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August 17, 2026

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Dalal Streets
Mumbai – 400 001

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Exchange Plaza, Bandra Kurla Complex
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Mumbai – 400051

Scrip Code: 544418

Name of Scrip: OSWALPUMPS

Sub: Transcript of the Earnings Conference Call for Q1 FY 2027 held on August 10, 2026

Dear Sir/ Madam,

Please find enclosed the transcript of Earnings Conference Call conducted by the Company for Q1 FY 2027 on Monday, August 10, 2026.

This is for your information and records.

Thanking you,

Yours faithfully

For **Oswal Pumps Limited**

ANISH KUMAR
Digitally signed by ANISH KUMAR
Date: 2026.08.17 15:10:14 +05'30'

Anish Kumar
Company Secretary and Compliance Officer

Encl: As above

"Oswal Pumps Limited

Q1 FY27 Earnings Conference Call"

August 10, 2026

MANAGEMENT:	**MR. VIVEK GUPTA – CHAIRMAN AND MANAGING DIRECTOR – OSWAL PUMPS LIMITED** **MR. AMULYA GUPTA – WHOLE-TIME DIRECTOR – OSWAL PUMPS LIMITED** **MR. AVADHESH K. SINGH – GROUP CHIEF OPERATING OFFICER – OSWAL PUMPS LIMITED** **MR. VIJAY KUMAR YADAV – CHIEF FINANCIAL OFFICER – OSWAL PUMPS LIMITED** **MR. SANJEEV SANCHETI – INVESTOR RELATION ADVISOR – UIRTUS ADVISORS – OSWAL PUMPS LIMITED**
MODERATOR:	**MR. DHEERAJ RAM – 360 ONE CAPITAL MARKET LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Oswal Pumps Limited Q1 FY27 conference call. 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 the conference call, please signal an operator by pressing star 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 360 ONE Capital Market Limited. Thank you, and over to you, sir.

Dheeraj Ram: Thank you. On behalf of 360 ONE Capital, I'd like to welcome the management of Oswal Pumps with us today to discuss 1Q FY27 earnings. From the management team, we have with us Mr. Vivek Gupta, Chairman and Managing Director; Mr. Amulya Gupta, Whole-Time Director; Mr. Vijay Yadav, Chief Financial Officer; and Mr. Avadhesh Singh, Chief Operating Officer. And we have with us Mr. Sanjeev Sancheti, IR Advisor, Uirtus Advisors.

I now hand over the call to Mr. Sanjeev Sancheti for his opening comments. Thank you, and over to you, sir.

Sanjeev Sancheti: 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-ji.

Vivek Gupta: Thank you, Sanjeev-ji. And a very good afternoon, everyone. On behalf of Oswal Pumps Limited, 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 INR474 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 INR82 crores, with a margin of 17.1%, while operating EBITDA for the quarter stood at INR74 crores, translating in a margin of 15.7%. The reduction in margins was primarily driven by three factors: Industry-wide competitive bidding under the Magel Tyala 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 margin, an increase in employee cost benefit expenses driven by annual increment and hiring at senior level.

Turning to our order book, the company's pump order book stands at 22,025 pumps as on date, near a near-term pipeline of approximately 12,500 pumps across direct PM KUSUM, Magel Tyala, indirect PM KUSUM and export orders. Given the delay in the anticipated roll-out of PM KUSUM 2.0, we continue to sharpen our focus on diversifying beyond our core government-led solar irrigation business.

As on date, our order book across rooftop solar, utility, and commercial and industrial solar EPC segment stand at approximately 72 megawatt. Backed by wider pipeline of 359 megawatt, underscoring the strength of our expanding addressable market beyond the core government-led solar irrigation business. To sharpen our execution on 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. Number one, pump and motor plant capacity expansion and automation - We expect the entire capex program scheduled for completion by Q3 FY27. And the solar module plant, with respect to our solar module facility, we expect the first phase of expansion comprising 1 gigawatt of module capacity to be completed by end of second quarter. The remaining expansion is also progressing as planned.

Backed by 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 Vijay-ji.

Vijay Yadav: 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 disclosure. 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'26 is INR54 crores, with the PAT margin of 11.2%. From the balance sheet perspective, as of 30th June '26, net debt is at INR266 crores, translating into net debt to equity ratio of 0.15x, and net debt to operating EBITDA of 0.90x. Our cash conversion cycle as of 30th June '26 is at 244 days, as compared to 172 days of 31st March '26. This increase was primarily driven by receivable days increasing to 229 days from 155 days, attributable to delay in payment from state nodal agencies. We would like to reiterate that these receivables are entirely from government and government-backed counterparties and therefore remain fully secure in nature.

We would also like to highlight that INR305 crores of the total receivable as of June 30, 2026 was not due yet. We expect the payment cycle to normalize over the medium term, which should lead to a reduction in the cash conversion cycle. For FY27, we continue to maintain our previously communicated guidance of overall revenue growth of 20-25% over FY26, with a back-ended growth profile through the year. This growth will be supported by the progressive execution of PM Surya Ghar and other solar EPC projects. We have strong execution capabilities and are actively participating in tenders across these opportunities, which provides us confidence for 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 the momentum expected to build progressively in second half. Q1 FY27 performance has been broadly in line with this phasing.

Looking beyond FY27, we are targeting a sustained growth momentum of 30% to 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% to 17% and PAT margin in the range of 11% to 13%.

With that, we would now be happy to take your questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Manish Gadia, an Individual Investor. Please go ahead.

Manish Gadia: Hi, sir. I am having a query to you. Retail investors have invested in Oswal Pumps from an IPO level. But after when you see our share price, it's been half since then. Whenever there is guidance, the guidance is good but execution does not match the guidance at all times. So what you expect the future of ours, for retail investors?

Vivek Gupta: Sir your voice is breaking, can you please repeat your question?

Manish Gadia: I was saying that we are invested at some IPO level. Whenever there is guidance, the guidance is good but execution does not match the guidance at all times. It is mostly less. So we had to know that for a retail investor, what should we do? In future, what do you think is the guidance of '27 or 28? Because if you see, our stock price has also become half from the IPO level. So as a retail investor, many are worried. What do you have to say? What do you have to say?

Vivek Gupta: Right. Look, Mr. Manish, what you are thinking is absolutely right. But let me tell you one thing. Fundamentally, the company is working and all the plans of the company are going as per plan. But due to external factors, like the delay of PM KUSUM 2.0, second, our dependency in the EPC pump project, particularly in Magel Tyala for the timing.

And it has been there since the last few tenures. Because of that, due to more bidders coming in Magel Tyala, due to more people's dependability, the bid has come down a lot in the price that was the biggest reason. Second, due to geopolitical conditions, there is uncertainty in the market. Raw materials have increased a lot. Due to these two factors, there is an impact on our profitability.

But if we look at it from the fundamental side of the company, or look at the capacity of the company, or the position of the supply, the position of the installation, there is no gap in any of them. Neither is there a gap in the execution of the funds that we have taken forward from the IPO. So I feel that whatever phase we are facing is a temporary phase.

The market for PM KUSUM 2.0 is going to come. Like the government, we are talking about a broader aspect in the ministry. So, we are expecting it very soon. Second, the solar market is growing. That's why our team has made a lot of efforts so that there is less dependability on PM KUSUM in the coming time even if it is late, we are diversifying ourselves.

We are introducing some wires and cables in PM Surya's Ghar. We are doing such activities so that there is less dependability on PM KUSUM in our revenue, top line and bottom line. But even then, fundamentally the company is very good. There is no gap in the company. Thank you, Manish-ji.

Manish Gadia: Okay, sir. So fundamentally we are all good, only it's temporary. So, what do you think? Given down the one-year line, will we all be better? Will we do much, much better?

Vivek Gupta: Yes, absolutely. Look, what I see is that FY27 is a geopolitical condition. Because of all this, I see a little turbulence in FY27. But the years after that, FY28 or '29, they look very clear, very good and we are seeing very good growth there. So, I don't think there will be any kind of challenge for the entire industry and Oswal in the near future. That we are very much optimistic. And our team is working with full dedication, sincerity and effort. So we have very good hope. Thank you, Manish-ji.

Manish Gadia: Okay sir. Thank you, sir. If you have hope, we have hope. Thank you.

Vivek Gupta: Yes, absolutely. We are sitting with your hope and our hope is absolutely strong. We are very positive. We are going very aligned. And that is why our company, the entire team is making multiple efforts to move forward.

Sanjeev Sancheti: I would like to add a little to this, sir. Look, the fundamental challenge that has come is due to PM KUSUM. PM KUSUM is a very big project. Due to its delay, all the focus has come on the State Government projects of Maharashtra. So, in one state project, bidders from all the countries are bidding. Because of that, price pressure has come there.

People have bidded very low prices. So this has a dual impact. First, PM KUSUM's volume has been delayed. When it comes, it will pick up again. Secondly, the market has shrunk. So when PM KUSUM comes, I think both the problems will get sorted out.

One, that the volumes will go back and second, the price pressure will come because the demand-supply position will change. I think this is broad and short of it. We are only hoping that PM KUSUM comes soon. Beyond that point, we don't have control. But it has to come because it's a very critical project for the Government of INDIA.

For the benefit of farmers. We are just hoping that it comes sooner than later.

Manish Gadia: Sir, one more query if I can ask. Your competitor said in the call that KUSUM 2.0 should come in August. Have you talked to any of your contacts? Have you shared any updates? Please share any updates?

Vivek Gupta: Okay, look, Manish-ji regarding the information we are receiving - actually, there are two types of inputs coming in. The current information suggests that the entire industry holds a very positive outlook for August, and our internal information aligns with this. However, given the various external factors and government-related considerations at play, we are proceeding with the expectation that PM KUSUM 2 will indeed be launched during the current quarter 2; I see no reason why it wouldn't happen. Based on the positive and encouraging news coming from the Ministry, we are quite confident and certain that it will be rolled out.

Sanjeev Sancheti: I would like to add to that -- having said that -- I like to add that ultimately the PM KUSUM has to be released by the government. So, beyond a certain point, all we can do is hope. I don't think there is a situation that anybody in the industry can assure right, because that much insider no one will have. It will come, but timing, we are hoping that it will come in August, but again earlier also we were hoping that it will come a little earlier.

So, we are wanting to be a little cautious now on passing on the confidence to everybody else. Yes, we are hoping that it comes, but obviously no one can guarantee it, that it will come in August.

Manish Gadia: At least that is what we are also hoping that it comes sooner. Thank you. Thank you for taking my query, sir. Thank you very much.

Moderator: The next question is from the line of Disha from Sapphire Capital. Please go ahead.

Disha: Hello? Am I audible sir? Couple of questions sir. Firstly, on the decline in margin. You said because of the pricing getting very extremely competitive. So, what sort of steps are we taking in terms of our cost in order to be competitive, in order for us to win these tenders? If you could just elaborate a bit more on that?

So, my question was again for you. We saw the decline in margins because of heightened competition in our tenders. So, what sort of steps are we taking in terms of our cost initiatives in order to qualify for these tenders? Because now with PM KUSUM being delayed, it is very important for us to win these orders for our growth. So, what sort of initiatives are we taking**?**

Vivek Gupta: Okay, Disha-ji, there are two aspects to this. The primary reason for the decline in margins so far has been the drop in bidding prices for the Magel Tyala pump project, that was the biggest factor. Secondly, the rise in raw material prices across India driven by geopolitical conditions has also contributed to the dip in our profitability. Both these factors are affecting the industry as a whole.

So, regarding how we plan to sustain our profits: firstly, for all upcoming bids, our team is employing effective value engineering. This has allowed us to mitigate the impact of tender pricing; thanks to value engineering, we have managed to recover some of that margin. This is also why we are diversifying into the PM Surya Ghar scheme; for instance, our major target for this year is to complete around 2,00,000 solar installations under that initiative.

We have set an ambitious target for the first year to ensure we can sustain our margins and avoid placing the entire burden of the company's performance on a single scheme. These are the precautionary steps we have already taken. Thank you, Disha-ji.

Disha: Okay, okay, sir, so we are doing a lot of diversifications but that impact will come from the next year that we will see. But for this year sir, because we have the order book for the Q2, but suppose if the PM KUSUM yojana is again delayed, then how should we look at the overall growth for this year then?

Vivek Gupta: As I mentioned, we are targeting approximately 2,00,000 households under the PM Surya Ghar scheme for FY27. Additionally, we have activated our channel sales for the solar segment. As previously stated, we are also introducing wires and cables into our channel offerings; these represent our business diversification efforts beyond solar pumping. Furthermore, we will execute the existing Magel Tyala orders during Q2.

Magel Tyala has also floated a new T6 tender -- for which we have submitted a bid -- and the opening of these bids is expected within the next 7 to 10 days. Regarding this year's revenue, we have clear visibility of 20%–25% growth, driven by projects already in hand, bids we have placed that we expect to win, and the Magel Tyala orders, alongside our ongoing business diversification initiatives. Thank you, Disha-ji.

Disha: Right. And sir so just want to understand more a bit on the tendering process. How long does it take sir for this tender from this tender process to convert into orders?

Vivek Gupta: Sir, it depends on how it is. Normally, if we talk about the PM Surya Ghar's tenders, it takes about 60 to 80 days for them to be bid and to be allotted. So, after that, they have meetings on technical grounds, commercial grounds, all these things are executed. We assume that allotment is allotted in 70 to 80 days. Then we have the guidelines as per the tender, their timelines. In this timeline, if we have to complete this quantum, then accordingly our team works accordingly.

So, like we have now taken up some Bihar projects, took up some Andhra Pradesh projects, took up some Rajasthan projects, they have started in the execution stage, and they are being executed quite well. So, I think, because we already have a team, a very healthy team, and the team is working very actively at the lower level, parallelly, we have also started their trainings in this new project, very actively. So, we don't see any challenge there.

Disha: Okay, okay. So, so pretty much we are very confident of this 20%-25% growth?

Vivek Gupta: Yes, sir. We are very much confident that we don't see any challenge in the growth of 20%-25%. Our whole team is 100% aligned that this growth is very visible. So, if you see, even in the first quarter 1, we have not been able to do much degrowth in revenue. Apart from PM KUSUM, we don't have anyone with us. And even in quarter 2, PM KUSUM is not coming. So, even then we are very much sure that we will take this. There is no tension in this.

Disha: Sir, but this 20%-25% majority growth will come in the second half, right? So, in Q2 we are expecting some growth or will it again be -- will be degrowing? Not by much, but will it be a degrowth or will we go?

Vivek Gupta: Okay, Q2 definitely we are expecting growth from Y-o-Y quarter basis. So definitely we are expecting more than 10% to 15% in Q2. That we have expectation. But definitely aren't expecting any major setbacks here in Q2 -- we are quite certain about that.

Disha: Okay, okay. And sir, just the last thing, what is the Q1 volumes? The number of pumps that we supplied in the first quarter?

Vivek Gupta: Ayush, you have in Q1, how much? Total number of pumps we supplied around 43,000 numbers.

Disha: And what was this number last year, sir?

Vivek Gupta: The last year numbers.

Disha: What was this number for the last quarter, 4Q FY26, and 1Q FY26? Both quarter-on-quarter and year-on-year?

Vivek Gupta: The sequential quarter and the last year quarter?

Disha: Yes.

Vivek Gupta: One minute, Disha-ji.

Disha: Yes.

Vivek Gupta: Q4, it was around 40,400.

Disha: Hm.

Vivek Gupta: And Q1 last year was 56,000.

Disha: Okay, okay. So, sir, just this last question from my side. For this year, obviously we are going to see a lot of margin pressure, you guided for 15% to 17%. But from going ahead in FY28, do we expect margins to come back as to what we have been doing previously? And how like how should one look at FY28, sir?

Vivek Gupta: Okay. See, Disha-ji, one thing is very fundamentally clear that the company is fundamentally very strong. Our team, Value Engineering, which is working with good design, we are very aligned there. So, all these profits of margin that have gone down, it is 100% due to external factors. Aggressive price bidding, geopolitical price, some operating leverage. So, these are all those factors that we expect in the coming time that we can recover it. So, as and when PM KUSUM 2 comes, its biggest advantage is going to be that we have across the country, multiple options of bidding will be available. Number one.

Second, now due to geopolitical position, due to war and other factors, an uncertainty position is formed across India. So, that position, if this position remains forever, then definitely the market will price it. But either this condition is going to improve in the market.

If the condition does not improve, then the market will value and absorb these prices. So, definitely, we are expecting in the near future that profit of margin will improve. And because the company is doing its work well, we will see one thing here also that in a very short time, our company, Oswal, in a very short time, diversified its business. It has worked so fast that this year, we are taking the target of 2 lakh solar -- PM Surya Ghar. And it's a big target. And it's a new business.

Definitely, we just started. And we have taken such a big target. And we don't see any big gap in this that we will not achieve. Our team is very much confident. Thank you.

Disha: And sir, worst case scenario, we can expect PM KUSUM to come by this year end? So, for next year automatically the pressure on the bidding should go away? In the worst-case scenario?

Vivek Gupta: Okay. Because we cannot do such a futuristic thing. This can be a perception. But one thing is being perceived that when PM KUSUM 2.0 will come in the market with better volumes, big quantity, then there will be a lot of options. So, in that case, we have such an intuition that there won't be such an aggressive bidding. Number one point.

Second, if there is an aggressive bidding, then the supply position in the market, where the pressure has started to come on our vendors, then in the coming time, there will be pressure on the vendors as well. So, the whole industry will get some benefit of the price from there as well. Because these prices, which have just been bid, these prices are not sustainable.

These prices are very aggressive prices. And the whole industry is not going to tolerate these prices in the future. So, the entire industry is expecting that either they will get benefit from the supplier side or they will get benefit from the price bidding side. That we are expecting.

Disha: Okay. That is it, sir, from my side. Thank you so much. All the best.

Vivek Gupta: Thank you, Disha-ji. Thank you.

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

Vivek Gupta: Sir, your voice is not audible.

Dheeraj Ram: Can you hear me sir now?

Vivek Gupta: Sir, your voice is audible.

Dheeraj Ram: Sir, you voice is…

Moderator: Sir, your voice is cracking. Sir, can you please say again?

Vivek Gupta: No.

Moderator: No, sir, your voice is not audible.

Dheeraj Ram: Sir, I'll come back in the queue.

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

Karan: Hope I'm audible. Thank you for the opportunity. Sir, so if you can explain the margin loss that we have suffered from about 24%, 25% to 15%. What exactly, how much would you attribute it to lower realization and how much would you attribute it to higher raw material costing?

Vivek Gupta: Hello, Mr. Karan. If I bifurcate this, let's assume that in quarter one, there was an impact of 8%-9% in price bidding, in aggressive price bidding in Magel Tyala. This was the biggest effect. Second, about 3%-3.5% effect, if I go into it to be very precise, there was a difference of 3%-3.5% due to the cost in geopolitical, the cost of increased raw materials. This is a difference.

Apart from this, some operating leverage, where we are assuming an impact of 1%-1.5%, that has also had an impact. So, if we accumulate, our company did some value engineering, so that difference, which was more, was limited. So, overall, the impact of 7.9% in the EBITDA margin, this is practically due to external factors, like I have bifurcated it. Yes, Mr. Karan.

Karan: Sir, during the quarter order, this price impact, or the previously booked order, which was already March '26, our order book, Outstanding, has come out of that.

Vivek Gupta: See, the outstanding order we had in March, the prices in that, some tenders' prices, the quantity we executed, we executed that in Q1. Plus, the tender that came in Q1, it also had the same price, which came in the last quarter, in Q4's tender. So, the price impact, definitely, that's why I said, that our Magel Tyala's tender, had a direct effect of 9% in terms of price bidding. This is the effect.

Karan: Okay. And, sir, when do you expect that all of this will stabilize and we'll sort of get back on growth? If not KUSUM, then on PM Surya Ghar, these two together, wherever we feel more comfortable and we are getting orders, what is the rough timeline?

Vivek Gupta: Okay. See, Mr. Karan, I'll agree to one thing, whatever happens, happens for the best. Till now, the company's pure reason was PM KUSUM and solar pumping system, where our, for the last so many years, our focus was there, that's why we took our expertise in the pumping system across the country.

But, PM KUSUM being too late, which gave us an extra reason, that we took entry in PM Surya Ghar and in EPC business. And we are taking it very aggressively. And this is an additional business model that we have developed.

So, I feel that, primarily or originally, the total growth that we were thinking of Oswal, from PM KUSUM, now after PM KUSUM 2.0, our overall growth is going to be more than expected. Because now we have business opportunities as comparatively more than the original plan. And its visibility has also increased a lot.

So, now we are very much sure that the number of opportunities, number of business avenues is opening up a lot. So, we are quite very sure that there won't be any problems in the business opportunities. Yes.

Karan: Okay.

Vivek Gupta: Yes, Karan.

Karan: Sir, you have taken a good target for Surya Ghar. For us, it is a new scheme, for me personally. Can you elaborate on that how to get orders in Surya Ghar? We know the orders of KUSUM via the farmers. How do we get the orders for Surya Ghar? How is the bidding done? What is the pricing?

Vivek Gupta: Look, there are many reasons for entering PM Surya Ghar. Number one, in a company like PM KUSUM, the pumping system is backward integrated and there is not a lot of dependability on the external factor. In the same way, in PM Surya Ghar, we have made the same model. Because the company is a module manufacturing plant. It is manufacturing itself. Its structures are manufactured by itself.

BOS is manufacturing itself. And its inverters, which is its main, that too will be done by our own production very soon. So, we are expecting inverter production within 6 months in-house. So, our team is aggressively working on its development. They have already made a prototype. So, we are expecting a field test in the next 2 months. The field trials will start. So, that was one reason that we came to PM Surya Ghar with the same model. And our external team is already in pumping.

So, that too is helping us a lot in PM Surya Ghar with the same team. So, this was the biggest factor for us to come to this project. Second, the channel partners who are already working in pumping, solar pumping or grid operating pumping, we are trying to take advantage of those channel partners in our solar channel sales. Plus, as I told you, we are introducing some other products like wire and cables.

But especially, we are very much confident that the profit and margin of the company will increase in PM Surya Ghar. But definitely, one thing is very clear to me that the PM Surya Ghar profit margin cannot match that of PM KUSUM. I definitely agree to this. But business, revenue, business model, business opportunities, will increase a lot. Thank you, Karan-ji.

Karan: Just one last question, sir, if I can. On margins of all these three businesses, I think I heard wires and cables also. So, would we need to be adding capacity in wires and cables or will it be trading business for us?

Vivek Gupta: No. Actually, we are already manufacturing wires and cables in-house. So, this year, we will introduce our in-house capacity in all our channels. So, this year, we plan to utilize our existing spare in-house capacity by introducing these products across our distribution channels. We will gather feedback to assess the future outlook for wires and cables evaluating profitability to see if it meets our standards and gauging market acceptance.

Future developments will ultimately determine the path forward, but we are certainly optimistic; the market surveys conducted by our team and the external reports we've received are very positive for Oswal. We are quite confident about this, though we must acknowledge certain limitations regarding wires and cables.

Specifically, we cannot expect the same level of profitability here as we see in the PM KUSUM solar pumping scheme. Nevertheless, this represents an added advantage for the company. Since I am not making any significant capex and am instead leveraging existing resources, this will boost both our revenue and absolute profitability. Thank you, Karan-ji.

Karan: Okay, sir. Sir, would you like to provide a margin figure for all three businesses? KUSUM, Surya Ghar, and Wire & Cables?

Vivek Gupta: As our CFO, Mr. Vijay, indicated, we are projecting an EBITDA margin in the range of 15% to 17% for this year. We have made a concerted effort to thoroughly assess the challenges and analyze the tenders currently in our pipeline specifically their pricing structures. After this comprehensive evaluation, the team is confident that we can comfortably achieve this level of EBITDA.

I believe FY '27 will be a particularly turbulent year for the entire country and especially for us given factors such as the delay in the PM KUSUM 2.0 scheme, aggressive bidding in the PM Magel Tyala segment, and significant price fluctuations driven by geopolitical issues. Despite these conditions, if we are targeting a 15%, 17% margin, it reflects the team's dedicated effort to deliver the best possible results for you.

Karan: Okay sir, thank you and all the best.

Vivek Gupta: Thank you Karan-ji, thank you very much.

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

Prakhar: Hello sir. My first question was about capex. So, our 1.5GW module expansion is going on. So, I saw in the PPT that you have approximated capex of INR200 crores in this quarter. And is our Q3 timeline on schedule?

Vivek Gupta: Yes, look, if we talk about the solar module, then we have already invested 1GW. And we are expecting that commercial production will come in the operational first week and maximum second week of September. And the rest of our IPO proceeds, capex plans in pump and solar, all those plans are intact. And they are running as a plan. So, we don't see any gap there. There is a gap of 1-2 months, maybe because of rain or something. Otherwise, we don't see any long-term gap.

Prakhar: So, sir, this year's and the entire year's capex will be approximately between INR360 crores to INR400 crores?

Vivek Gupta: The capex that we took in the IPO proceeds, I think as per plan, it will all be infused.

Prakhar: Okay, okay, done. Thank you. And one more question sir, regarding the EBITDA margin guidance of 15% to 17% for FY '27. So, in this, have we assumed KUSUM renewal or is this the worst scenario EBITDA margin?

Vivek Gupta: Look, the margins that we are talking about are based on the present bidding that we have in our hands, the aggressive bidding that we have just seen, the profitability of the bid that we have made in PM Surya Ghar, or whatever we can visualize according to the present scenario. We are not visualizing that if the prices will be better than this, then there will be profitability. We are not expecting. At least, we are assuming that in today's position, we have calculated a slightly safer side than this, so we have calculated that we will be able to maintain EBITDA margin between 15-17%.

Prakhar: Okay, okay, done. Thank you so much sir. I am done.

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

Dheeraj Ram: Hi sir, am I audible?

Vivek Gupta: Yes, yes, audible Dheeraj-ji, yes.

Dheeraj Ram: Thank you for taking up the question. Sir, did we get any outstanding receivables, sir, in this quarter?

Vivek Gupta: We have got outstanding receivables in this quarter, but very few have come. And we are expecting better receivables than Q1 comparatively in Q2. The commitments have been made from every state. Our team will also be more active regarding receivables. So, the entire focus is now more on the company's receivables, number one point.

But definitely, we cannot say that even in Q2, there will be a very big difference in our cash conversion cycle or days, debtor days, because we are planning the billing in parallel. But even then, as compared to Q1, receivables will be much better in Q2. Second, in Q3, we are seeing very big changes.

In Q3, we are seeing very good receivables, that there we will get receivables at a very good level. As much as our team is working, as much assurance has come from every place, we are very optimistic there. Yes. Thank you, Dheeraj-ji

Dheeraj Ram: Okay. Okay. Great. Sir, regarding the guidance of a 15%–17% EBITDA margin—will we see it moving towards 17% starting from Q2, or will it be reflected towards the fag end, or in Q3 and Q4?

Vivek Gupta: See, to say 15% to 17% specifically means that we did not say 17% because some things are definitely not in our hands due to external factors. So, here we are able to see that some things, in between, some bid has come, which our management has decided that this tender has to be taken for experience purpose, because we are also diversifying. So, it happens for some reason. So, that is why we are able to visualize it that 15% to 17%. Maybe we could have maintained 17%, 16%, 15.5%, but this is very clear that in 15% to 17%, the EBITDA margin is visible to us.

Dheeraj Ram: Sir, and if the copper prices remain volatile from here towards the upside, then can the margin go below 15%, sir?

Vivek Gupta: See, this can create a perception that how much prices will go up, this can be assumed, right? And I don't know what prices will go up today. But I can say one thing that if the prices go up, then the entire industry will be impacted, not just Oswal. It will not be that the effect is not coming on the peer competitor and we will be affected. I do not see any such visibility. So, if the effect comes, then it will come on the entire industry. So, I don't see any particular impact on us.

Dheeraj Ram: Agreed. Okay. Sir, the last question is that how much revenue can be made from the solar rooftop in FY27 this year?

Vivek Gupta: Okay. See, we have taken an internal target of about 2 lakh homes for the visibility of which we are getting very well. And our team has a higher expectation of the internal team than this. But we have made it a healthy expectation by discounting it completely. So, somehow, we can see this. We can see 2 lakh homes around it. And we have also won some tenders. So, accordingly, the tenders that we have bid for, plus we are also very active in private sales through our channel sales team. So, our overall expectation is going towards this. So, I don't think there will be a big gap.

Dheeraj Ram: In terms of number, can you quote from the code, sir, that INR500 crores or INR1,000 crores?

Vivek Gupta: In terms of revenue? Look, if we consider the revenue generated from approximately 2 lakh homes, it amounts to around INR1,000 crores or roughly in the range of INR800 crores to INR1,000 crores. So, in terms of revenue, we have realized between INR800 crores and INR1,000 crores from this business opportunity this year.

Dheeraj Ram: Understood. Assuming there is no O&M here, sir, that just to do this EPC, what can be the margin in this, sir?

Vivek Gupta: It depends. See, we are not taking a particular type of project in this. We are also planning for the future. For example, if we look at the old strategy of Oswal, then Oswal, 3-4 years ago, to come to Solar EPC, he did not take only one type of project, he did multiple types of experiences, after that he chose, focused and then entered the EPC business.

In the same way, we are also taking such projects, which are IPP, which are rooftop, which are capex, some are capex and opex combined. So, we are taking multiple types. So, in some projects, it is possible that initially in this year we get revenue, but we do not get direct profitability, but in the next few years, it will continuously, sequentially, there, our total expenses, raw material will come to us, revenue, but its profitability will begin to divide in the next 5 years.

So, we are planning to take some projects like this, so that we have the experience of multiple projects and then in the coming time, as the cash flow increases with the company, then we will have opportunities to choose pick and choose, where we will be able to encash more opportunities. So, that is the entire strategy of Oswal.

Dheeraj Ram: Got it. Thank you, sir.

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

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

Vivek Gupta: Yes, yes, Pawan-ji. You are audible.

Pawan Kumar: Sir, thank you, thank you. Sir, first I wanted to know that as you said that due to competitive bidding, the price has to be lowered a bit. Can you tell me, is it that the number of players has increased in the industry, the competition has increased in such a way that the opportunity has become less?

Vivek Gupta: See, sir, what was it, now I will brief you a little like this, that till now, this was going on in PM KUSUM, for the last 2-3 years, it was around 30-100 meters. As this scheme started to be explored in quantity, that is, if you see, 25-26 alone, around 5 lakh pumps were installed. In 24-25, around 3.5 lakh pumps were installed.

In 23-24, around 1.5 lakh pumps were installed. Before that, they were less. So, people were not active. As the pumps were installed, people started to see the profitability of listed and unlisted companies. More started to be seen, healthy profit started to be seen. Looking at that profit, other companies got attracted and they also started participating in this scheme.

So, definitely, some number of players have increased, plus some old, who, the number of players increased and some people did aggressive bidding to get entry, or some old players whose quantity was decreasing, they also did aggressive bidding. So, this is a mixed result. But definitely, competition has come.

Pawan Kumar: Okay, sir. Secondly, sir, as you said, you are expecting a revenue of INR800 crores, INR1,000 crores in PM Surya Gharo Yojana. Am I right sir?

Vivek Gupta: Right sir.

Pawan Kumar: So I think, we are getting guidance that you are talking about 25% growth this year.

Vivek Gupta: We are talking about 20%, 25% growth in total.

Pawan Kumar: Okay, fair enough. The revenue is INR2,000 crores, so that works out to roughly INR500 crores?

Vivek Gupta: Right.

Pawan Kumar: I see a bit of a disconnect here. Could you explain?

Vivek Gupta: Please, yes, Pawan-ji, tell us what the disconnect is.

Pawan Kumar: Yes, in INR2,000 crores, we are expecting 25% growth. We are seeing a revenue of about INR500 crores.

Vivek Gupta: Absolutely right.

Pawan Kumar: So, you are saying from PM Surya Yojana, approximately INR800 crores, INR1,000 crores. So, how much can come this year in this?

Vivek Gupta: Let me clarify that I am referring to the current year specifically FY27. If we break this down: in Q1, we generated business worth approximately INR470 crores, but the contribution from the PM Surya Ghar scheme within that figure was virtually negligible. It was negligible; the revenue was primarily driven by our pumping business. However, our contribution to the PM Surya Ghar scheme will commence from Q2 onwards. Number one.

Looking ahead to Q2, Q3, and Q4, we anticipate revenue in the range of INR800 crores to INR1,000 crores. To be conservative, let's assume we secure INR800 crores in business, especially since we have already generated INR500 crores so far. We currently hold orders for approximately 22,000 pumps; of these, 12,500 are for PM KUSUM-related pumping systems such as the Magel Tyala scheme and similar initiatives in other states.

These orders are already secured. Furthermore, as I mentioned, the Magel Tyala T6 tender has already been floated and we have submitted our bid; the financial bids are expected to open in the next 7 to 10 days, so we anticipate receiving that allotment as well. When we combine all these factors including the revenue from our wires and cables segment which, while modest around INR70 crores to INR100 crores serves as an entry point for us and aggregate the total projected revenue, we do not foresee any gap in achieving our target growth of 20% to 25%.

Pawan Kumar: So, Sir, how will you be able to generate a margin of 15%, 17% in this case? As you mentioned, your margin might be lower under the PM Surya Ghar Yojana?

Vivek Gupta: Yes. Comparatively PM KUSUM, right? Let me explain the situation here. Regarding the PM KUSUM scheme, we are factoring in specific margins, and we are also opening up several new business verticals this time. We are launching solar channel sales, where we anticipate generating revenue and achieving slightly better margins.

It is due to these factors that our overall margins are settling in the 15% to 17% range. Secondly, if we look at the projects we have undertaken under the PM Surya Ghar scheme, we are participating as manufacturers; specifically, we are manufacturing solar modules, BOS components, and mounting structures.

Furthermore, the installation and supply aspects are being handled through our own sales channels, allowing us to secure reasonable profit margins. Since the company earns margins from solar module manufacturing as well as from installation and EPC activities, the cumulative result is a healthy overall margin.

When we aggregate the margins from PM KUSUM, PM Surya Ghar, and our other channels, we project a figure between 15% and 17%. This estimate is based on the bids we have already placed and the tenders we have successfully secured.

Pawan Kumar: So, as you mentioned, you are generating around INR1,000 crores from the PM Surya Ghar Yojana where your margin would be 12% to 15% while the margins on the rest of the business would be slightly higher. Is that understanding, correct?

Vivek Gupta: Absolutely, absolutely. Only then we are able to make it an average of 15% to 17%.

Pawan Kumar: Okay sir. Thank you, thank you for all these answers. All the best.

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

Manish Gadia: Hi sir, sorry to ask you again. Sir, this is my last question. You mentioned a margin of 15% to 17%, but that didn't factor in KUSUM 2.0, correct? If KUSUM 2.0 comes through, our margin could increase further, right?

Vivek Gupta: Definitely sir. Look, the 15% to 17% margins we are discussing are based on the bids we have currently placed and what is visible from them. However, if PM KUSUM 2.0 is launched, we expect these margins to improve, to rise slightly from current levels. That said, it is difficult to predict the exact figures at this stage, though we do anticipate better margins.

Manish Gadia: Okay sir. Thank you, sir, all the best sir.

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

Vivek Gupta: Thank you, thank you all of you. And to all of you who are standing by the company rest assured, the company stands firmly with you. We are absolutely certain our entire team is very positive and is working very aggressively on the company's future. Thank you; thank you all. Thank you very much.

Moderator: On behalf of 360 ONE Capital Markets, that concludes this conference. Thank you for joining us and you may now disconnect your line.