“Shakti Pumps (India) Limited
Q4 & FY26 Earnings Conference Call”

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

Moderator: Ladies and gentlemen, good day and welcome to the Q4 & Full Year FY26 Earnings Conference Call hosted by Shakti Pumps (India) Limited.

As a reminder, all participant lines will be in the 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, please signal an operator by pressing "*" then "0" on your touchtone phone.

Please note that this conference is being recorded. I now hand the conference over to Mr. Rohit Anand from Ernst & Young LLP. Thank you and over to you, Mr. Anand.

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 through the financial results and developments and to answer your question today, we have the senior management of Shakti Pumps (India) Limited represented by 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 and Mr. Ravi Patidar - Company Secretary and Compliance Officer.

We will start the call with a 'Brief Overview' of the Past Quarter and Full Year FY26 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: Thanks, Rohit. Good afternoon, everyone and thank you for joining us on Shakti Pumps Q4 & FY26 Earnings Call.

FY26 marked a strategic transition year for the company, one where we deliberately balanced growth with financial discipline.

Our priority throughout the year was clear - to strengthen the balance sheet, improve cash conversion and build a resilient operating platform capable of delivering sustainable long-term growth, while continuing to reinforce our leadership in the solar pumping segment.

The company delivered its highest ever consolidated revenue of INR 2,698 crores in FY26 with Q4FY26 revenue at INR 858 crores, also the highest in the single quarter. This performance was backed by a strong execution ramp-up with solar pump installation

increasing 20% year-on-year to 86,086 units in FY26 and a robust 51% year-on-year growth in Q4FY26 to 28,345 installations. The strong exit run rate in the fourth quarter underlines our improved execution capabilities and sustained traction across key states.

During the year, we navigated a challenging operating environment. EBITDA margins faced pressure from lower realizations under the Magel Tyala scheme, a sharp increase in raw material prices and elevated logistic and freight costs impacted by ongoing global geopolitical disruptions. Importantly, these are external and cyclical headwinds, not a structural issue. Despite these challenges, we sustained EBITDA margin at approximately 16% for FY26, reinforcing the robustness of our operating model and our ability to protect profitability while maintaining execution momentum.

Crucially, we have not persuaded growth at the cost of balance sheet strength. FY'26 focused on disciplined execution and capital stewardship. This is now clearly reflected in our financials. Receivables were reduced by over INR 420 crores during the fourth quarter, reduced from INR 1,697 crores as of December 31st, 2025, to INR 1,276 crores as of March 31st, 2026, representing a 77-day improvement in receivable days. This was achieved even as Q4 marked the highest quarterly revenue in the company's history, underscoring our strong focus on working capital efficiency. As a result, the company generated healthy cash flows from operations of INR 124 crores in FY26, significantly strengthening balance sheet quality and liquidity. The improvement in cash conversion is a key pillar of our long-term strategy and positions us well to fund growth sustainably without undue leverage.

Our order book stands at approximately INR 1,500 crores as of May 7, 2026, providing strong revenue visibility for the coming periods. We remain constructive on demand prospects, supported by anticipated policy momentum under KUSUM 2.0, continued opportunities under the Magel Tyala scheme and sustained demand across other state-level solar initiatives.

On the export front, FY26 saw stable performance. During Q4, exports were temporarily affected due to delays in order placement amid geopolitical tensions in the Middle East. Encouragingly, we have witnessed improving traction through our dealer and distributor network, which we expect to remain a steady contributor going forward. Meanwhile, the growth in our cash-based domestic business has enhanced revenue diversification and further supported working capital efficiency. Beyond our core solar pumping business, we are also looking into related areas like solar rooftop systems and electric vehicle parts, which are aligned with India's clean energy transition and offer attractive medium-to-long-term opportunities.

Shakti Pumps remain committed to growing responsibly, protecting the balance sheet, preserving cash flows and investing for the long term. We are confident that the fundamental of the business remains strong and the steps taken in FY'26 ensure that we emerge from current challenges better positioned, more resilient and firmly focused on sustainable value

creation. We believe these actions reinforce our long-standing commitment to all stakeholders and underscore the Shakti Pumps is here to stay with long-term growth firmly intact.

I now request Mr. Ramakrishna Sataluri to share key developments and the outlook of our solar rooftop business. Thank you. Thank you sir.

Ramakrishna Sataluri: Thank you very much, Mr. Ramesh Patidar. Good afternoon, everybody.

Just to take it from where he has left, the strong fundamentals and the excellent product quality has really helped the rooftop business to start off very well. We started very well and we realized that the heart of this solution belongs to the inverter and therefore we placed a lot of inverters in the market to check the feedback.

Given that the strong Shakti brand acceptance is pretty good, the feedback also for this product is very good. We have partners and we have customers who have come back to us and said that whenever there is a Shakti inverter that has been installed, we have roughly about 10% better generation, which augurs very well for this business.

We have already set up the channel in most of the places. That is a continuous process, but we have some very good distributors set across the country. We are looking forward to some very good numbers in this financial year. This year really looks very good for us.

Thank you very much. Now I open the floor for your questions, please. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. Our first question comes from the line of Prakhar Tibrewal from Choice Institutional Equities. Please go ahead.

Prakhar Tibrewal: Hello, sir. Congratulations for a record-breaking revenue number. My question is regarding the margins. Do we see a way back to the peak margins of 24% we saw in H1 FY26 and back in FY25, or are we expected to remain at the current levels?

Dinesh Patidar: Yes, Prakhar, we are focusing on margins. I would like to highlight that the margins this year have been affected by increased raw material pricing due to the geopolitical situation, which is not under the Company's control. There has been a lot of variation in raw material prices including copper, stainless steel and silicone sheets. Also, there has also been an increase in the US dollar. We always work on getting better margins but due to the pressure on raw material, we could not achieve that this year.

But we are working on our product and improving it day by day. We have also performed well in exports. Mr. Dinesh Patel – our CFO also wants to add something.

Dinesh Patel: So, this is just a temporary impact because of the geopolitical situation and other things. We think that going forward, the situation will be smoothened again, and accordingly the margin will improve again.

Prakhar Tibrewal: Okay, so do we see it coming back to like 20% again?

Dinesh Patel: It will be a little early to comment on a number right now. Once things improve, we'll communicate with you.

Dinesh Patidar: Once the geopolitical situation settles, then we will communicate. We will update you in Q1FY27.

Prakhar Tibrewal: Okay, sir the lower realization of Magel Tyala, what is the impact approximately?

Dinesh Patel: There has been a 3% to 4% impact because of Magel Tyala. Like we said in our previous call, the recent tenders we have received have had an impact of 3% to 4%.

Prakhar Tibrewal: Okay, and now a follow-up ahead for FY'27, which of the states are we expecting the most orders from?

Dinesh Patidar: Currently, we have an order book of approximately INR 1,500 crores. And yesterday, the Hon'ble PM talked about replacing the diesel pumps with solar pumps. So, we expect KUSUM 2.0 to get rolled out at a good scale. And by the time we execute our current order book over the next two quarters, it is possible that KUSUM 2.0 will also get started.

Prakhar Tibrewal: Okay, thank you.

Dinesh Patidar: Thank you, Prakhar.

Moderator: Thank you. Our next question is from the line of Aashish Upganlawar from InvesQ PMS. Please go ahead.

Aashish Upganlawar: Sir, can you explain in detail why did the tender prices reduced? How is the competitive scenario and secondly, the situation on payment which was about to come from the state government. It has improved a bit but still the receivables are increasing. So, that one and second question KUSUM 2.0 has been delayed, so, will you give some clarity on that. So, if you can shed some light on these three?

Dinesh Patel: Sir, if you compare the receivable position with Q3FY26, we have improved a lot, in line with our commitment. And if you see, despite achieving a revenue of INR 858 crores in Q4FY26, the receivables have reduced to INR 1,276 crores as on 31st March 2026. So, there is a lot of improvement in terms of the receivables, which has also strengthened the overall balance sheet. And we also said that as soon as we start collecting our receivables in Maharashtra, we will increase our execution there. So we have done that, and it has also contributed to this quarter.

Secondly, if you look at the receivables position, you will see that out of INR 1,276 crores, INR 916 crores is not due. So, now after RMS starts reporting data, that money will get due

and we will receive it because there is enough availability of the funds in all the states. We don't see any issue with regards to payments now. That is why we have increased our execution as per the commitment.

Aashish Upganlawar: Okay, I mean, not due means, sir, it takes some time before you can raise the receivable something like this, right after installation.

Dinesh Patel: Yes, that is how the tender terms are. After installation, you must receive RMS data for seven days to collect 90% of the money. And for the remaining 10%, you must receive RMS data for 90 days after installation of the pumps. So, until these terms are met, the money does not get due for the Company to recover. So basically, what I'm trying to say is that, these are the recent pumps which have been installed, and the payments are not due yet.

Aashish Upganlawar: Yes, so this means that the money will be blocked for a minimum of 100 days?

Dinesh Patel: This has always been our historical trend also. Our receivables have historically also been in the range of 120 to 150 days.

Aashish Upganlawar: Okay, and sir, that realization, perhaps the competitive intensity has increased in the market or tenders are not coming so can you tell us a little more about that?

Dinesh Patidar: What I would like to say is that yes, our competition has increased and because of that the price also gets affected a bit. But the important thing that I would like to highlight is that there is a strong demand for the Shakti brand in the market. Like in Maharashtra, the portal for Shakti opened for 25,000 pumps and it was fully subscribed in 25 minutes. The prices will keep fluctuating but there should be demand in the market. And when the portal gets fully subscribed in 25 minutes by the farmers, I feel that is a testament to Shakti being the leader. And going ahead, I can say with confidence that our growth is certain, and we will keep moving forward.

Aashish Upganlawar: But sir, there are some criteria for L1, that we will have to match the minimum price, so won't we be stuck there according to profitability?

Dinesh Patidar: This is a part of this business, it keeps going up and down. But for so many years, we have done business under the L1 criteria. Going forward, I hope that the future tender conditions are good, and we can do good business in the future. Our responsibility is to provide good quality pumps, and that is something we don't compromise on.

Aashish Upganlawar: But if the margin is halved, then there is a little worry.

Dinesh Patidar: You are correct. If you see, in the past, we had left an order in Haryana, where we did not have a feasible margin. And in the last quarter, to strengthen the Balance Sheet, we left orders of INR 200 crores in Maharashtra, since we were not getting any clarity on payments. And now that we have received clarity, we have increased execution there and did a quarterly revenue of

INR 858 crores. So, we will continue to take such decisions. But our objective is clear. We will continue to work with the objective of creating value for the investors.

Aashish Upganlawar: Sir, I could not see the position of the order book, PPT has not been studied yet, but what is the situation now, what could be the next year's top line, and where will the orders come from? Secondly, I asked about the stance of the government of KUSUM 2, why is there a delay, I need clarity on that.

Dinesh Patel: If you see our press release and investor presentation, we have an order book of INR 1,500 crores. We have maintained a diversified order book and we believe it is sufficient for the next two quarters. For KUSUM 2.0, like the announcement done by the Hon'ble PM yesterday, we believe KUSUM 2.0 will come very soon. That is why Chairman sir has also said that we will maintain the year-on-year growth and will continue to perform well in the future.

Aashish Upganlawar: Sir, will we cross INR 3,000 crores?

Dinesh Patel: We are not guiding on any number at the moment. We are saying that we will continue to grow. This is just the beginning of the next financial year, we will keep updating you on the situation every quarter.

Aashish Upganlawar: Thank you, sir. Okay, thank you.

Moderator: Thank you. Our next question is from the line of Ankit Shah from Anand Rathi, please go ahead.

Ankit Shah: Yes, sir. Our margin was 25% earlier, now it is 10%, and our revenue has also increased year-on-year, so how much from operating leverage advantage we have got?

Dinesh Patel: Sir, we have got 2% to 3% operating leverage advantage.

Ankit Shah: 2% to 3%, okay. And how much impact it had on the raw material price?

Dinesh Patel: The raw material price has an impact of around 6% to 7% in this quarter.

Ankit Shah: Okay, 6% to 7% is the impact of raw material, and 3% to 4% is the impact of operating leverage. And how much impact has it had on realization?

Dinesh Patel: In realization, the recent Magel Tyala tenders we have had an impact of 3% to 4% on realization.

Ankit Shah: Okay. And our receivables is around INR 1,200 odd crores, right? So, how much will it be in the future, in the receivables?

Dinesh Patel: It will depend on the execution in the future; we will keep updating you every quarter.

Ankit Shah: Okay, and can you give some guidance for the financial year 2027, in the top line?

Dinesh Patel: As Chairman sir said, we will keep doing year-on-year growth. We will keep updating you on the numbers on every quarter.

Ankit Shah: Okay. Thank you so much.

Dinesh Patel: Thank you.

Moderator: Thank you. Our next question comes from the line of Nikunj Bhanushali from Walfort PMS. Please go ahead.

Nikunj Bhanushali: Hi sir, thank you for the opportunity. Sir, my first question is, next year, from the standpoint of this financial year, can you talk about the CAPEX? So, firstly, in FY'26, what is the CAPEX? How much has it been? And in FY'27, what is the plan for the solar cells or modules?

Dinesh Patel: So, you can refer to the monitoring reports for both projects, which we have published. We are expecting that we will have the expanded capacity in pumps from Q2FY27 onwards. Apart from this, we will also get the capacity of 0.5 GW from Q2FY27 onwards and the 2.2 GW solar cell capacity, we are looking at March'28. That is the update from our side.

Nikunj Bhanushali: Okay, and in terms of pump installations, what will be the target for next year?

Dinesh Patel: In FY26, we have done 86,086 solar pump installations, and in the quarter, we have done 28,345 solar pump installations. For the next year, as things keep materializing, like KUSUM 2.0 and other tenders, based on that, we will assess and keep updating you every quarter.

Nikunj Bhanushali: Okay, one last question. So, how will exports be this year? Because of the West Asia war impact, are orders coming ahead in the current year? Or what is the situation? Will there be some growth in exports?

Ramesh Patidar: Definitely, due to the current geopolitical situation, there are issues everywhere. And there is a meaningful impact in Middle East. But still, we will continue trying to do our best in terms of growth. We will keep working on it.

Nikunj Bhanushali: Okay. Thank you, sir.

Ramesh Patidar: Okay, thank you.

Moderator: Thank you. Our next question comes from the line of Daksh Malhotra from Aadriv Global. Please go ahead.

Daksh Malhotra: Hello, sir. Very good afternoon. This quarter has been good relatively. Sir, there were two or three questions. One was about our solar rooftop, Mr. Sataluri just told us that this year is a

new beginning for us and it will be good. So, if you could shed some light on this. What are we doing? Are our inverters efficient? So, how big of a market do we expect from this? For pumps you will give guidance after KUSUM 2 comes. But can you give some guidance on the rooftop for 2027? And can you give us an idea of the margin as well? What will it be?

Ramakrishna Sataluri: Hello, sir. The rooftop market is growing very fast, which you can also see from data that is available in the public domain, on the PM Surya Ghar portal. And as I said earlier, in this solution, this inverter is the most important. And the inverters that we have placed in the market for trials and taken feedback, we have got very good feedback that our inverters are getting 10% extra generation. With this, we hope that as the word-of-mouth increases, and customers will be attracted more towards Shakti Energy Solutions. And as you know, this is a long-term game. We are investing and are working with solid fundamentals.

Daksh Malhotra: But sir, would you like to give any input, any numbers to this for FY'27?

Dinesh Patel: For numbers, like we have told you, we will update you every quarter, because this business has not matured yet. It is still getting started. And after the in-house production of panels begins, we can see it grow to even higher scale. Right now, we are tying up with channel partners. And margin wise, we have already given guidelines that we are seeing 15% margins at the EBITDA level for this business.

Daksh Malhotra: Noted, sir. Okay. Sir, along with this, we have another line of EV motor and controller, which we have started for many years. We have also invested around INR 70 crores out of INR 114 crores in CAPEX. Are we getting any breakthroughs? In the last call or last to last call, Mr. Patidar had told us about JBM Auto. But it still shows under emerging business in the presentation. Is there no output, no revenue being generated from it?

Dinesh Patidar: Yes, your question is very good. I had mentioned in the last quarter that we will see business in EV only after next year, because in the automobile sector, approvals and development is a time-taking process. We have developed the technology for the world's latest motors. Shakti Pumps is an R&D company in itself. We have also designed our controllers, which is a very big thing, especially in India. So, it takes time in all these things.

We have invested a lot of time in it and have worked on many products. To develop the controllers, we have leveraged our experience of around 8 years in power electronics of making VFDs. So, yes, in the next six months to one year, the results will start showing. We have also tied up with some other automobile companies, who are testing the motors and we have reached the vehicle level trials. So going forward, you will see that Shakti EV will be a good company.

Daksh Malhotra: Okay sir, thank you for answering these questions. Wish you the best sir.

Dinesh Patidar: Thank you. Thank you very much.

Moderator: Thank you. Our next question comes from the line of Mahendra Jain from Way2Wealth. Please go ahead.

Mahendra Jain: Sir, we are expecting that there will be a big CAPEX in the world after this war. So, there could be big opportunities in export. So, are we thinking on that line that we can enter in the future in nuclear or hydrogen? Or can you give some light on the low-turn and high-margin value added products?

Dinesh Patidar: Yes, yes, absolutely. The current situation in the world will benefit Shakti Pumps in the future. Because for solar, even yesterday our Hon'ble PM has given us the direction that wherever in the world diesel pumps are being used, diesel availability is going down. Like we see in Africa, a lot of work is still happening with diesel pumps, but it has become difficult for diesel to reach there and rates are also getting affected. So, this business will also become available for us.

As an R&D focused company, we have already developed products and distributors according to each country. Further, we have already proved ourselves by exporting to 100+ countries in the world. So, the platform is ready. Now slowly, as you can see, our distributors are growing. Exports is a tough business generally, but yes, our country has also made some agreements, like the recently signed agreement in Vietnam. There have been many more agreements in Europe. In Europe, we have been trying to develop our business for the past 10 years but we were only able to gain a small share because we were worried about custom duties and other things there. But we feel that going forward, we will export well in Europe and other countries of the world. And in our current business also, we are doing very good growth.

Mahendra Jain: Sir, is there any planning on the nuclear side?

Dinesh Patidar: No, we only understand solar pumps and solar inverters, so we will focus on that.

Mahendra Jain: So, sir, in 2027, there will be a market of INR 15,000 crores, as you said, of solar pumps. So, sir, what is our market share in solar, what are we expecting?

Dinesh Patidar: We will continue being the leader and we will try our best to maintain that, which is why we have made such a big investment.

Mahendra Jain: Okay. Thank you sir.

Dinesh Patidar: Thank you, Mahendra. Thank you.

Moderator: Thank you. Our next question is from the line of Yohan Khinvasara from Asian Broking. Please go ahead.

Yohan Khinvasara: Sir, I wanted to know that why were your tax rate was so high this quarter, 42% approximately?

Dinesh Patel: Actually, there have been some temporary impacts like the warranty provisions, dividend tax, corporate CSR, etc. All these additions must be completed at the end of the year. So, because of these things, it is slightly high. Also, the total profit is less, if you see. So, because of that, you are seeing an impact in this quarter. But if you look at the full year, it is around 27% approximately, which is normal for our company.

Yohan Khinvasara: Okay sir, thank you sir.

Moderator: Thank you. Our next question is from the line of Suvankar Mallick from Sanghai Family Office. Please go ahead.

Suvankar Mallick: Yes sir. Sir, my first question is that this KUSUM 2.0, which is being delayed by the government, so when can it come? I mean, first half of the year or second half of the year?

Dinesh Patel: As per the announcement by the Hon'ble PM, we feel that it should roll out by the end of Q1FY27 and we should start getting orders by Q2FY27 onwards.

Suvankar Mallick: Okay sir. Sir, my next question is, the Maharashtra project that we were doing, the dues from the government's side was being paid little by little. There was no complete payment. There was some problem. Has that problem been solved?

Dinesh Patel: Yes sir, that problem has been solved. That is why we have increased our execution in Maharashtra. The problem was in December, which is why we reduced our execution at that time. But now, we have got around INR 1,200 crores and our balance sheet strength is retained.

Suvankar Mallick: Okay sir. My third question is, I think in the last Q3 or Q2, there was some comment from you that there is a scheme coming in UP, of solar pump. Any update on that scheme?

Dinesh Patel: In UP?

Suvankar Mallick: Yes sir, in UP or in MP. In second quarter, there was a comment.

Dinesh Patidar: It was in MP, it is going on. It is going slow, but it is going on.

Suvankar Mallick: Okay sir. I will join back the queue.

Moderator: Thank you. The next question is from the line of Rahul Gupta from Evergrowth Capital. Please go ahead.

Rahul Gupta: Yes sir, actually your order book is of INR 1,500 crores. I have seen that we have INR 524 crores of Maharashtra. Our margin is very less in that. So, how are we going to execute this in the coming quarter, in Q1FY27? And what will be our margin in the next quarter?

Dinesh Patel: We feel our margins will improve. We are expecting the prices of raw material like metals which are inflated will get normalized. Due to the inflated prices, there is an impact of 6% to 7%, which we expect will get normalized going forward. Our diversified order book will also help us to maintain the margins. You can see that out of Rs. 1500 crores, only Rs. 500 crores are from Maharashtra. The remaining is from other states, where we see positivity.

Rahul Gupta: Yes sir, I was asking that, will we complete the order book from Maharashtra or will we keep it combined?

Dinesh Patel: We will keep it combined.

Rahul Gupta: Okay. And sir, how much will our margin improve? Right now, it is around 10%. So, how much will it improve sir?

Dinesh Patel: I think there will be an improvement in margins because the geopolitical situation is temporary and will improve in the future. The inflated metal prices will get normalized and there will be an improvement. But we will update you every quarter.

Rahul Gupta: And sir, what is the export margin? I think it is double.

Dinesh Patel: Export margin is around 10% more as compared to domestic market.

Rahul Gupta: Okay sir. Thank you sir.

Dinesh Patel: Thank you.

Moderator: Thank you. Our next question is from the line of Jeet Jhaveri from Waya Financial Technologies. Please go ahead.

Jeet Jhaveri: Namaskar sir. I wanted to know that what type of margin can we expect on our order book of INR 1,500 crores.

Dinesh Patel: There are different margins in each order. And I have told you before that we will update you post Q1FY27. So, once we execute, then we will update you because the operational efficiency is a separate matter and the raw material price is a separate matter.

Dinesh Patidar: In terms of margin, I feel that the price of raw material like stainless steel, copper and silicon sheets, is fluctuating a lot, so it is difficult to comment on anything right now. In future, our raw material costs will come down because the prices of stainless steel and copper are only this high because of the geopolitical situation. We are working on it. We feel that as soon as the pricing improves, the margin will also improve.

Jeet Jhaveri: Okay sir. So, how much will we be able to pass on the raw material prices in the future? And my second question was that we can expect this order book of INR 1,500 crores to be fulfilled in the next two quarters.

Dinesh Patel: Yes, it will be executed in the next two quarters. Secondly, on the margins, our solar panel plant will start from end of Q1FY27, which will give upward push to margins. We also do a lot of R&D and try to improve our margins through reverse engineering. Thirdly, we have a good scale now, so we are negotiating with the vendors on pricing. So, we can expect some positive movement in margins from there as well.

Moderator: Thank you. Our next question is from the line of Bhavya Shah from Walfort Fund Management. Please go ahead.

Bhavya Shah: Good afternoon, sir. My question is about BMS solution. We meet a lot of people, and we can understand that some people are working on R&D on battery management. Like you are working on solar cells so what is your view on battery management and how fast will it be integrated into solar pump and rooftop solar?

Dinesh Patidar: Yes, as we said that we are working a lot on power electronics like controllers, inverters, and chargers. BMS is also important and a lot of battery manufacturers are working on BMS, but we are not focused on that. We just take data from BMS operator and write the algorithm to charge it in our system.

Moderator: Thank you. Our next question is from the line of Kamlesh Bagmar from Lotus Asset Managers. Please go ahead.

Kamlesh Bagmar: Namaskar sir. Sir, I have a question because our order book is for six months. So, we will have this much visibility because we must have kept inventory of raw material. So, if the raw material prices like copper and silver remain the same then the margin for this order book will be around 11%. When we are bidding for new orders and new tenders which are coming, then how are we measuring the pricing? Like these are the raw material prices then are we factoring 20% because over the years we get benefit only when raw material prices go down and if this is the trajectory of raw material then how will our margins be and the coming projects or tenders that we are taking how will we measure the pricing because one year ago we got benefit because raw material prices went down and now raw material pricing is upwards so we are getting impacted because the gross margin that we were making around 30% is now around 20%, 22%. So, this is what I wanted to understand. This is done that in this six-month order book the raw material prices, it does not seem that the margin which we used to earlier will come back because raw material prices do not seem to be going down because the rupee is also at the same level. So, if we assume that these are the raw material prices then what will be the margin in this order book and in future orders margins are we bidding by factoring, these are the two questions I wanted to know from you.

Dinesh Patel: Mr. Kamlesh, as I told you earlier that if you talk about margins as on date then yes, the margins which we have given you are at the same level. But like Chairman Sir said, we have started many projects like reverse engineering, negotiating with vendors after achieving good scale last quarter and our solar panel plant coming up by the end of next quarter. So, we are expecting some margin improvement in the future. The current raw material prices which are so high, are only this high because of the geopolitical tension. So, we do not think that this will sustain for long. It will have reductions going ahead and after reduction our margins will improve. So, in future we can see that margins will improve again.

Dinesh Patidar: You asked us about the tender and what price we are going to quote. We cannot discuss the rates on this call.

Kamlesh Bagmar: No sir, I am not asking what pricing we will do. I am asking do we do margin factoring? Because sir, a margin of 24% comes to 10%. So, sir, what I am understanding is that we do not have flexibility according to that. Because if we look at it, I know that no one knows about war and all these things happen. But sir, the margin guidance that we were giving of 24%, in the second half, it fell to 11% margin. Because you have the pricing part in your hand. But there is no clarity how our margin should be. According to that, I was asking. Sir, whenever we take any order, how much contingency do we hold and how much our minimum margin should be? I wanted to know that sir.

Dinesh Patel: Correct. Sir, we are present in diversified sectors. So, in exports and dealer distributor network, we can pass on the price. But in the tendering business or the rate contract business, the price differs from state to state and our competition is also different in every state. The execution is happening more in Maharashtra, and there the price was already low, which is why the margin could not improve in this quarter. Going ahead, we think that when we get orders in the next quarter and we will grow the rest of the business, then the margin will also improve in that line. We have already explained the measures we are taking for it to improve. So, let us work a little on this line and we will keep updating you every quarter.

Kamlesh Bagmar: And sir, lastly, the order book that we give, just like in the last quarter, if we see last year Q3, we give the order book at the quarter end. So, sir, what happens is that you have given of 7th May or 8th May. It becomes very difficult to compare that how much has happened in this quarter and how much incremental order has come and how much has been executed. And sir, secondly, the order book that you give, it is with GST. Give it without GST sir. Because when we report revenue, that revenue is without GST. So, it is very difficult to compare that how much incremental order came and how much was executed.

Dinesh Patel: Okay sir, we have noted your point. Next time we will tell the compliance officer to maintain both the prices while disclosing. Secondly, you will see that whatever order we have received, we have notified to the stock exchange within 24 hours. So, all the orders are updated in a timely manner.

Also, it is necessary to show our visibility as on date to show that we have that much order book. There are few updates in the period between the end of the quarter and date of the Earnings call which we must incorporate. But we have given proper disclosures that order book is as on date. Other than that, I tell you the quarterly numbers every time.

Moderator: Our next question comes from the line of Himanshu Shivhare from MB Investment. Please go ahead.

Himanshu Shivhare: Sir, good afternoon. I wanted to know that will you be able to tell the percentage of our KUSUM 1 payments? How many are left and how many are pending now?

Dinesh Patidar: We will share these details with you separately.

Moderator: Thank you. Our next question comes from Vamika Mandhania from Anand Rathi. Please go ahead.

Vamika Mandhania: Hello sir, congratulations on your set of numbers. I had two questions. You mentioned last quarter that you will expand in the south and maybe you can see visibility of your order book is more in Karnataka. So, maybe you can give your comment on that.

Dinesh Patidar: Yes, we have started execution in the South and have reached a good figure there. Going forward, we will expand our execution further in the South.

Vamika Mandhania: Can we get a rough number or figure that how much percent out of the total order book?

Dinesh Patidar: Once the order comes, then we will inform you within 24 hours.

Vamika Mandhania: Okay. And my second question was that you mentioned that 0.5 GW module plant will be commissioned till Q1 2027. So, can we get any update on that now?

Dinesh Patel: Yes, the work is progressing well. We feel that the facility will be commissioned by the end of Q1FY27 and will start contributing to margin improvement.

Moderator: Thank you. Our next question is from the line of Prakhar Tibrewal from Choice Institutional Equities. Please go ahead.

Prakhar Tibrewal: Hi, sir. I had one question left. I wanted to understand how many days orders we book in our quarterly revenue. So, I have mapped all the orders that we have received since 11th December. So, from 11th December 2025 till 12th January, we received orders worth INR 1750 crores. Out of that, we have recognized revenue of INR 850 crores for Q4. So, out of that, how many orders are left? Or were there any orders that we fulfilled in Q3? So, I wanted to understand so that I can forecast the revenues of the next quarter properly.

Dinesh Patel: So, if you see the order book, we have around Rs. 1,500 crores pending as on date. In the solar business, we have executed around Rs. 704 crores worth of orders in Q4FY26 and around Rs. 2,080 crores in full year FY26. The remaining execution has been done in OEM, EV sales or domestic or in export. If you have any further confusion in calculations, you can reach out to me or the EY team, and we will address your queries.

Prakhar Tibrewal: That is fine, sir. I just wanted to understand that in how many days approximately, like you always tell the timeline when you release the order, then the timeline is of 60 days or 120 days or 90 days.

Dinesh Patel: So, with every order, we mention the timeline there.

Prakhar Tibrewal: Yes, exactly. You have mentioned it, so I was just asking that suppose we have accepted the order for 120 days, so in how many days can we do it approximately?

Dinesh Patel: So, there is a minor correction that we have given in our press release. In KUSUM's order, we have been given a little more time for execution by the government. So, both these timelines will not match. So I would suggest, you should use the order book and the numbers that we are giving, for your analysis.

Prakhar Tibrewal: Sir, no, these are the numbers that we get after the order, the disclosures that you do in 24 hours. So, these are those numbers. So, I just wanted to know that if we get an order today and its timeline is 90 days, so will we book it in Q1 FY'27 or will it go to Q2?

Dinesh Patel: See, I am trying to tell you the same thing again, that we do it in 90 to 120 days, but we have got an extension. As you can see in PM KUSUM's notification, the execution extension has already been provided by the government to all players. So, that extension is where the timeline moves forward.

Prakhar Tibrewal: Right. Okay, so we use the timeline that has moved forward.

Dinesh Patel: Correct.

Moderator: Thank you. Ladies and gentlemen, due to time constraints, we will take that as our last question. I would now like to hand the conference over to Mr. Dinesh Patidar, Chairman, for closing comments. Over to you, sir.

Dinesh Patidar: Thank you, friends. Thank you all for coming. I have answered all your questions correctly. If you have any other questions, you can contact us through our EY team. And we are here to answer all your questions. You can send us questions, and we will reply to you. Thank you very much for joining this call. Thank you very much.

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

Disclaimer: E&OE. This transcript has been edited for factual errors. In case of discrepancy, the audio recordings uploaded on stock exchange on 11th May 2026 will prevail.