captain
Irrigation Systems

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To,
Department of Corporate Services
Listing Department
BSE Limited,
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Mumbai—400001

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To,
The Manager
Listing Department
National Stock Exchange of India Limited,
'Exchange plaza', C – Block – G
Bandrakurla Complex, Bandra (East)
Mumbai – 400051
NSE Symbol: CPL

SUB: TRANSCRIPT OF EARNING CALL HELD ON 2ND NOVEMBER,2026

Dear Sir/Madam,

With reference to the captioned subject, we would like to inform that Transcript of earning call held on 2nd November,2026 has been attached herewith.

Please find attached Transcript of earning call held on 2nd November,2026.

This is for your information and record.
Kindly take same on your record.
Thanking You,
For Captain Polyplast Limited,

KHICHADIA RAMESHBHAI DEVRAJBHAI

Rameshbhai D. Khichadia
Managing Director
DIN: 00087859

“Captain Polyplast Limited

Q2 and H1 FY27 Results Conference Call”

November 02, 2026

MANAGEMENT: **MR. RITESH KHICHADIA – WHOLE-TIME DIRECTOR – CAPTAIN POLYPLAST LIMITED**

MODERATOR: **MR. KARAN THAKUR – KIRIN ADVISORS PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Captain Polyplast Limited Q2 and H1 FY27 Results Conference Call hosted by Kirin Advisors Private Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note this conference is being recorded.

I now hand the conference over to Mr. Karan Thakur. Thank you and over to you, sir.

Karan Thakur: Thank you. On behalf of Kirin Advisors, I welcome you all to the conference call of Captain Polyplast Limited. From the management team, we have Mr. Ritesh Khichadia, Whole Time Director of the company.

With that now, I hand over the call to Mr. Ritesh Khichadia for the opening remarks. Over to you, sir.

Ritesh Khichadia: Thank you, Karan. Good afternoon, everyone, and thank you for joining us on the Q2 earnings call of Captain Polyplast Limited. I hope you have had a chance to review our financial results, which are available on the stock exchanges and on our website.

I will begin with the industry environment, followed by our business performance during the quarter and financial highlights for Q2 and H1, and then finally conclude the call with our priorities and outlook for the H2 of FY27.

Let me begin with the operating environment. Water conservation and efficient irrigation are important priorities for Indian agriculture. Drip and sprinkler irrigation systems are helping farmers optimize water usage, improve irrigation efficiency and support crop productivity, creating a long-term opportunity for the growth of the micro irrigation industry in India.

Government initiatives such as Per Drop More Crop continue to support micro-irrigation adoption. Improved affordability, replacement demand and low penetration are providing further growth opportunities to the industry.

And the added effect for this year, as all of you know, is the effect of El Nino. Because of that, there has been uneven monsoon across India and there is deficient monsoon in many parts of India. So we are seeing a very high growth in certain pockets because of low water availability.

Now if I come to the solar EPC business, especially the solar pumping segment, the PM-KUSUM Scheme is continuing to drive demand in the segment as the timeline for the same has been extended and also the government is proposing a second phase which is soon going to be announced. So we are exploring opportunities in the solar pumps vertical in states beyond Maharashtra as new tenders are expected to emerge in the H2.

Now I will give the business performance update. Quarter 2 was a very encouraging quarter for the company, especially for our solar EPC business. During the quarter, we secured 2 repeat orders from MSEDCL under the PM-KUSUM scheme, amounting to INR23.6 crores for 1,000 pumps in July and INR47 crores for 2,000 pumps in September.

The order was the largest ever single solar EPC order win for the company in its history. So if we include all the orders for this financial year, our total order intake has reached INR82.4 crores for a total of 3,500 solar pumps.

And if we see, we had got empaneled in Maharashtra last year in August 2025. So since then we have received total orders of 5,000 pumps. So this shows that in a very short time we have executed well in this segment, which is reflecting in our fast order win.

So apart from Maharashtra, as I said, we are also exploring opportunities in other states. And also we are continuously expanding our solar rooftop business through our existing dealer networks in the states where we are having strong presence in micro-irrigation.

In the micro-irrigation segment, our focus continues to be on increasing the sale -- increasing the share of non-MIS, non-subsidy business, especially from commercial sales, export and also expanding dealer network in untapped markets.

In this micro-irrigation business, we are expecting further improvement, especially as our Ahmedabad manufacturing facility ramps up and we progressively get more backward integration with this facility. So this is the update for the quarter.

If I talk about the financial performance on the consolidated basis, our Q2 FY27 total income was at INR106.43 crores, which grew year-on-year by 32.89 percentage. The EBITDA for the quarter was INR10.28 crores, which was a growth of 24.75 percentage, while the net profit stood at INR4.48 crores, registering a growth of 5.55 percentage over the last year.

The EBITDA margin for the quarter declined year-on-year. This decline was primarily due to the sharp increase in the raw material costs, especially costs for HDPE and LLDPE compared to the last year.

We are expecting that in H2 we would be able to pass on the increase of these raw material costs, mainly because we are expecting revision in benchmark costs for micro-irrigation from the central government and state government in coming few months. So that should definitely help the EBITDA margins in H2.

Now looking ahead for H2 FY27, our priority remains on timely execution of the solar pump orders which we have already won. Second is ramping up our Ahmedabad manufacturing facility.

As we improve the production levels there, we are progressively getting more components manufactured in-house which should aid the margins. And the third priority is to improve the

mix of micro-irrigation business, especially increasing the share of non-subsidy business in this vertical.

So what I see is that with a strong solar pump order pipeline and opportunities across renewable energy and irrigation, we remain focused on strengthening our market presence, improving operational efficiencies and delivering sustainable growth and long-term value for our stakeholders.

With this, I would like to conclude my remarks and open the floor for questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Yash from Unique Solutions.

Yash: Hello sir, am I audible?

Ritesh Khichadia: Yes, you are audible.

Yash: Sir, my first question is your FY27 solar pump order intake has reached INR82.40 crores for 3,500 pumps. How is execution progressing and how much revenue do you expect to recognize from these orders by year end?

Ritesh Khichadia: So the execution of these orders is already ongoing. We are expecting that these 3,500 pumps, the revenue would be recognized -- majority of that revenue would be recognized before the end of Q3. A lot of it is already recognized in Q1 and Q2. Whatever remaining is there, it would be recognized by Q3. And we are also in process of another tender and there will be one more after that. So those order wins, they would be recognized in the Q4 as and when we get those orders.

Yash: Okay. And sir, you had earlier indicated plans to expand solar pump operations beyond Maharashtra and Gujarat. What progress have you made in Rajasthan, Jharkhand, Karnataka and Haryana?

Ritesh Khichadia: So the PM-KUSUM 1 deadline, which was originally for March 2026, it was extended by the government. So in all the states, there was no fresh tendering in this year. Once PM-KUSUM 2 is announced we are expecting fresh tendering in those states. Once it is there we would be able to get empanelled in those states as well. So it will only happen once the new phase is announced.

Yash: Okay. And sir you had highlighted plans to increase commercial and non-subsidy micro-irrigation sales. How has this progressed and what contribution do you expect going forward?

Ritesh Khichadia: So when we say non-subsidy segment, there are multiple avenues in that. One is obviously in the micro irrigation segment, lot of demand is also coming from repeat orders where farmers have already taken subsidy once a couple of years back and now they need additional components to keep their system running or to expand the coverage of that system.

So this is 1 segment which we are actively focusing on. This segment is gradually -- the demand from this segment is gradually increasing and we are also seeing good traction in that segment.

The other part is export sales. We are focusing on improving our presence in markets where we do not have a presence right now.

So these 2 are key priorities for us for improving our commercial sales. Right now that mix is around 10 percentage and we are expecting that as we go ahead this share will definitely improve from this low base of 10 percentage.

Moderator: Next question is from the line of Rahul from SK Securities.

Rahul: So first question is regarding like H1 FY27 revenue grew by 25.14 percentage while PAT increased by only 7 percentage. So what are the key reasons for this divergence? And also should we expect better operating leverage and profit growth in H2 FY27?

Ritesh Khichadia: Sure. So if you see for the H1, our EBITDA margin has remained almost flat, but for the quarter 2, it was down. As I mentioned in my opening remarks, the EBITDA margin is down primarily because of the increase in raw material costs. So the major reason for lower growth in profit margin is primarily that the increase in raw material cost.

And also as our scale of business has increased, working capital requirement has also increased. So the interest cost for the H1 is higher compared to the last year. So because of these 2 reasons, the profit growth has been lower.

As I said that we are expecting EBITDA margins to improve in H2 as central government and the state governments are expected to revise benchmark costs for micro irrigation. So once that is in effect, definitely the profit growth will also come in line with the revenue growth in H2.

Rahul: Okay sir, so next question is regarding the Q2 FY27 EBITDA margins to that 9.66 percentage compared to 10.29 percentage last year. So what are the key factors impacting margins?

Ritesh Khichadia: Yes, as I said, the main reason for that is decline in micro irrigation business margins. The key raw materials for micro irrigation products are all petrochemical derivatives, which include LLDPE and HDPE. So the price of these raw materials has increased sharply year-on-year, and this decline is mainly on account of that raw material price hike.

Rahul: Okay, sir. One last question from my side. So how are the PVC pipes, commercial irrigation and other value-added products progressing?

Ritesh Khichadia: Yes, as I said in the previous question as well, we are focusing on 2 avenues. One is for farmers who have already availed subsidy once. So if they have further requirement for micro-irrigation product, we are approaching them on non-subsidy sales. And the other part is export sales.

So as I said, we are already having contribution of 10 percentage of these 2 segments in overall micro-irrigation business. As we go ahead, this number would definitely improve from this low base.

Moderator: Next question is from the line of Nilen from Shah Capital.

Nilen: Hello, sir. Am I audible?

Ritesh Khichadia: Yes, you are.

Nilen: Yes, sir. So my first question is, what's your target working capital cycle for the FY27 and how much cash can potentially be released through the improving inventory and the receivable managements?

Ritesh Khichadia: So the target working capital cycle, it depends on the business segment which we are talking about. If we talk about micro-irrigation business, the cycle would typically be between 6 to 8 months. This year we are expecting the cycle to shorten, mainly because many state governments we are seeing they have revived their focus on micro-irrigation because of the effect of El Nino.

There is higher demand from farmers and governments have also recognized that and they are also actively engaging with the industry to remove the hurdles for adoption of micro-irrigation. So I think by March we would see some positive impact on the micro-irrigation working capital cycle because of that.

So right now it is at 8 months, but we are expecting that it should come down by end of March. For the solar pumps business, right now the cycle is between 3 to 4 months, and I don't think there would be material change in that. It would remain in that range only. So as our business mix shifts towards solar pumps, the average working capital cycle would definitely shorten.

And also once the MIS cycle is shortened, that would be further reduction in the total working capital. So I think on a consolidated basis, it should come around 5 to 6 months at the end of this financial year.

Nilen: Okay, sir. Got it. And next question is that consolidated borrowing increased to approximately INR89 crores in FY26 with INR77.72 crores due within 1 year. How do you plan to manage repayment and reduce debt...

Ritesh Khichadia: Sorry. Can you repeat? Were you asking about parts and figures?

Nilen: Yes. Consolidated borrowing increased to approximately INR89 crores in FY26 with INR77.72 crores due within 1 year. How do you plan to manage repayment and reduce debt in upcoming years?

Ritesh Khichadia: Yes. Actually most of our debt is working capital debt. So it is classified as short-term borrowing, but it is a revolving facility and it gets renewed on a yearly basis. So it is not to be repaid on a yearly basis. The actual repayment on a yearly basis, that figure is much smaller. That figure would be less than INR10 crores out of the total debt. So that can be managed from our existing accruals.

Nilen: Okay, sir. So my last question is what's your medium-term target for the EBITDA margin and ROC and ROE?

Ritesh Khichadia: Right. If we see this quarter's EBITDA margin, after many quarters the margin has declined and it has come down to single-digit. As I mentioned in the previous questions as well, once the benchmark costs for micro-irrigation are revised, probably in Q3, we will definitely see an improvement in EBITDA margin. That is one driver.

The other driver for EBITDA margin would be ramping up of our Ahmedabad facility. Many of the components which we are outsourcing right now, we are manufacturing those in-house at this facility. So as we ramp up the production in H2, there would be improvement in EBITDA margin because of that as well.

So the first one I cannot calculate at this point or I cannot comment on at this point how much price increase would be accepted by the government. But once it is done, there would be at least 1 percentage point improvement because of that in the EBITDA margin. And from the Ahmedabad facility this year, there should be a contribution of improvement of 0.5 percentage. So by March, we can see these 2 effects play out in EBITDA margin.

Nilen: Okay, sir. So just one follow-up question. Specific operation improvement will drive this target. What are the specific operation improvements?

Ritesh Khichadia: See, I said that there will be 2 levers. One is obviously revision in benchmark cost. So this is not in our hands. This is to be decided by the government. It is in process and it is almost at the final conclusion stage. So only once it is finalized, we can check what impact it would have.

The second one, it is in our control, how fast we are able to ramp up the production at Ahmedabad facility. And as I said, that improvement would be of 0.5 percentage in EBITDA by March end because of that.

Moderator: Next question is from the line of Riya, an Individual Investor.

Riya: Yes, sir, my question is a significant portion of receivables remain outstanding despite being classified as not yet due. How confident are you about timely recovery?

Ritesh Khichadia: So majority of our receivables, they are due from government agencies and this is not only the case for us, but for the entire industry. In micro-irrigation industry, majority of business for all the companies accrues from subsidy programs.

And as I said, the working capital cycle in this segment is typically 8 months right now. So that is the reason why most of the receivables, most of the revenue that we record, majority of that is receivable at the moment. Since it is from the government agencies, there is minimal risk of any short recoveries in this receivable.

Till date, whatever business we have done in these states, we have always been able to recover those receivables when the funds are available with the state governments. So there is very minimal risk in recovery of these receivables.

Riya: Yes, okay sir. And the contingent liability increased to INR15.20 crores in FY26. Could you explain the major claims, their current legal status and any potential financial implications?

Ritesh Khichadia: Since we are doing the majority of our business with government authorities, we have to routinely provide them performance bank guarantees. We are providing 5-year warranties on micro-irrigation systems. So governments typically demand 1 percentage of our total sales as bank guarantees. So those contractual liabilities are primarily performance guarantees against our business.

Riya: Okay sir. And my question is could you clarify the outstanding unsecured loans and balances involving promoter linked entities?

Ritesh Khichadia: Can you specify which particular entity?

Riya: Promoter linked.

Ritesh Khichadia: Yes, the total unsecured loan from the promoters, it is not that significant. I think it is less than INR2 crores. So what would you want to know for that?

Riya: Sir, that only the promoter linked entity.

Ritesh Khichadia: Yes, I know that. So that is an unsecured loan from the promoter entities. What is the specific question for that?

Moderator: Next question is from the line of Anjali, an Individual Investor.

Anjali: My question is, what is the current receivable position and how has the collection cycle progressed during the first half year?

Ritesh Khichadia: So typically, the majority of receivables, no collections happens during Q4, especially in February and March. And over the years, if you see, H1 receivable is always higher because most of the business which we do in H1, the payment recoveries are completed in H2. So we cannot gauge the improvement in working capital cycle at the end of H1. We can only gauge it at the end of H2 when the payments are recovered.

Anjali: And can you just tell me about the current EBITDA margin of the solar EPC segment and how do they compare with the micro-irrigation business?

Ritesh Khichadia: See last year, the EBITDA margins for solar pumps and the micro irrigation business, they were almost similar. They were at par. But this year, because of the increase in raw material costs for micro-irrigation business, the margin for micro-irrigation business right now, it is lower than the solar EPC business, solar water pumps business. Right now, the micro-irrigation business would be between 7 percentage to 8 percentage margin, whereas the solar pumps business would be between 10 percentage to 11 percentage.

Anjali: Management told about the 1% to 1.5% margin improvement that happened in in-house manufacturing at Ahmedabad. So is this guidance still achievable?

Ritesh Khichadia: Yes, definitely. If you see the Ahmedabad facility, we started manufacturing at that plant in the last quarter. And as we ramp up, you will definitely see the improvement of margin from that front.

As I said in the previous question, by March end, we are expecting a benefit of 0.5 percentage to come from this facility. The total that I had mentioned previously, benefit of 1 percentage to 1.5 percentage, that would accrue over a period of 3 years because we are ramping up this facility in phases.

Not all the products are going to be manufactured from the beginning. We would be gradually adding some of the products. So over a period of 3 years, we would see the complete benefit of that facility.

Anjali: Okay. Is there any new product launch? I mean, are you planning to do like, you know, micro irrigation to improve farmer adoption and increase the revenue for customers?

Ritesh Khichadia: Yes. We have already launched automation solutions. So we are providing farmers customized solution to automate their existing drip irrigation fields. This is one segment which we have launched last year and we are gradually improving the scope of automation.

Initially, we were focused on just control of particular valves in the field. Now we are also providing additional services where the controller can provide services like time-based or volume-based irrigation to the farmer. So this is the segment that we are focusing right now to improve revenue from the farmers, which we have already catered previously.

Anjali: How dependent is the business on government subsidiary allocation and what strategy are you adopting to reduce dependence over the time?

Ritesh Khichadia: For the industry as a whole, majority of business comes from subsidy. Almost 90% of the market itself is driven by subsidy. So it is difficult to remove dependence on subsidy completely. That is part of the industry and we have to work with that cycle.

What we are doing, as I said before, non-subsidy segments, commercial sales in the domestic market and export markets, these are 2 segments which we are prioritizing. Although those markets are relatively small compared to the subsidy market, but they are gradually growing and we would also be getting higher revenues from those segments as we go ahead.

Moderator: As there are no further questions, I hand over the conference over to Mr. Karan for closing comments. Over to you, sir.

Karan Thakur: Thank you for attending the con call of Captain Polyplast Limited. So if you have any queries, you can email us at research@kirinadvisors.com. Thank you, Ritesh, sir. Thank you all.

Moderator: Thank you. On behalf of Kirin Advisors Private Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.