



“Shakti Pumps (India) Limited
Q4 & FY23 Earnings Conference Call”

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ANALYST: **MR. ROHIT ANAND, ERNST & YOUNG LLP**

Moderator: Ladies and gentlemen, good day and welcome to Shakti Pumps (India) Limited Q4 and FY23 Earnings 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 ‘*’ then ‘0’ on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rohit Anand from Ernst & Young LLP. Thank you and over to you, Mr. Anand.

Rohit Anand: Thank you and good afternoon everyone.

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

To take us forward through the financial results and developments and to answer your question today, we have the senior management of Shakti Pumps (India) Limited represented by Mr. Dinesh Patidar - Managing Director, Mr. Ramesh Patidar – Executive Director (Exports), Mr. Dinesh Patel – Chief Financial Officer and Mr. Ravi Patidar – CS & Compliance Officer.

We will start the call with a brief overview of the past quarter by Mr. Dinesh Patidar followed by a Q&A session. I will now handover the call to Mr. Patidar. Over to you, sir.

Dinesh Patidar: Thank you Rohit. Hello friends and welcome to this call and thank you for coming here.

We would like to give good news to everyone that the rate contract has been released by the SECI, a Department of Government of India, for which we were waiting for the last 2 quarters and we are qualified to provide solar pumps in 21 states. Now in 21 states Shakti Pumps is going to expand its network and to facilitate its customers. We are moving towards the leadership in solar pumping in the coming future. The numbers which have come in PM KUSUM Yojana are from the states that we have worked in before like Maharashtra, Rajasthan, Madhya Pradesh, Punjab, Haryana, and nearly 80% of the total quantity which is approximately 857,000 pumps are from these states and the rest is from the new states and new business is also going to open for us. The special thing is that the rates for which we were waiting for the last 2 quarters have come and we have sent the letter for acceptance to the Indian Government that we are ready to work in the 21 states and have told our purchase team to start doing negotiation with our vendors and our suppliers in a better way and in a good quantity, we will continue our work.

Furthermore, we have done well in our export business, the best thing is that we have received a dividend from the USA in the last 2 years and there also our network has developed very well.

I would request our CFO – Mr. Dinesh Patel to provide you the Financial Details. Over to Dinesh.

Dinesh Patel:

Thank you, sir.

Revenue from operations in Q4 FY23 stood at Rs. 182.7 crores as against Rs. 384.6 crores in the corresponding quarter. Revenue from the export business stood at Rs. 68.9 crores as compared to Rs. 51.5 crores, registering a strong growth of 34% Y-o-Y. EBITDA for Q4 FY23 was at Rs. 10.9 crores and EBITDA margin was at 6%. The Company reported a PAT of Rs. 2.2 crores during Q4 FY23.

During the full year FY23, we recorded a revenue of Rs. 967.7 crores as against Rs. 1,178.5 crores in FY22. The export business continued its growth journey and surged 27% Y-o-Y to Rs. 234.8 crores. EBITDA for FY23 was at Rs. 66.6 crores. EBITDA margin at 6.9% and PAT was at Rs. 24.1 crores.

Now I request the moderator to open the floor for question and answer.

Moderator:

Thank you. We will now begin the question and answer session. Our first question is from the line of Kaushal Vora from Latin Manharlal Securities. Please go ahead.

Kaushal Vora:

Sir, I wanted to know more about the KUSUM 3.0 as you said size is 857,000 pumps, so what is the timeline for that?

Dinesh Patidar:

The Indian Government has sanctioned the quantity of 857,000 pumps and it has to be completed in 2 years.

Kaushal Vora:

And sir, you were talking about the pricing, you and another Company together have talked about the pricing, so how is the price?

Dinesh Patidar:

Regarding the price, we have told that this tender is done for pricing only and our purchase team is doing negotiation with our vendors and yes, pricing is better from our previous tender, but still, we are trying more to negotiate it and take it further.

Kaushal Vora:

And sir as you were saying that earlier 5HP pump was approximately of Rs. 2.5 lakhs, so now this new tender's price that came from the government side, so approximately how much will it be? Can it be around Rs. 3 lakhs?

Dinesh Patidar:

Actually, what happened is that the technology has changed these days like earlier they used to use polycells, now mono cells are being used because now advanced technology has come to

mono cells and approximately 25% to 30% space is saved in this and all over the world the problem is with space only, so that specification has changed. Earlier solar poly rates have also changed. Yes, we will try to maintain a good margin in this.

Kaushal Vora: So in this margins will be better than before?

Dinesh Patidar: Yes, it will be better.

Kaushal Vora: And, sir from when this scheme is likely to start?

Dinesh Patidar: From next quarter we will be able to give you good results because today itself we have sent the rates to the Ministry, there again it will take another 1 month to 1.5 months to get the LOI, so from next quarter we will start this.

Kaushal Vora: So we can expect by July onwards we can see the KUSUM 3.0 starting?

Dinesh Patidar: Sure.

Kaushal Vora: And, sir what is the situation of Uganda?

Dinesh Patidar: For Uganda's progress, I will ask Ramesh to update you, our Export Director is with us.

Ramesh Patidar: Sir good afternoon. The advance payment which we were waiting from our Uganda contribution has also come to us, so total advance of Rs 60 Crores has come and we have started the implementation of the jobs. The ground-breaking ceremony, which took place in April in which our Honorable Minister of External Affairs, Mr. Jaishankar, was present and he also participated in the groundbreaking ceremony.

Kaushal Vora: So, Uganda will start from this quarter or will it start from the next quarter?

Dinesh Patidar: In this quarter we will get some results, but it is like the site clearance has to be done there, so as it progresses we will give you an update.

Moderator: Thank you. Our next question is from the line of Mr. Vishal from Svan. Please go ahead.

Vishal: Sir just wanted to know the breakup customer wise which you give every year?

Dinesh Patidar: Vishal ji, not customer-wise, but we can give segment-wise breakup. I will ask Dinesh Patel, to give you segment-wise breakup.

Vishal: Yes, sir basically customer segment-wise breakup for the year as well as for the quarter that will be helpful. And one more thing I want to understand that sir, how do you see now going forward that you have qualified in 21 states and given go-ahead approval that you will be participating in the tender, so how fast do you expect this ordering process will start and when

will this execution start? So can we easily assume that the majority of the ordering will be in the second half or second quarter, what is the roadmap going forward?

Dinesh Patidar: Yes, I told you that from next quarter you will start seeing KUSUM's sales in ours. Today the rate acceptance letter which has gone to Indian Government from our side from there they will finalize and send it to all the states for LOI and the states will write a letter to us then we will sign the agreement with the states, so in this whole process one to one and half month will go, so from the next quarter you will see the results for KUSUM.

Vishal: And sir in terms of the export order of Uganda, execution of Uganda has started from this quarter, is this understanding right?

Dinesh Patidar: Right.

Dinesh Patidar: Little has started this quarter, but from next quarter it will start properly.

Vishal: So next quarter means you are saying that Q2 of FY24?

Dinesh Patidar: Right.

Vishal: So, I just want to know a little bit about the future performance, in Q1 our performance will be slightly better than Q4, but it will not be significantly better because our execution is basically a little back-ended this year?

Dinesh Patidar: Perfectly right. Vishal you have analyzed very nicely, many people will have this question that in this quarter sale from KUSUM will not be added, so this will be slightly weak, but from the second quarter, we will go ahead in full speed and let us see going further what else can we do more in this aspect.

Moderator: Thank you. Our next question is from the line of Ankit from JHP Securities. Please go ahead.

Ankit: So actually, I want to ask in KUSUM Scheme 2, the Shakti Pumps contribution in total execution is getting reduced quarter-on-quarter, so what is the reason behind that? Because in quarter 1 it was 45% currently in quarter 4 it is at 24%, any reason for that?

Dinesh Patidar: Yes, from the previous 2 quarters we are saying that the rate of the tender has expired and those rates were not good enough to give us any margins in that, so we surrendered the order of Rs. 350 crores of Haryana Government's and now in quarter 2 its realization will be started and from other states also its order will be started. We stopped that order because we were not making any money in that pricing. Now as the rate has also expired, so we surrendered and the orders got held. Now, in the coming quarters, from Q2, you will start seeing its effect.

Ankit: And sir can I get the bifurcation of Solar EPC, and others of revenue in the KUSUM Scheme?

- Dinesh Patel:** Yes, on Year-on-Year basis Rs. 623 crores is from Solar EPC, Rs. 235 crores is from exports, the rest is Agri, domestic and OEM.
- Dinesh Patidar:** In exports, we have a growth of 25%.
- Ankit:** What about quarter 4 figure?
- Dinesh Patel:** In quarter 4 nearly Rs. 90 crores is from our EPC, Rs. 69 crores is from our exports, and rest is Agri, OEM and domestic.
- Moderator:** Our next question is from the lines of Hardik Vyas from Economic Times. Please go ahead.
- Hardik Vyas:** My question is that we participated in 21 states and got the tender, so those rates are going to be the same for all the states or will the rates be different for each state?
- Dinesh Patidar:** Hardik your question is very good, every state will have different rates and it is well planned this time and that rates are workable and we are going to work on that.
- Hardik Vyas:** Sir as these rates are different then in every state our pricing will be dynamic like in the last 2-3 years the raw materials prices have increased, but we haven't received any price hike from the government side and sometimes if the raw material prices are reduced then price revision gets downwards, but if the raw material prices increases then we don't get upward revision, so in this will there be a clause that if the prices increases then we will be able to sell it at a little higher price to save our margin or something like that?
- Dinesh Patidar:** Yes, Hardik you said very well, we tried our best and have told regarding this that you should put a price variation clause, but they have not put and haven't agreed to it. Our selling prices are fixed for next 2 years.
- Hardik Vyas:** So, for raw materials sale prices are fixed, so if you can give a little indication that you are trying for higher escalation like someone asked question regarding Rs. 2.5 lakhs 5 HP, 2.75, 3, or 3.15 give us a little indication so that we can make it into our models accordingly that yes this much can be done?
- Dinesh Patidar:** For 21 states I will tell the price for 5 hp then between Rs. 280,000 and Rs. 309,000 pricing has come.
- Hardik Vyas:** Sir one more question regarding the technology change of poly and mono that you told, so due to that 25% to 30% cost saving is done, but have we shifted to that technology and if not shifted then when will we shift? That is my first question and second question is if we are staying in poly only then what is the status of polysilicon prices there?
- Dinesh Patidar:** Now the possibility of poly is over because government has also stopped using this old technology and regarding saving which I told was about space saving like earlier the space

which was used in poly for 1 kW was 100 square feet now, for 1 kW only 70 square feet is required.

- Hardik Vyas:** I thought the cost is.....
- Dinesh Patidar:** Pricing became a bit higher because of that and further negotiation is going on it.
- Hardik Vyas:** Sir last time you told that pricing is nearly 24, 25, so this time pricing is around what? Is it same or has it become little less or more?
- Dinesh Patidar:** Negotiation is still going on and may be by the next quarter negotiation with everybody will be completed and then only I can tell you regarding this.
- Hardik Vyas:** Sir Uganda is okay, but in other orders also I think we have suffered a little on the export front, is it because of American market is undergoing recession and we have received dividends for 2 years consecutively, but what are the sales in exports there?
- Dinesh Patidar:** We have done a growth of 25% in the whole export business and Ramesh will throw some more light on American business.
- Ramesh Patidar:** We have done good growth in US. This year we have made a growth of 30% there.
- Hardik Vyas:** Will there be some de-growth in the last quarter?
- Ramesh Patidar:** There is no de-growth in last quarter.
- Hardik Vyas:** What is the value of American market out of Rs.70 crores, Rs. 69 crores exports?
- Ramesh Patidar:** I will not be able to give you the values right now, percentage is with me and I can tell you which is 30%.
- Dinesh Patidar:** 30% of the export sale.
- Hardik Vyas:** And last question, Uganda is okay, but Ghana and rest of the other countries will be in line, I assume, so I want to know how, when and what can be done?
- Ramesh Patidar:** Yes, work is still going on that. We will update you as soon as any news comes.
- Dinesh Patidar:** Let Uganda's experience come after that we will open other LOC project front. We want to experience it once and once the experience of this project has started we will open the next front afterwards.
- Moderator:** Thank you. Our next question is from the line of Nitin from KIFS Trade Capital Private Limited. Please go ahead.

- Nitin:** With reference to the current 2-year order of 8.6 lakh pump, what is the market share strategy which you are planning because some of the states may be aggressive and some states might decide on this thing so if you can share some thoughts you are getting major market share in that?
- Dinesh Patidar:** Nitin, in earlier calls also we have told this we will maintain our 30% to 35% market shares and further also our effort will be that we work on our good market share and basically the 80% quantity is in that states only where Shakti Pumps brand is strong and our customers are giving us their trust and they know about our brands also, so from this 80% market share, we will try to take as much as possible and only after the full execution of the order, we will let you know about our market share.
- Nitin:** Can margins become double digit because the pricing from the government is also favorable, so this low of 7% can we expect something on mid-double digit?
- Dinesh Patidar:** Yes, Nitin you have very well-articulated and you must be looking for the answers so yes, definitely this Company is striving for better margins and if the Company does not give better margin to its shareholder then there will be no fun, so yes, we will try to take margin to double-digit.
- Moderator:** Thank you. Our next question is from the line of Forum Makim from Equitree Capital. Please go ahead.
- Forum Makim:** Sir congratulations on being qualified for 21 states. Sir what is exactly going to happen in the next 1 month in our KUSUM order? Can you tell what will be the process?
- Dinesh Patidar:** First, today we have sent a letter for the rates for their 21 states stating that these rates are acceptable to us and for the next 2 years we will work on this. In a meeting their final rate list will be made and all rates list will be sent to all of their SNA (State Nodel Agency) to all the nodal agencies of every state and SNA will give us offer for LOI to come and do the agreement on this, then we will do the agreement and then there will start working with the state this is the procedure.
- Forum Makim:** So you are saying this agreement will come in next month? All agreement will be done with the states within next 1 month?
- Dinesh Patidar:** Yes, next one to one and a half month will be spent to have an agreement with them and everything is ready, few states have planned their budget. State like Haryana is going very aggressively, so they are also going ahead.
- Forum Makim:** In Haryana our order worth Rs. 500 crores which was pending, so if you send the rate which is acceptable then can we execute this Rs. 500 crores in this quarter?

- Dinesh Patidar:** No, I am not saying about this quarter. KUSUM sale will start from quarter 2 and yes, our orders which were on hold from that we will start getting business and from quarter 2 onwards you will see good business from Haryana.
- Forum Makim:** We will do that pending Rs. 500 crores in quarter 2?
- Dinesh Patidar:** I will tell you in the final call about the orders which we execute from that.
- Forum Makim:** And sir elections are coming for all states, so there could be some slowdown due to that?
- Dinesh Patidar:** Not at all. If rates are finalized today, LOI are accepted and state is making agreement and state is planning the budget then we will definitely supply, what difference does it make on whichever government comes.
- Forum Makim:** And sir we have seen in KUSUM 1 and KUSUM 2 implementation was little slow, we could not do as much as we targeted, so for KUSUM 3 what kind of implementation should we expect and how much should we do for the next 2 years?
- Dinesh Patidar:** Actually, it is a whole new business, and new pilot project came in Q1 and Q2 also and in Q1 and Q2 ESL had worked and after fixing all the problems that has come SECI has done the work. SECI is more experienced and SECI is a well-functioning Company of Indian Government, so now I don't think that any other problem will come in the implementation. We will do it in time.
- Forum Makim:** And sir what about the Maharashtra tender of 1 lakhs pumps?
- Dinesh Patidar:** Actually, the pumps in Maharashtra which were sent for sanction, they have again sent it to the government for its permission as they want to give some pumps to those who have connections, so we are waiting for their GR, moment the Government will give the permission for GR that tender will also come.
- Forum Makim:** So, sir once this KUSUM 3 starts then what run rate of pumps can we expect per quarter?
- Dinesh Patidar:** Yes, your question is very good, but it is like we would get a feel of this in Q2, how are we going in the new state and what are we able to do in old state and how are we doing and after that only we will give you the projection of the numbers.
- Forum Makim:** Sir just 2 more questions. Sir we are saying we have received a price of Rs. 280,000 from Rs. 250,000, so that 12% increase is done plus little bit of our high-cost inventory would have been removed and the raw material price has also reduced now, so our double-digit margin should be done?
- Dinesh Patidar:** Yes, of course we will try our best to take our shareholders towards double digit margin.

- Forum Makim:** Sir from this 8 lakh pumps, how much will be 5HP and above? What will be its demand?
- Dinesh Patidar:** You can find all this in SECT's website and MNRE website you will get all the sanction-wise, stage-wise, everything has been given. I don't have the data with me, I will mail you.
- Moderator:** Thank you. Our next question is from the lines of Deepesh Sancheti from Manya Finance. Please go ahead.
- Deepesh Sancheti:** First thing, what is our capacity and this time what was the utilization in India as well as Uganda?
- Dinesh Patidar:** Currently the capacity utilization of our total capacity is around 30% throughout the year and our capacity is of making 5 lakhs pump set. We can make and supply 5 lakh pump set.
- Deepesh Sancheti:** And from this how many solar pumps can we make?
- Dinesh Patidar:** We can make all these 5 lakhs solar pumps.
- Deepesh Sancheti:** So now what will be the approximate value of the tender of PM KUSUM for 857,000 solar pumps? Means can I directly multiply it with 2.8 lakhs?
- Dinesh Patidar:** Of course, you can do, you can do with 3 lakhs.
- Deepesh Sancheti:** Sir almost Rs. 24,000 crores order is done and our Company generally does have a market share of 30% to 35% then can we do Rs. 8,000 crores in the next 2 years.
- Dinesh Patidar:** We will talk next year.
- Deepesh Sancheti:** Not in next quarter?
- Dinesh Patidar:** No, not in the next quarter. We will talk next year about what we can do. Currently it is a pilot project, we have come this far. The company used to do Rs. 500 crores, has done Rs. 1,000 crores and further what and how has to be done, Rs. 1,200 crores just happened let us see how it is going. There is a good business opportunity in KUSUM so we will let you know.
- Deepesh Sancheti:** Because this entire order has to be completed in 2 years, by the next quarter will we be able to know how many orders we have got and how much would be our run rate in next 2 years?
- Dinesh Patidar:** Not at all, it is not like that at all because this 857,000 - 856,000 pumps about which you are talking is the sanction that has been given by the Indian Government to the state and no one gets the tender in the name of L1 Company, this is a rate contract. My customers will give me the orders quantity as much as they like me or will give to my competitor, so we believe in our brand and our quality and we will execute a good market share from this and definitely you can analyze and see it in quarter-on-quarter.

- Deepesh Sancheti:** Sir just to understand these orders will be given every quarter or 857,000 pumps order, we will know that who got how much order directly in one and half month or two months?
- Dinesh Patidar:** No, it will not be like that. This quantity is for 2 years and in this rate contract will happen. Let me explain one procedure that Indian Government has planned everything very well. They have given a nodal agency and a portal to every State and in that portal, farmers will get my competitors and my list, that they will choose from that, then they will put their customer share for subsidy and then that order through the portal will come to SNA and SNA will give us after making order then we will supply the order and the third party inspection will be done and then we will get its payment, this is the process. So this rate contract is done now, now we have to complete this quantity in 2 years.
- Dinesh Patidar:** Farmer is the decision maker in this. Farmer will take the decision of which Company's pump he should buy.
- Deepesh Sancheti:** And what is the current order book?
- Dinesh Patidar:** Currently we have exports and some domestic order booking, which is around Rs. 25 crores.
- Deepesh Sancheti:** And in that how much is Uganda after per the ramp up?
- Dinesh Patidar:** No, Uganda's project is taken separately, the planning what we tell is without projects.
- Deepesh Sancheti:** Sir right now how is the debt situation? And going forward in next 2 years will we maintain the same debt? Or we will ramp up because we will need more capacity utilization?
- Dinesh Patel:** Exactly as on today's date 31st March, we have finished a short term of Rs. 71 crore and on Rs. 2.42 crores long term. The total sanction from the bank which we have is around Rs. 500 crores in which 50% is fund based, 50% is non-fund based, so sufficient sanction is available for doing any turnover and bank is also ready to support.
- Dinesh Patidar:** Our Company is a cash-rich Company. Not very much of term-loan is on it, only 70 crores loan, which is not a big amount in front of this technology. We have a lot of patterns with us and we have developed a very good capacity.
- Deepesh Sancheti:** I completely understand that the loan is not big enough, but I want to know that will we take more loans because of higher capacity utilization?
- Dinesh Patel:** Currently we are trying to do as much as possible through our internal equity and we have sufficient loan available with us for supporting our working capital that I am answering you and at present we do not need a term loan.

- Deepesh Sancheti:** Sir one last question how is its payment cycle? Farmers do the advance payment or government keeps that money and after few months of dispatching the money comes? How does the payment come?
- Dinesh Patidar:** Your question is very good, we have made tenders with the condition of getting 90% of the payment within 30 days, SNA will give us 90% money within 30 days. After 30 days rest 10% will be provided and after 90 days we will get that money.
- First of all if farmer's share is 30% then he gives his 30% of farmer share money in advance to the SNA, state gives its 30% and central 30% comes and after that only order is executed and after that only we supply. So in maximum 90 days the payment comes back to us.
- Deepesh Sancheti:** Thank you so much, sir and all the very best, sir. I hope that you will definitely achieve your double digit margins and more, sir I think in 2 years you can do orders of Rs. 8,000 crores.
- Dinesh Patidar:** Thanks..
- Moderator:** Thank you. Our next question is from the lines of Rikesh Parikh from Rockstud Capital LLP. Please go ahead.
- Rikesh Parikh:** Sir I wanted to know that we are eligible in 21 states in KUSUM 3, so in this how many states we become L1?
- Dinesh Patidar:** There were total 900 line items in the whole tender. You will be very happy to know that only in 15 line of items our rates were more than 25% and in some 19 line of items we became L1.
- Rikesh Parikh:** In 19 line items we become L1. Secondly, I want to know that in terms of the people who have participated other than us, in that are we seeing any opportunity of subcontract or supply to anybody?
- Dinesh Patidar:** Where on our terms and conditions OEM wants to buy from us, we will definitely supply to OEM.
- Rikesh Parikh:** I mean have already entered into agreement with someone or any understanding? Just wanted to know in general?
- Dinesh Patidar:** No, currently there is no understanding with anybody.
- Rikesh Parikh:** Nothing as if now. Sir third, I just wanted to know one thing you told us: one pilot project for EV motor was going on and we achieved a bit of success so what is the status of that?
- Dinesh Patidar:** Building is going on full swing and land work is going on for that, building is being built, some plant and machinery orders are placed and some developments are also passed, so R&D team is working full-fledged for full development of EV, so we think that in the coming 2

years we will surely be able to take the best of it to India because we have started receiving calls from some Company's because the Indian Government has made 54% compensation of Indian materials in EV, they will only get the subsidy, earlier people used to go to China but now they have stopped going there and now they are all looking for the Indian manufacturers.

Rikesh Parikh: Sir I wanted to know what will be the total cost and in this do we have some firm orders from 1 or 2 companies or how is it?

Dinesh Patidar: Yes, we have done JV with some companies and have signed Non Disclosures, that is why we can't tell the name. We are working for some companies and designing some specific motors for them.

Rikesh Parikh: How much investments have you planned? And from when we can expect its execution?

Dinesh Patidar: For this full EV projects, we have planned for investment of Rs. 250 crores and in that Shakti Pumps will put its equity of Rs. 50 crores and for Rs. 200 crores at that time will see what is the situation, if a loan is required then will take or if to be taken from equity then will do through equity, whatever will be the plan it will come after 2 years. So now starting with Rs. 50 crores then within 1 year will bring this under a good status and after that next planning will be done.

Rikesh Parikh: Means we will start our execution on Rs. 50 crores and for ramp up will plan how to do it by taking another loan or will do through JV partners?

Dinesh Patidar: Perfectly right, this is our plan. First let it grow.

Rikesh Parikh: In terms of numbers, this year can we expect some revenue will start coming in topline by the end of the year?

Dinesh Patidar: Yes definitely.

Moderator: Thank you. Our next question is from the lines of Balasubramanian from Arihant Capital Markets Limited. Please go ahead.

Balasubramanian: Sir just wanted confirmation on the payment cycle that you mentioned, 90% of the payment is received in 30 days or 90 days? If you can reconfirm it once again?

Dinesh Patidar: 90% within 30 days and 10% within 90 days.

Balasubramanian: And 30% advance you get from the farmer and the government?

Dinesh Patidar: No, we don't get 30% advance, 30% advance which is farmer's share goes to the SNA, goes to the State Nodal Agency. If today we have done a bill of Rs. 100 then we will get the 90% of the money within 30 days, 10% of money we will get within 90 days.



*Shakti Pumps (India) Limited
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Moderator: Thank you. Due to time constraints that was the last question of our question and answer session. I would now like to hand the conference over to Mr. Dinesh Patidar for closing comments.

Dinesh Patidar: Thank you all for coming and listening to me in this concall. I have tried my best to answer to all of your questions and still if you want some more information, then you can contact our IR team at EY. Thank you.

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