want to keep ourselves in discipline. That's why we kept material filled in Maharashtra's warehouses, but still, we did not dispatch. That payment has now come, now we have started, and now we have also increased the speed. Similarly, we will do in Karnataka too. We will wait for the payment. When the first phase payment comes to our hands, then we will increase the speed of the second phase. And in the first phase, I don't think there is any challenge in payment in Karnataka.

So we are confident. Yes, we would like to stay in discipline. Whenever there is some delay in payment in any department, we will keep ourselves in discipline and move forward. We will not work in pressure of order or top line. Earlier also we have left an order of INR500 crores in Haryana and we will do the same further because we would not like to put our shareholders' money in such a place where we get stuck.

Kamlesh Bagmar: And secondly on margins. If current raw material prices continue, what does it feel like for the next year? Because it doesn't look like there is going to be any pressure in raw material prices. And secondly sir, we are saying about the rupee, but there has been a 3%-4% fall in the rupee or 4%-5%. But the copper prices which have increased by 30% in a year, that is more impactful.

In steel also, prices are firm right now, it has increased by around 6000 to 7000 rupees in one and a half to two months. So seeing all these things, what trajectory of margin do we feel? Because we take the order first and prices because we don't have back-to-back arrangement of raw material?

Dinesh Patel: Rightly said. As sir already explained earlier, that the price is becoming so volatile, the Dollar is becoming so volatile, so in this, giving a guideline for the whole year is difficult right now. Once the economic conditions and global conditions smooth out and stabilize, then we can give you a guideline of this margin.

So right now, we will say that we are trying to do the best because at this time you also know that copper prices have increased, steel prices have increased, aluminium prices have increased. All these are impacting, but we will be able to do better margin from this. And when execution increases, the benefit of scale-up we got in earlier quarters, we will get that further too. And when this sales mix changes, improvement will come in that too.

So when the execution of 10 HP, 7.5 HP and 5 HP increases, the margin also automatically increases, realization also automatically increases. So there is no big impact like this in this, but yes, this one-off that has come due to the high contribution of small pumps in our sales mix, but from next we see that we will be able to come back to that line somewhere again.

Kamlesh Bagmar: But what I was asking is that we have already taken the raw material for one quarter, so if that continues, what level of margins is visible? At least we will have that clarity.

Dinesh Patel: Currently, the margins that you are seeing at the YTD level are visible as maintained to us. And the team is working its best to bring an improvement.

Moderator: Thank you. The next question is from the line of Nikunj Banushali from Koch Wealth. Please proceed.

Nikunj Banushali: Hello, sir. Thank you for the opportunity. Sir, there was a gap visible in the order book. So last quarter our order book was at INR1300 crores, and we received additional INR1900 crores order book. So even after taking out the execution of this quarter, I think there is a gap of around INR400 crores,-INR500 crore?

Dinesh Patel: Actually, the order from Ajmer KUSUM C was a slow-moving project and we are not seeing more traction in that, so we have removed it from the order book. Secondly, in the UP order, the final order they have given us is of INR52 crores. The remaining orders of INR300 crores were cancelled in a way and in its place, they gave us a new order of INR52 crores. So there has been a correction there. So because of these two corrections, you are seeing a slight change in the order book. But even after that, if you see, we have sufficient order book for the next two quarters.

Nikunj Banushali: What will be the execution timeline approximately for this INR2,100 crores?

Dinesh Patel: We have sufficient order book for the next two quarters. And more additions will happen in the next two quarters, so we will keep updating you as they come.

Nikunj Banushali: In Component C, there has not been much movement. So what do we expect in Component C, for solar panels? How is our involvement in that and in PM-KUSUM 2.0 also? It is being said that there will be some modification of Component C level. Any news on that, sir?

Dinesh Patidar: Currently, there is no clarity on what is going to happen in Kusum C. It is to be done at the feeder level and pumps are also going to come in Kusum C this time, and discussions are also going on for photovoltaic solar. So once it comes fully, then we will be able to give some light on it.

Nikunj Banushali: Okay, okay. And sir, how will be the long-term vision? There will be 2-3 businesses. One is solar pump. Then solar will also come separately and EV. So, from 2-3 years point of view, how do you see the company growing? I mean, how would you like to grow according to a percentage? And what are our targets right now? What direction we are moving and what actions are we taking right now to achieve your goals?

Dinesh Patel: Yes, you are right. Our target, as we have said earlier, is to remain a leader. And we will continue to be a leader. And line with this, like Ramkrishna sir, we are doing a good job in the rooftop. And in the same line, we are doing a good job in the pump. In FY28, we will see ourselves doing a revenue of INR5,000 crores. For this, we have planned all the capex, moved towards backward integration, new diversification, and will move forward in the export market.

So, all these initiatives are in the same line. Even if you look at the rooftop, the branding, advertisements, new team development, we have moved forward in the same line. So, we are confident that we will achieve it. And we will keep giving you updates quarter on quarter.

Nikunj Banushali: Right. Earlier, we had guided in the current financial year that approximately we want to cross INR500 crores this year. So, what are we expecting exports to be in this year and next year?

Dinesh Patel: Yes. So, actually, Rameshji has already told you that his retail market is already growing by 20%-25%. And it will grow in the same line, going forward. You will see that the historical trend is the same. And we are still continuing it. We are expanding it further.

The projects are moving forward. For example, we have done a good execution in Uganda project, and we are expecting good orders So, when these orders come, you will see that the project export will grow. But yes, the retail export will grow by 25% every year.

Moderator: Thank you. The next question is from the line of Keval Gala from Navkar Investment. Please proceed.

Keval Gala: Sir, thank you for the opportunity. Sir, I have 2-3 questions. For example, in January and December, we got very good orders. In New State and Karnataka, we got a very big order. So, sir, from which other states is there a possibility that we will get good orders in the next quarter? That's what I wanted to ask. That's what I wanted to ask?.

Dinesh Patidar: All the states will have good work. As soon as we get the orders, we will inform you within 24 hours through Stock Exchange. All the states are doing good planning. Everyone has planned on their own budget. We are also doing good in our exports. We are doing good in cash sales. As soon as we get a big order, we will inform you immediately.

Keval Gala: One more question. As you paused some execution in the December quarter, has it also been paused initially in the ongoing Q4 or has everything come in continuity?

Dinesh Patel: No, as sir already told you, we were waiting for visibility whether their payment fund allocation gets released. We have the update of fund allocation in Maharashtra government, already INR1100 crores state government has given them funding support and about INR900 crores of AIIB fund is coming. So in this way they have got proper funding support, so we have started our execution level from there. So it is ramped up and now it's very speeded up.

Keval Gala: Sir, one more thing. As per the confirmation, there was a question that whenever we feel that working capital is getting stuck somewhere, then we will not look at our top line and we will

pause our execution. So, sir, it will not happen that our peers competitors like GK and Oswal others will get an edge in that. Because government related work is slow. But, obviously, it will happen?

Dinesh Patel: No, actually, you have to keep a balance at both places. You have to keep your balance sheet strong. You have to keep a balance at both sides. Competition will always be there at its place. So, you don't have to worry about that.

But you have to maintain profitability and also check the visibility of your receivables. Till we don't have proper visibility, you will see such decisions. Earlier when the price of raw material was exceptionally high due to inflation, we had left some orders in Haryana. So, such exceptional cases come. It comes in one or two quarters in the entire history. Rest, there is no such historical trend.

Keval Gala: Sir, I have one last question. Assume that the last two con-call were management's guidance. You are reaffirming that management will achieve its guidance. So, as an investor, we want to know whether it is possible to make such a huge revenue and do what we want to do. Is it possible, sir?

Dinesh Patel: We are doing our best to close it somewhere. The whole team is working on it. Let's wait for the quarter's numbers.

Moderator: The next question is from the line of Darshil Jhaveri from Crown Capital. Please proceed.

Darshil Jhaveri: Hello. Good afternoon, sir. Thank you so much for taking my question. Most of my questions have been answered already. So sir, one question I had to ask you is that as you are saying that our order book is enough for nearly two quarters, so does this mean that we are going to do INR1000 crores plus revenue in the next two quarters?

Because that's nearly double of what we've done in the last quarter? I mean you're saying company's highest ever but highest ever is also quite a big jump. So do we have the capability to do this, sir? Is our capacity not constrained anything that we will be able to do a INR1000 crores revenue, sir?

Dinesh Patel: Sir, in this, the INR1000 crores that you are not calculating correctly. What I meant was that we have sufficient order book for future execution and sufficient capacity for supply of the pump and other products. We have not said anywhere that we are going to do any INR1000 crores top line. Second, what I am talking about is that business opportunity is sufficiently available. The team is working for the same and we are doing our best effort to be able to match it as much as possible. Because currently we are only at 60% capacity, so 40% capacity is already available and we also see our execution on that line that we will be able to do a good execution.

Darshil Jhaveri: Okay. Sir, I understood. Because we have understood 20% growth from last year. So, we will have to do at least INR800 crores, INR900 crores plus. That's why I was asking. So, we have

lost half a quarter. So, do we have confidence that we will be near? I am not asking you to give the exact number. But at least we are near. We can make that assumption. Correct, sir?

Dinesh Patel: That's why I said that let us wait till the quarter numbers. We are trying to deliver a good performance.

Darshil Jhaveri: Okay. Fair enough, sir. And sir, I wanted to ask you that as we are doing diversification and you are also saying that KUSUM there is a lot more demand. So, over the next 2-3 years, what assumption can we make? We only have our pump divisions. EV will come later. So, for that, what growth rate can we see It will be 25% plus. Because export has also opened up a lot for us. So, I wanted to ask you about that?

Dinesh Patel: Sir, if you look at retail business, both my businesses, whether it is export or domestic, both are growing above 25%. And we will maintain that same trajectory in the future as well. It is a very big market.

Darshil Jhaveri: And sir, I just had one last question from my side. Sir, this interest cost of ours has increased a bit in Q3. I assume it has increased because of working capital. But will this be our new normal that our interest cost will be nearly I think so INR18 crores? Will our interest cost stay a little elevated because working capital is being extended for us because of this?

Dinesh Patel: No, sir. Our historical trend has been that we get the fund mostly released in March. So the utilization of our working capital also goes down. Regarding the interest cost you talked about, that INR18 crores will come back on that line, but later it will a little higher again. Reason behind this is that for the new projects that we have to bring, some funds we have to borrow from the bank. So some impact of term loans which we are planning will also come in the finance cost. Because the INR1200 crores investment to be made to install the solar plant, in that we are planning a minimum debt of around INR400 crores to INR500 crores.

Darshil Jhaveri: Okay. By when will the solar plant be completed, sir?

Dinesh Patel: We can see it in April '27 as per the current expectation and how we have lined-up things.

Darshil Jhaveri: Okay. Sir, I wanted to ask you about the solar plant. There is some negativity in the industry that everyone is afraid of oversupply. So, what do you think? Is there an oversupply situation? How is it?

Dinesh Patel: Particularly if I talk for DCR, I don't see any oversupply right now. Second, for my own plant, we have in-house demand. So this capacity is sufficient for the captive demand we need for solar pump and solar rooftop, according to the growth seen in future expansion. And this was our minimum requirement. Reason behind this is that sometimes we have to execute some big orders in a timeline. So at that time we would like a little less dependency on third parties.

Darshil Jhaveri: Okay. Fair enough. That's it from my side. Thank you.

Moderator: Thank you. The next question is from the line of Praveen Motwani from BOI MF. Please proceed. Mr. Praveen, are you there on the line?

Praveen Motwani: Thanks for the opportunity again, sir. Sir, one thing to understand from you. How are you seeing the order inflow pipeline for next couple of months or immediately where it feels like orders are possible in which state? And second is sir, what is your view on KUSUM 2? Would it be better than the KUSUM 1?

Dinesh Patel: So let's take both of them separately. For KUSUM, as I told you, we are seeing the budget allocation increased in this. So we think that it should come on a good scale again. And second, where you said in other states where are the orders visible, so in other states also, as sir told you, in Maharashtra a tender has already come and other states are also planning. So let's see as it comes, we will keep updating you.

Moderator: Thank you. The next question is from the line of Gaurav Shukla from Finvestors. Please proceed.

Gaurav Shukla: Sir, my maximum questions have been asked. I just want to know how far you are seeing KUSUM 2 coming. What is your expectation of when it will come? And one more question, you said the solar plant will be ready in April 2027 in FY '27. So will it work as a backward integration for you, so there will be margin expansion in that?

Dinesh Patidar: Absolutely. That's why the investment has been done so that our margin increases by approximately 3%. And more than that, the thing is that we will be able to supply on time. This backward integration will also open up exports. Today in export our customer want to take our solar panel with our pump at a good price, but since we don't have solar panels, so we don't give fully. Our customer goes forward to buy panels from other people even if they don't want to. Number one.

Number two, you talked about KUSUM. Yes, KUSUM will come. There is full possibility of KUSUM coming and it will take a little time. So let's see as KUSUM comes, we will give information on Stock Exchange first.

Dinesh Patel: And in our plant that is coming, in that we will get a big benefit that our working capital which will get a little released. Reason behind this is that currently we have to do LC backed for full panel, we have to give deposits, we have to bring raw material and give it to them. So all this working capital of ours that freezes there, that will be released and it will support our existing business. So, we can see that the working capital for this solar panel will be released around 50%. Because only for the cell, only for the wafers, we will get the requirement of LCs.

Moderator: Thank you. Ladies and gentlemen, due to time constraint, that was the last question for today. I now hand over the conference to Mr. Dinesh Patidar for closing comments. Over to you, sir.

Dinesh Patidar: Okay. Thank you.

Moderator: Thank you. On behalf of Shakti Pumps India Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.

Disclaimer: E&OE. This transcript has been edited for factual errors. In case of discrepancy, the audio recordings uploaded on stock exchange on 14th February 2026 will prevail.