

Oswal Pumps

10 August 2026

Operator: Ladies and gentlemen, good day and welcome to Oswal Pumps Ltd. Q1 FY27 conference call. As a reminder, all participant lines 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 the conference call, please signal the operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Dheeraj Ram from 361 Capital Market Private Limited. Thank you, and over to you, sir.

Dheeraj Ram – 361 Capital Market Private Limited: Thank you. On behalf of 361 Capital, I would like to welcome the management of Oswal Pumps with us today to discuss the Q1 FY27 earnings. From the management team, we have with us Mr. Vivek Gupta, Chairman and Managing Director; Mr. Amrender Gupta, Whole-time Director; Mr. Vijay Yadav, Chief Financial Officer; and Mr. Avdesh Singh, Chief Operating Officer. We also have with us Mr. Sandeep Sancheti, IR Advisor, {? U-Trust ?} Advisors. I now hand over the call to Mr. Sandeep Sancheti for his opening comments. Thank you, and over to you, sir.

Sandeep Sancheti – IR Advisor: Thank you, and good afternoon, everyone. Before we begin, I would like to draw your attention to the safe harbor statement included in the earnings presentation, which contains forward-looking statements and is also available on the BSE and NSE websites. Please go through the safe harbor statement thoroughly. With that, I will now hand over the call to Mr. Vivek Gupta for his opening remarks. Over to you, Vivek.

Vivek Gupta – Chairman & Managing Director: Thank you, Sandeep, and very good afternoon, everyone. On behalf of Oswal Pumps Ltd., I warmly welcome all of you to our Q1 FY27 earnings call and thank you for taking the time to join us today. We have commenced FY27 with continued execution of our order book, even as the tender pricing environment across the industry turned more competitive. Revenue from operations for the quarter stood at 474 crores, reflecting a year-on-year decline of 7.9% and a sequential decline of 7.1% over Q4 FY26. EBITDA for the quarter stood at 82 crores, with a margin of 17.1%, while operating EBITDA for the quarter stood at 74 crores, translating into a margin of 15.7%.

The reduction in margins was primarily driven by 3 factors: industry-wide competitive bidding under the {? Maghel ?} scheme, which led to a 9% reduction in realization; our diversification into module sales through the channel; and elevated input costs stemming from the ongoing geopolitical situation. This impact was partially mitigated by our focused cost and value engineering initiatives. Nonetheless, gross margin declined by 548 basis points sequentially, and operating EBITDA margin correspondingly moderated by 747 basis points quarter-on-quarter on account of the fall in gross margins and an increase in employee cost and benefit expenses driven by annual increments and senior-level hiring.

Coming to our order book, the company's pump order book stands at 22,025 pumps as of date, with a near-term pipeline of approximately 12,500 pumps across direct PM-KUSUM {? Maghel ?}, indirect PM-KUSUM, and export orders. Given the delay in the anticipated rollout of PM-KUSUM 2.0, we continue to sharpen our focus on diversifying beyond our core government-led solar irrigation business. As of date, our order book across rooftop solar, utility, and commercial and industrial solar EPC segments stands at approximately 72 megawatts, backed by a wider pipeline of

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

10 August 2026

359 megawatts, underscoring the strength of our expanding addressable market beyond the core government-led solar irrigation business.

To sharpen our execution in this growth avenue, we have created PM Surya Ghar as a dedicated vertical within the company, with a dedicated business head appointed to drive market penetration, bid participation, and delivery. On the IPO objects front, I would like to share a brief update on our capital expenditure plans. First, the pump and motor plant capacity expansion and automation are scheduled for completion by Q3 FY27. With respect to our solar module facility, we expect the first phase of expansion, comprising 1 gigawatt of module capacity, to be completed by the end of the second quarter. The remaining expansion is also progressing as planned.

Backed by a healthy execution pipeline, a rapidly growing presence across multiple renewable energy segments, and proven project execution capabilities, we remain focused on disciplined execution, operational efficiency, and creating long-term value for all our stakeholders. With that, I will now hand over the call to our CFO, Mr. Vijay Kumar Yadav, who will take you through the financial performance in greater detail. Over to you, Vijay.

Vijay Kumar Yadav – CFO: Thank you, sir, and good afternoon to everyone. I will now take you through the key financial highlights for Q1 FY27. I believe you have reviewed the earnings presentation and financial disclosures. While Mr. Gupta has already covered the operational and business performance, I will focus on the company's financial position and working capital profile. PAT for the quarter ended June 30, 2026, was 54 crores, with a PAT margin of 11.2%.

From the balance sheet perspective, as of June 30, 2026, net debt was at 266 crores, translating into a net debt-to-equity ratio of 0.15 times and net debt to operating EBITDA of 0.90 times. Our cash conversion cycle as of June 30, 2026, was 224 days, as compared to 172 days as of March 31, 2026. This increase was primarily driven by an increase in receivable days to 229 days from 155 days, attributable to delays in payments from State Nodal Agencies. We would like to reiterate that these receivables are entirely from government and government-backed counterparties and therefore remain fully secured in nature. We would also like to highlight that 305 crores of the total receivable—

Vijay Kumar Yadav – CFO: For FY27, we apologize for this inconvenience. We have strong execution capabilities and are actively participating in tenders across these opportunities, which gives us confidence in a healthy order book for the year ahead. As indicated on our last call, the first quarter was expected to witness a moderate but temporary revenue decline, given the timing of project awards and execution schedules. With momentum expected to build progressively in the second half, Q1 FY27 performance has been broadly in line with this phasing.

Looking beyond FY27, we are targeting sustained growth momentum of 30–40% in the medium term as execution across these multiple fronts gathers pace. We expect operating EBITDA margin for FY27 to be in the range of 15–17% and PAT margin in the range of 11–13%. With that, we would now be happy to take your questions.

Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone.

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

10 August 2026

Operator: If you wish to ask a question, you may press star and one on the touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Manish Gardia, an individual investor. Please go ahead.

Manish Gardia – Individual Investor: Hi, sir. I had a query. Retail investors have been invested in Oswal Pumps since the listing. But after that, if you look at the share price, our share price has fallen by half. The guidance is always good, but our results do not meet the guidance to the same extent. So, what do you think the future holds for us as retail investors?

Management: Right. Look, Manish, your thinking is absolutely correct, but let me tell you one thing. Fundamentally, the company is working and all the company's plans are progressing as planned, but there have been external factors, such as the delay in PM-KUSUM 2.0. Second, our dependence on EPC pump projects, particularly {? Maagalchala ?}, has been there for the time being and has continued over the past few periods. Because more bidders entered {? Maagalchala ?}, and because there was greater dependence among various participants, the bid prices there came down significantly. That was the biggest reason.

The second factor was the uncertainty that emerged in the market due to geopolitical conditions, because raw material prices increased significantly. These 2 factors have affected our profitability. However, if we look at the fundamental side of the company, our capacities, our supply position, and our installation position, there is no gap anywhere.

There is also no gap in the execution of the funds that we raised through the IPO to move forward. Therefore, I believe that whatever phase we are facing is a temporary phase. PM-KUSUM 2.0 is expected to be introduced, as the government is discussing it with us in the ministry from a broader perspective. We are expecting this very soon.

Second, the solar market is growing, and therefore we have made full efforts within our team so that our dependence on PM-KUSUM can be reduced in the coming period. Even if PM-KUSUM is delayed, we are diversifying ourselves into PM Surya Ghar. We are also introducing some wires and cables this time. We are undertaking these activities so that our dependence on PM-KUSUM for our top line and bottom line revenue can be reduced. Even then, fundamentally, the company is very good. There is no gap anywhere in the company. Thank you, Manish.

Manish Gardia – Individual Investor: Okay, sir. Fundamentally, we are all good and it is only temporary. Given the decline over the past 1 year, do you think we will all do much better?

Management: Yes, absolutely. Look, what I see is that FY27 will have some turbulence because of geopolitical conditions and PM-KUSUM. However, the years after that, FY28 and FY29, look very clear and very good, and we can see very strong growth there. Therefore, I do not think the overall industry or Oswal will face any kind of challenge in the near future. We are very optimistic, and our entire team is working with full dedication, sincerity, and effort. We have very good hopes. Thank you, Manish.

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

10 August 2026

Manish Gardia – Individual Investor: Okay, sir. Thank you, sir. If you have hope, we have hope. Thank you.

Sanjeev: Absolutely. We are here because of your hope, and our hope is absolutely strong. We are very positive, we are moving in complete alignment, and that is why our entire company team is making multiple efforts to move forward. I would like to add something here. Fundamentally, the challenge that has emerged is entirely because of PM-KUSUM. PM-KUSUM is a very large project, correct? Because of its delay, all the focus has shifted to the state government projects in Maharashtra. Therefore, bidders from across the country are bidding for projects in a single state. This has created price pressure there. People have bid at very low prices.

So, there is a dual impact. First, the volume of PM-KUSUM has been delayed, and when it arrives, it will pick up again. Secondly, the market has become smaller. Therefore, if PM-KUSUM comes, I think both problems will be resolved. First, the volumes will return, and second, the price pressure will ease because the demand-supply position will change. I think this is the broad summary. We are only hoping that PM-KUSUM arrives as soon as possible. Beyond a point, we do not have control over it, right? However, it has to come because it is a very critical project for the Government of India for the benefit of farmers. We are just hoping that it comes sooner rather than later.

Manish Gardia – Individual Investor: Sir, I have one more query, if I may ask. Your competitor mentioned on the earnings call that PM-KUSUM 2.0 might come in August. Based on all the contacts you have spoken to and any updates you may have, could you share the updates with us, sir?

Management: Look, Manish, the information reaching us is of 2 types. The information we have so far is that the entire industry is expecting it very positively in August, and we have also received similar internal information. However, because multiple external and government-related factors are still in progress, we believe that in this quarter, which is our second quarter, there does not appear to be any gap that would prevent PM-KUSUM 2.0 from arriving. Given the positive and healthy news coming from the ministry, we are much more confident and very sure that it will arrive.

Sanjeev: I would like to add to that. Having said that, ultimately PM-KUSUM has to be released by the government. Beyond a point, we can only hope. I do not think there is a situation where anyone in the industry can provide an assurance, because no one will have that level of insider information. It will come, but regarding the timing, we are hoping that it comes in August. However, earlier also we were hoping that it would come a little earlier. Therefore, we want to be a little cautious now about passing on this confidence to everybody else. Yes, we hope and are hoping that it comes, but obviously no one can guarantee that it will come in August. It will surely come, and we are also hoping that it comes sooner. Thank you.

Manish Gardia – Individual Investor: Thank you for taking my query, sir. Thank you very much.

Operator: Thank you. Ladies and gentlemen, to ensure that every participant gets an opportunity, please restrict your questions to 2 per participant. The next question is from the line of Disha from Sapphire Capital. Please go ahead.

Disha – Sapphire Capital: Hello. Am I audible, sir? Hello?

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

Operator: Yes, you are audible. Just a second. Ladies and gentlemen, the management line is disconnected. Please stay connected while we connect them.

Operator: Ladies and gentlemen, the management line is connected. Sir, please go ahead. Disha is on the line.

Disha – Sapphire Capital: Yes, sir.

Disha – Sapphire Capital: Thank you so much, sir, for this opportunity. I have a couple of questions. Firstly, regarding the decline in margins, you said it was because pricing became extremely competitive. What sort of cost-related steps are we taking to remain competitive and win the tenders? Could you elaborate a little more on that?

Disha – Sapphire Capital: Thank you so much, sir, for this opportunity. I have a couple of questions. Firstly, regarding the decline in margins, you said it was because pricing became extremely competitive. What sort of cost initiatives are we taking in order to qualify for these tenders? With PM-KUSUM being delayed, it is very important for us to win these orders for our growth. What sort of initiatives are we taking?

Management: Look, Disha, there are 2 points here. The major reason for the margin decline so far was that the bidding prices for our pump project, {? Maagalchala ?}, came down. That was the biggest reason. The second reason was the rise in raw material prices across India due to geopolitical conditions, which mainly led to a decline in our profitability. Both these effects are industry-wide.

Therefore, we are currently planning how to sustain our profits. The first point is that, for all the bids we are planning to submit going forward, our company and team are carrying out significant value engineering in a very effective manner. As a result, our team has reduced the impact on the company that originally arose because of the tenders and pricing, and we have recovered some of the impact through value engineering.

This is also one reason why we are diversifying into PM Surya Ghar. Our major target for this year is to complete approximately 2 lakh PM Surya Ghar solar installations. Therefore, we have taken on a large target in the first year so that we can sustain our margins, and so that diversification prevents the company from becoming entirely dependent on a single scheme. This is one precautionary step that we have already taken. Thank you, Disha.

Disha – Sapphire Capital: Okay. We are undertaking substantial diversification, but the impact will come from next year, meaning FY28. For this year, given that we have the order book for Q2, if the PM-KUSUM scheme is delayed again, how should we look at overall growth for this year?

Management: As I mentioned, in FY27 we are proceeding with a target of approximately 2 lakh PM Surya Ghar installations. In addition, we have now activated our channel sales in solar. As I mentioned, we are also introducing some wires and cables through our channels. These are the businesses we see as diversification beyond solar pumping.

In addition, we already have orders in hand for {? Maagalchala ?}, which we will execute in Q2. Further, P6 has already floated a new tender for {? Maagalchala ?}, in which we have bid, and it is

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

expected to be opened next week, within 1 week or 10 days, {? [unclear] ?}.

Management: This is expected to open, and we are also planning for its opening. Therefore, regarding this year's revenue, as we mentioned, we have very clear visibility of 20–25% revenue growth. This includes the projects already in hand, the projects for which we have submitted bids and which we expect to win, the {? Magal-Tela ?} orders, and the diversification businesses in which we are moving forward. Thank you, Disha.

Disha – Sapphire Capital: I would like to understand a little more about the tendering process. How long does it normally take for a tender to be converted into an order?

Management: It depends on the type of tender. Normally, if we are talking about PM Surya Ghar tenders, the time from bidding to allotment is approximately 60–80 days. When a tender is floated, meetings are subsequently held on technical and commercial grounds. We believe that the allotment takes place within 70–80 days.

After that, based on the guidelines under the tender and the timelines prescribed, we have to complete a certain quantum within the given timeline, and our team works accordingly. For example, we have recently taken up some projects in Bihar, some projects in Andhra Pradesh, and some projects in Rajasthan. Their execution has started, and they are being executed quite well.

I think that, because we already have a very strong team and the team at the ground level is working very actively, we have also started training them for these new projects in parallel and in an active manner. Therefore, we do not see any challenge there.

Disha – Sapphire Capital: So, we are quite confident of this 20–25% growth.

Management: Yes, we are very confident that we do not see any kind of challenge in achieving 20–25% growth. Our entire team is fully aligned that this growth is clearly visible. If you look at the first quarter, we were not able to achieve significant revenue growth, and we also did not have any PM-KUSUM contribution during this period. Even in Q2, PM-KUSUM is not expected to arrive. Even then, we are very sure that we will achieve this growth, and there is no concern on this point.

Disha – Sapphire Capital: But will the majority of this 20–25% growth come in the second half? In Q2, are we expecting some growth, or will we again see a decline? It may not be significant, but will we see a decline?

Management: In Q2, we are definitely expecting year-on-year growth. We are expecting growth of more than 10%, with an expectation of 10–15% growth in Q2. We are not expecting any decline at all in Q2. That is very clear.

Disha – Sapphire Capital: What were the Q1 volumes, in terms of the number of pumps supplied during the first quarter?

Management: Ayush, what was the total number of pumps in Q1?

Ayush: We supplied approximately 43,000 pumps in Q1.

Disha – Sapphire Capital: What was this number last year?

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

10 August 2026

Ayush: The number for last year?

Disha – Sapphire Capital: What was the number in the last quarter, Q4 FY26, and in Q1 FY26? Both quarter-on-quarter and year-on-year.

Management: Just one minute, Disha.

Ayush: Yes, one minute. Q4 was approximately 40,400 pumps. Q1 last year was 56,000 pumps.

Disha – Sapphire Capital: For this year, we are obviously going to see significant margin pressure. You have guided for 15–17%, but going forward in FY28, do we expect margins to return to the levels at which we were operating previously? How should one look at FY28?

Management: Look, Disha, one thing is fundamentally very clear: the company is fundamentally very strong. Our team is working on value engineering and good designs, and we are very well aligned on that. Therefore, all these declines in profit margins have occurred 100% because of external factors. They have occurred because of aggressive price bidding, geopolitical pricing factors, and some operating leverage factors.

These are all factors that we expect to recover in the coming period. As PM-KUSUM 2.0 arrives, the biggest advantage will be that we will have multiple bidding options across the country. Therefore, we are not expecting such aggressive bidding with PM-KUSUM 2.0. That is the first point.

Second, due to the war and other factors related to the geopolitical situation, an uncertain position has emerged across India. If this position continues permanently, the market will price it in. However, either the market conditions will improve, or, if they do not improve, the market will value and absorb these prices. Therefore, we definitely expect profit margins to improve in the near future.

Since the company is doing its work properly, there is another point we will see here. In a very short period, our company, Oswal, has worked so rapidly on diversification that this year we are proceeding with a target of approximately 2 lakh pumps and 2 lakh PM Surya Ghar solar installations. This is a significant target for a new business. We have only just started this business. We have taken on such a large target, and we do not see any significant gap that would prevent us from achieving it. Our team is very confident. Thank you, Disha.

Disha – Sapphire Capital: In the worst-case scenario, can we expect PM-KUSUM to arrive by the end of this year? In that case, would the pressure on bidding automatically go away next year?

Management: This is such a futuristic matter that we cannot discuss it too definitively, as that could create a particular perception. However, one perception emerging in the market is that when PM-KUSUM 2.0 arrives with better volumes and larger quantities, there will be many options. In that case, we have an intuition that bidding will not be so aggressive. That is the first point.

Second, if aggressive bidding continues, the supply position in the market is already putting pressure on our vendors, and pressure will also start coming on vendors in the coming period. Therefore, the entire industry will receive some pricing benefit from that side as well.

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

The prices at which bidding has taken place currently are not sustainable. These are very aggressive prices, and the entire industry will not be able to sustain them going forward. Therefore, the entire industry expects that it will receive a benefit either from the supplier side or from the price-bidding side. That is what we are expecting.

Disha – Sapphire Capital: That is all from my side. Thank you very much. All the best.

Management: Thank you, Disha. Thank you.

Operator: Thank you. Ladies and gentlemen, to ensure that every participant gets an opportunity, please restrict your questions to 2 per participant. The next question is from the line of Dheeraj Ram. Please go ahead.

Dheeraj Ram – 361 Capital Market Private Limited: {? [inaudible] ?}

Management: Sir, your voice is not audible.

Dheeraj Ram – 361 Capital Market Private Limited: Hello? {? [inaudible] ?}

Management: Hello? No, it is not clear.

Dheeraj Ram – 361 Capital Market Private Limited: {? [inaudible] ?}

Operator: No, sir. Your voice is breaking up. Could you please say it again?

Dheeraj Ram – 361 Capital Market Private Limited: {? [inaudible] ?}

Management: No, sir. Your voice is not audible.

Dheeraj Ram – 361 Capital Market Private Limited: {? [inaudible] ?}

Operator: The next question is from the line of Karan from Choice Institutional Equities. Please go ahead.

Karan – Choice Institutional Equities: I hope I am audible. Thank you for the opportunity. Sir, could you explain the margin loss that we have suffered, from approximately 24–25% to 15%? How much would you attribute to lower realization, and how much would you attribute to higher raw material costs?

Management: Hello, Karan. If I bifurcate this, broadly, we believe that in Q1 there was an impact of approximately 8–9% from aggressive price bidding, specifically in {? Magal-Tela ?}. This was the biggest impact.

Second, there was an impact of approximately 3–3.5%, to be very precise, due to the increase in raw material costs resulting from geopolitical factors. That created another difference. In addition, there was an impact of approximately 1–1.5% from operating leverage.

When we aggregate these factors, our company undertook some value engineering, which limited some of the larger difference. Overall, as I mentioned, the impact that came through on the EBITDA margin was approximately 7.9%. This has arisen directly because of the external factors that I have

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

10 August 2026

bifurcated for you.

Karan – Choice Institutional Equities: The price impact that arose during the quarter—was it from orders received during the quarter, or did it come from previously booked orders that were already outstanding in our order book as of March 2026?

Management: Regarding the orders that were outstanding in March, we executed some of the tender quantities at the prices applicable to those tenders during Q1. In addition, a tender received in Q1 had the same price as the tender received in Q4. Therefore, as I mentioned, there was a direct impact of approximately 9% from price bidding in our {? Magal-Tela ?} tender. That is where the price impact came from.

Karan – Choice Institutional Equities: When do you expect all of this to stabilize and for us to return to growth? If not through PM-KUSUM, then through PM Surya Ghar, combining both areas wherever we are more comfortable and receiving orders, what is the approximate timeline?

Management: Karan, I believe that whatever happens, happens for the best. Until now, the company's entire focus and vision was on PM-KUSUM and solar pumping systems, where we had focused for many years. That is why we developed our expertise in pumping systems across the country.

However, the delay in PM-KUSUM 2.0 has given us an additional vision. We have entered PM Surya Ghar, and we are entering the EPC business very aggressively. This has created an additional business model for us.

Therefore, I believe that the total growth we originally expected from PM-KUSUM for Oswal will now be higher than our earlier expectations after PM-KUSUM 2.0 arrives, because our business opportunities are now comparatively greater than under the original plan, and visibility has also improved significantly. We are now very sure that there will be no shortage of business opportunities. Thank you, Karan.

Karan – Choice Institutional Equities: You have taken a good target for Surya Ghar. This scheme is new for us, at least for me personally. Could you elaborate on how we receive orders in Surya Ghar? We know that KUSUM orders come through farmers. How are the orders received, how does the bidding happen, and what are the prices?

Management: There were several reasons for entering PM Surya Ghar. First, just as the company has backward integration in the pumping system under PM-KUSUM and is not heavily dependent on external factors, we have created the same model in PM Surya Ghar.

The company has its own module manufacturing plant and manufactures the modules itself. It manufactures the structures itself, and it manufactures the BOS itself. The inverters, which are the main component, will also soon begin to be produced by us in-house. We expect in-house inverter production within 6 months. Our team is working very aggressively on the development of this product. They have already made prototypes, and we expect field testing to begin within the next 2 months.

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

That was one reason we entered PM Surya Ghar with the same model. Our external team, which is already involved in pumping, is also helping us significantly in PM Surya Ghar with the same team. This was one of the biggest factors in our entering this business.

Second, we already have channel partners working in solar pumping and grid-operated pumping. We are trying to take advantage of these channel partners in our channel sales and solar channel sales as well. In addition, as I mentioned, we are introducing some additional products, such as wires and cables.

We are very confident that the company's profit margins will increase in PM Surya Ghar. However, one thing is very clear to me: the profit margins of PM Surya Ghar cannot match those of PM-KUSUM. I definitely accept that. However, the business revenue, business model, and business opportunities will be significantly greater. Thank you, Karan.

Karan – Choice Institutional Equities: Just one last question, if I may, regarding the margins of all 3 businesses. I think I heard that wires and cables are also included. Will we need to add capacity in wires and cables, or will it be a trading business for us?

Management: No. We are already manufacturing wires and cables in-house. Therefore, this year we will introduce the available spare capacity we have in-house across our channels. We will also obtain complete feedback from the market on the future prospects of wires and cables, the profitability they can provide for us, and the level of product acceptance in the market.

The future prospects will determine the decision. However, the market survey conducted by our team and the external report we received are very positive for Oswal. Therefore, we are very confident about this business.

There is a limitation in wires and cables as well. The profitability in this business cannot be expected to be the same as the profitability of PM-KUSUM or solar pumping. However, it is definitely an added advantage for the company because I am not investing in any additional capex here. I am using our existing assets, so this will increase our revenue and absolute profitability. Thank you, Karan.

Karan – Choice Institutional Equities: Could you provide a margin number for all 3 businesses—KUSUM, Surya Ghar, and wires and cables?

Management: At this point, I can broadly say that, as our CFO, Mr. Vijay, mentioned, we see EBITDA margins of approximately 15–17% for this year. We have made considerable efforts to assess all the challenges properly. We have reviewed all the tenders in hand and their pricing. After completing this detailed analysis, the team has gained the confidence that we can comfortably achieve this level of EBITDA during the year.

I believe FY27 will definitely be the most turbulent year for the entire country. It will be just 1 such year, especially for us, because PM-KUSUM 2.0 has been delayed, aggressive bidding has taken place in PM {? Magal-Tela ?}, and geopolitical conditions have created significant differences in pricing. Given all these conditions, if we are able to achieve 15–17%, I think the team is working hard to deliver the best possible results to all of you.

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

10 August 2026

Karan – Choice Institutional Equities: Okay. Thank you, and all the best.

Management: Thank you very much.

Operator: Thank you. The next question is from the line of Prakhar from Choice Institutional Equities. Please go ahead.

Prakhar – Choice Institutional Equities: Hello, sir. My first question was regarding capex. We have a {? 1.5 ?} gigawatt module expansion underway. I saw in the presentation that you incurred approximately 200 crores of capex during this quarter. Is the Q3 timeline on schedule?

Management: Yes. Regarding the solar module expansion, we have already invested in 1 gigawatt, and we expect commercial production to commence in the first week, or at the latest the second week, of September. Similarly, the capex plans for pumps and solar under the IPO proceeds are all completely intact and progressing as planned. We do not see any gap there. There could be a minor delay of 1-2 months due to the monsoon or some other factor, but we do not see any substantial delay.

Prakhar – Choice Institutional Equities: Will the total capex for the full year be approximately 360-400 crores?

Management: The capex we included in the IPO proceeds will, I believe, almost entirely be incurred as planned.

Prakhar – Choice Institutional Equities: Regarding the EBITDA margin guidance of 15-17% for FY27, have we assumed a renewal of PM-KUSUM in this, or is this the worst-case EBITDA margin scenario?

Management: The margins we are discussing are based on the current bidding in our hands, the aggressive bidding we have seen, and the profitability of the PM Surya Ghar projects we have bid for, based on what we can visualize in the current scenario. We are not visualizing a scenario in which prices improve further and profitability increases. We are not expecting that.

We have calculated this on the safer side, even relative to today's position. Accordingly, we have calculated that we will be able to maintain EBITDA margins between 15% and 17%.

Prakhar – Choice Institutional Equities: Okay. Thank you very much, sir. I am done.

Management: Thank you, Prakhar.

Operator: Thank you. The next question is from the line of Dheeraj Ram. Please go ahead.

Dheeraj Ram – 361 Capital Market Private Limited: Hi, sir. Am I audible?

Management: Yes, yes, you are audible, Dheeraj.

Dheeraj Ram – 361 Capital Market Private Limited: Thank you for taking the question. Did we receive any outstanding receivables during this quarter?

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

10 August 2026

Management: We received some outstanding receivables during this quarter, but the amount was very small. For Q2, we are expecting comparatively better receivables than in Q1 based on the commitments received from every state. Our team has also become more active regarding receivables, so the company's primary focus is now more strongly on receivables.

However, we cannot say that in Q2 there will be a very significant improvement in our cash conversion cycle or debtor days, because we are also planning billing and revenue properly in parallel. Even then, compared with Q1, receivables will be much better in Q2.

In Q3, we expect to see a significant change. We expect very good receivables in Q3, with receivables reaching a much better level based on the work being done by our team and the assurances received from all sides. Therefore, we are very optimistic.

Dheeraj Ram – 361 Capital Market Private Limited: You had guided for an EBITDA margin of 15–17%. Will this move toward 17% from Q2, or will it be reflected toward the end of the year, in Q3 or Q4?

Management: The reason we have specifically stated a range of 15–17% rather than 17% is that certain factors are definitely not in our hands because of external conditions. We also see that, from time to time, a bid may come up for which management decides to take the tender for experience purposes, because we are also diversifying. Such factors can affect the margin.

Therefore, we are visualizing EBITDA margins in the range of 15–17%. We may be able to maintain 17%, 16%, or 15.5%, but it is very clear that we see EBITDA margins within the range of 15–17%.

Dheeraj Ram – 361 Capital Market Private Limited: If copper prices remain volatile and move upward, could margins go below 15%?

Management: That can create a perception, but estimating how much prices will rise is an assumption at this point. We do not know today how much the prices of each item will increase. However, I can say one thing: if prices rise, the impact will be on the entire industry and not only on Oswal.

We do not see any situation in which our peer competitors would not be affected while we alone would be affected. We have no such visibility. If there is an impact, it will affect the entire industry. Therefore, I do not see any particular impact specifically on us.

Dheeraj Ram – 361 Capital Market Private Limited: Agreed. My last question is: how much solar rooftop revenue could there be in FY27?

Management: We have taken an internal target of approximately 2 lakh solar rooftop households. We have set this target in a very practical manner, and we have very good visibility for achieving it. Our internal team expects a higher number, but we have fully discounted that expectation and developed a healthy estimate after detailed analysis.

Therefore, we see a target of approximately 2 lakh households. We have also won some tenders. Accordingly, in addition to the tenders for which we have bid, we are becoming very active in private sales through our channel sales team. Overall, our expectation is moving in this direction, and I do not think there will be any significant gap.

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

10 August 2026

Dheeraj Ram – 361 Capital Market Private Limited: In terms of numbers, could you quote something, such as 500 crores?

Management: In terms of revenue, approximately 2 lakh households would generate revenue of around 1,000 crores. Approximately, you can consider it to be 800–1,000 crores. Therefore, in terms of revenue, we have taken 800–1,000 crores for this year's revenue from this business opportunity.

Dheeraj Ram – 361 Capital Market Private Limited: Understood. Assuming there is no O&M here and this is only for EPC, what could the margin be?

Management: It depends. We are not taking up only one particular type of project. We are also planning for the future. For example, if we look at Oswal's earlier strategy, 3–4 years ago Oswal did not take up only 1 type of project when entering solar EPC. We undertook multiple types of projects and gained experience, after which we selected our focus areas and entered the EPC business.

Similarly, we are taking up some projects that are in IPP, some rooftop projects, some capex projects, and some projects that combine capex and opex. We are taking multiple types of projects. In some projects, it is possible that initially, during this year, we will receive revenue but not direct profitability.

However, in subsequent years, the total expenses and raw materials for those projects will come to us sequentially. We will receive the revenue this year, but the profitability from it will start accruing over the next 5 years. We are planning to take up some projects of this type so that we gain experience across multiple projects.

Then, as the company's cash flow grows in the coming period, we will have the opportunity to pick and choose where we can monetize more opportunities. That is the overall strategy of Oswal.

Dheeraj Ram – 361 Capital Market Private Limited: Got it. Thank you, sir.

Management: Thank you, sir.

Operator: Thank you. The next question is from the line of Pawan Kumar from Share Capital. Please go ahead.

Pawan Kumar – Share Capital: Thank you for the opportunity. Am I audible?

Pawan Kumar – Share Capital: First, I wanted to understand something. As you said, because of competitive bidding, you had to reduce the price somewhat. Could you explain whether the number of players has increased and competition has risen to such an extent that the opportunity has reduced?

Management: Let me briefly explain. Until now, over the past 2–3 years, the number of bidders participating in PM-KUSUM had been approximately 30, 40, or 50, generally around 40–45 bidders. As the scheme began to be explored in terms of quantity, the numbers increased. If you look at it, approximately 5 lakh pumps were installed in FY26, approximately 3.5 lakh pumps were installed in FY25, and approximately 1.5 lakh pumps were installed in FY24.

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

10 August 2026

Before that, the numbers were lower, so people were not active. As more pumps were installed, listed and unlisted companies started showing profitability, with increasingly visible and healthy profits. Other companies were attracted by those profits and also began participating in the scheme.

Therefore, the number of players has definitely increased. In addition, some new players bid aggressively to enter the market, while some old players whose quantities were declining also bid aggressively. So, it is a mixed result. However, competition has definitely increased.

Pawan Kumar – Share Capital: Secondly, you mentioned that you expect revenue of 800–1,000 crores from the PM Surya Ghar scheme. Am I right?

Management: That is right, sir.

Pawan Kumar – Share Capital: I think we are also receiving guidance of 25% growth for this year.

Management: We are talking about total growth of 20–25%.

Pawan Kumar – Share Capital: We have revenue of 2,000 crores, so 25% growth would be approximately 500 crores. Is that right? I see some disconnect here. Could you explain?

Management: What is the disconnect?

Pawan Kumar – Share Capital: Assuming 25% growth on 2,000 crores, we are looking at approximately 500 crores of additional revenue.

Management: That is correct.

Pawan Kumar – Share Capital: You are saying that PM Surya Ghar alone could contribute approximately 800–1,000 crores. How much of that can come in this year?

Management: I am talking about this year, FY27. If we bifurcate it, we did approximately 470 crores of business in Q1, and the contribution from PM Surya Ghar within that was almost negligible. Therefore, the contribution in Q1 was from pumping.

Our PM Surya Ghar contribution will start from Q2. In Q2, Q3, and Q4, we are expecting approximately 800–1,000 crores of revenue. To take a safer view, we have taken 800 crores of business because we have already completed 500 crores of business.

We already have approximately 22,000 pumps in hand, of which 12,500 pumps are in our PM-KUSUM orders, or rather, in the direct pumping system from {? Magal-Tela ?} and other states. These orders are already with us.

In addition, as I mentioned, a {? T6 ?} tender from {? Magal-Tela ?} has already been floated, and the company has already bid for it. It is expected to open in the next couple of days, perhaps within 7–10 days. An allotment from that tender is also expected to come to us. In addition, we have taken some revenue from wires and cables this year. It is not an aggressive revenue estimate; it is a very modest revenue estimate. For EPC purposes, we have also taken revenue of approximately 70–100 crores.

Report is AI-generated and may contain inaccuracies.

Oswal Pumps

If we aggregate this total revenue, there is no visible gap in achieving our target of 20–25% growth, Pawan.

Pawan Kumar – Share Capital: How will you achieve a margin of 15–17% in this? As you are saying, your margin in the PM Surya Ghar scheme may be lower.

Management: Comparatively, lower than PM-KUSUM, right? Let me explain. In PM-KUSUM, we are achieving certain margins. In addition, we are opening several verticals this year. We are also opening our solar channel sales, where we expect to receive some revenue and somewhat better margins.

That is why our overall margin is being reduced to 15–17%. Second, regarding the PM Surya Ghar projects we have taken up, we are already supplying as a manufacturer. We are manufacturing solar modules, BOS, and structures, and these 3 components are being manufactured by us today.

In addition, installation and supply are being carried out through our own channels. Therefore, we will receive a reasonable profit margin there because the company will earn manufacturing margins on the solar modules, as well as the installation and EPC margins applicable to these projects.

After aggregating these margins, we expect to receive a reasonable margin in this business as well. When we aggregate the margins from PM pumping, PM Surya Ghar, and the other channel sales, we arrive at the 15–17% range. We are speaking based on the projects for which we have already bid and the projects that we have already taken up, according to the business currently in hand.

Pawan Kumar – Share Capital: As you are saying, approximately 1,000 crores will come from the PM Surya Ghar scheme, with perhaps a 12–15% margin, while the rest of the business will have a somewhat higher margin. Is that the right understanding?

Management: Absolutely. That is correct. That is how we are able to average it out to 15–17%.

Pawan Kumar – Share Capital: Thank you for all these answers.

Management: Thank you, and all the best. Thank you, Pawan.

Operator: Thank you. The next question is from the line of Manish Gardia, an individual investor. Please go ahead.

Manish Gardia – Individual Investor: Sorry to ask again. You have stated a margin of 15–17%. Have we factored in PM-KUSUM 2.0? If PM-KUSUM 2.0 arrives, our margin could increase, correct?

Management: Definitely. The margins we are discussing, of 15–17%, are based on the bids we have submitted and the opportunities currently visible to us. However, if PM-KUSUM 2.0 arrives, we expect margins to increase somewhat and improve from these levels. It depends on the level of margin, which is difficult to state today, but we expect margins to be better.

Manish Gardia – Individual Investor: Thank you, sir. All the best.

Management: Thank you, Manish. Thank you, Manish.

Oswal Pumps

10 August 2026

Operator: Thank you. Ladies and gentlemen, that was the last question. I would now like to hand the conference over to the management for closing comments.

Management: Thank you, all of you. The company is fully with all of you who are supporting it, and we are very sure that our entire team is very positive and is working very aggressively on the company's future. Thank you, all of you. Thank you very much.

Operator: On behalf of 361 Capital Markets, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

Report is AI-generated and may contain inaccuracies.