

# GE Power India

17 February 2026

**Operator:** Ladies and gentlemen, good day and welcome to the earnings conference call regarding the unaudited financial results for the quarter ended December 31, 2025, hosted by GE Power India Ltd. As a reminder, all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. I now hand the conference over to Mr. Puneet Bhatla, Managing Director of GE Power India Ltd. Thank you and over to you, sir.

**Management:** Thank you. Dear investors, good afternoon and good evening. Thank you for joining today's call to discuss GE Power India Ltd.'s performance for the third quarter and the nine months ended December 2025. I am joined today by our CFO, Mr. Ashish Singhal, to update you on our financial performance across the business and to address any queries you may have. We trust that you have had the opportunity to review our financial results and the investor presentation, which have been made available on our website as well as on the stock exchanges.

I would like to touch upon a brief context on the broader macroeconomic and sectoral environment in which we continue to operate before moving to the highlights of our quarterly performance. Against a challenging backdrop for the global economy, India's macroeconomic fundamentals remain resilient. As per the Economic Survey 2025–2026, real GDP growth for 2026 is projected at around 7.4%, supported by broad-based demand, improving rural consumption, and strengthening industrial activities. This momentum is expected to continue into FY27 with real GDP growth projected in the range of 6.8% to 7.2%. Inflation pressures have moderated to 1.7% and monetary conditions remain supportive with easing policy rates. These trends, coupled with robust capital expenditure, provide a constructive backdrop for investment in infrastructure and energy sectors, including power.

The government signals continued strategic support for energy and related sectors, which underscores a balanced energy outlook for India, ensuring reliable baseload supply while progressively scaling renewables and cleaner technologies. Recent policy developments further reinforce this balanced approach to India's evolving energy landscape. In the Union Budget for FY27 presented in February 2026, the Ministry of Environment, Forest and Climate Change revised the notification limiting FGD installation to about 630 GW of India's thermal power stations by December 2027 and December 2028 progressively, while taking Category C—about 70 GW—out of the scope of the policy. Your company is watching this very carefully to see how the market momentum of new orders builds up in this segment in the coming months, while the market is also witnessing the termination of a few awarded orders as we move ahead.

Your company has played and continues to play a critical role in delivering reliable, affordable electricity to communities, accompanying our customers in their energy transition endeavors. In the third quarter ended December 2025 and within the nine-month period, the interventions done by your company to keep electricity assets reliable, affordable, and sustainable covered 14 GW of assets. I am very happy to state that this work has been essential to lifting the quality of life for millions of people. We are proud of this mission and the impact it has had.

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Now, turning toward our business performance this quarter, I am pleased to share that the strategic reset undertaken over the past few years continues to translate into sustained operational and financial progress as we approach the end of FY26. Revenue remains resilient, losses have continued to narrow, and profitability across the core service portfolio has improved sequentially, providing clear momentum. Our deliberate shift toward high-margin, shorter cash cycle, and lower working capital-intensive opportunities, alongside a calibrated scaling back from long-gestation projects, has further strengthened business stability over the period.

The success of this business comes from operational excellence with superior project management along with consistent order intake. Core orders, our backbone, have risen by 21% compared to December 2024, and revenue for the same period witnessed a 4% upside. Execution discipline and operational excellence have continued to drive meaningful margin expansion across our core services and business upgrades. Our sustained focus on strengthening capabilities and product offerings for both GE Power India and non-GE Power India thermal assets has translated into healthy and consistent order inflows for the core segment. This quarter, your company booked approximately 53% of overall core services orders from non-GE Power India assets.

As of December 31, 2025, the company's order book stands at 1,671 crores, providing visibility for close to 2 years of execution from continuing operations. As informed last quarter, we have also made important progress in strengthening the balance sheet. Legacy receivables, including BHEL outstandings, have progressed into structured settlement and collection phases during this quarter. The team successfully conducted a record 11 PG tests during the last 9 months. The strategic demerger of our Durgapur facilities to JSW Energy, effective July 1, 2025, is moving in the right direction. This transaction will streamline our portfolio, reduce fixed cost exposure, and sharpen our focus on asset-light, service-led opportunities while ensuring continuity of supply and service support for customers through appropriate commercial agreements.

As a result of disciplined cash management and portfolio realization, our standalone net worth of 378 crores remains significantly stronger as of December 31, 2025, reflecting the benefits of these strategic actions and improving working capital discipline. We are moving toward the end of FY26 with a sharp focus on financial prudence and stronger operational discipline. With a focused portfolio, improving margins, and a healthy order book, we are very well positioned. I will now hand over to Ashish, who will walk you through the financial performance in much greater detail. Over to you, Ashish.

**Management:** Thank you. Good evening, everyone. Thank you for taking the time to join today's earnings call. I would like to build on the commercial updates Puneet shared and provide insights on the financial performance for the quarter.

Starting with commercial updates, during the current quarter, your company secured orders worth 141 crores compared to 461 crores in the corresponding period of the previous year. While this appears to be a steep decline, the prior year's figures included a single significant order for a Vindhyachal turbine upgrade valued at 348 crores. Notably, your company's pivot to the margin and cash-acquisitive core services business is on the right track, with orders increasing from 112 crores in December 2024 to 136 crores in December 2025. This marks a 21% increase. Core services is poised to build on its momentum and deliver double-digit year-over-year growth again

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this year. As of December 31, 2025, your company has an order backlog of 1,671 crores, down from 2,662 crores as of March 31, 2025. This reduction is driven by the termination of two FGD contracts, JP Bina and Nigri, which collectively were worth 775 crores.

Coming to financial performance, revenue for the quarter ended December 31, 2025, stood at 386 crores, driven by core services, up from 317 crores in the corresponding quarter last year—an increase of 22%. Profit before tax and exceptional items from continuing operations for this quarter stood at 131 crores. This is a significant increase compared to 23 crores in the quarter ended December 31, 2024. This reflects sustained efforts in improving the operating performance of the company.

This steep profitability increase is also complemented by certain one-off items, such as the reversal of ECL provisions for BHEL collections amounting to 37 crores, the Solapur extension of time and LD settlement resulting in a provision reversal of 22 crores, and the JP Bina and Nigri full and final settlement providing a 25 crore positive impact.

I would also like to update our investors that pursuant to the settlement agreement with BHEL signed earlier this year, we have received 2,216 crores year-to-date as of the reporting date. Additionally, during the current quarter, we received 25 crores from the JP full and final settlement. With this, the settlement with JP has been successfully concluded, and both parties stand fully discharged with no further obligations outstanding on these two projects.

Following the notification of the new labor code, we have recorded a provision of 42 crores, including 15 crores for discontinued operations, based on the draft rules issued by the Ministry of Labor and Employment. Given it is regulatory-driven and non-recurring in nature, this has been classified as an exceptional item. We continue to closely monitor further regulatory developments and will assess any incremental impact if applicable.

Your company has taken several critical steps in the last 9 months, such as signing settlements with BHEL and JP, plus signing the demerger transaction for Durgapur with JSW Energy. These actions are decisive and reflect our commitment to reducing financial exposure, optimizing operational costs, and marching toward sustained profitability backed by the core services business and disciplined execution. This quarter's performance is another testament to the effectiveness of the strategy. Despite challenges posed by limitations on FGD installations, we have managed to maintain a solid financial footing. Our ability to secure key core orders and a healthy backlog positions us well for the year ahead.

Before I open the forum for Q&A, I want to convey that as management, we remain fully committed to driving sustainable growth in strategic areas like core services, focusing on generating consistent profits and cash flow. We have gained significant ground in the financial turnaround of your company, but as I always say, this is a marathon, and we are taking it one quarter at a time. Thank you for joining once again, and I now open the forum for Q&A;

**Operator:** Thank you very much. We will now begin the question and answer session. Anyone who wishes to ask a question may press star and one. We take our first question from the line of Akash Jain from Manikars Analytics. Please go ahead.

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**Akash Jain – Manikars Analytics:** Thank you so much. I am a little new to the company, so some of the questions will be quite basic in nature. There have been many one-offs; even in this quarter, we have seen settlements and insurance claims, plus cost on exclusive items. What is the long-term sustainable margin for the core business? How should we look at it from an ongoing perspective for the services business? Secondly, regarding the overall TAM, is my understanding correct that we will primarily be doing repairs, maintenance, and spare parts for equipment installed by GE in the past and future, or are we doing contracts for other manufacturers as well?

**Management:** Thank you for joining. First, regarding the margins, I will ask Ashish to address that.

**Management:** Thank you, Mr. Jain. On your first question, our target for this and future years is to deliver double-digit margins for the business. Excluding the one-offs I mentioned, we are on track for that this year, aiming for 10% plus year-over-year.

**Management:** On your second point regarding the target market, we shifted our strategy last year to focus on shorter cash cycle, lower capital investment projects, and executing our backlog with discipline. While one-offs are part of project execution, they are not unique. Our strategy is to focus on services for the installed base. India's target market for us is about 2,500 crores, comprising both GE and non-GE assets. We are progressing strongly in non-GE assets; as I mentioned, 53% of our core services orders this quarter came from non-GE assets.

**Akash Jain – Manikars Analytics:** I will get back in the queue. Thank you so much for your answer.

**Operator:** The next question is from the line of Tushar Abhau from Cognizance 4D. Please go ahead.

**Tushar Abhau – Cognizance 4D:** Congratulations on the exceptional numbers. Are we deliberately exiting low-margin contracts given the decline in back orders? Also, will GE Power India benefit from the \$165 million nuclear order from the GE team through maintenance contracts in later years?

**Management:** Let me take both together. Regarding nuclear, that sector is currently out of the domain for GE Power India Ltd. The 2,500 crore target market I mentioned does not include nuclear. Regarding the installed base, we are focusing on low-cycle, high-margin deals because we do not want to risk long-gestation projects that can be cash-destroying. We are shifting our strategy from EPC to being a technology supplier. Regarding grid flexibility, we have technical solutions to help plants achieve design conditions under varying loads.

**Tushar Abhau – Cognizance 4D:** So, we don't have any plans for nuclear as of now?

**Management:** No plans for now.

**Management:** Just to complement that, nuclear was not part of the strategy launched 7 quarters ago and is not part of it today. We continue to complete projects already in the backlog, but for new commercial efforts, core services is the pillar. We did not deliberately exit the JP contracts; the notification from the Ministry led many customers to explore options for Category B and C plants, and we have now settled that dispute.

**Operator:** Next question is from the line of Sanjay Kohli from Goldstone Capital. Please go ahead.

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**Sanjay Kohli – Goldstone Capital:** Thank you. My question pertains to the one-time figures regarding JP Bina, Solapur, and BHEL, which total 84 crores. What were the expenses booked against these during the quarter?

**Management:** These items are in accordance with our verified accounting policies. Regarding the 84 crores, there was almost zero expenditure on these three items this quarter. For JP, we recorded an expense of 25 crores in the previous quarter while discussions were ongoing. Since the settlement is now final and obligations are discharged, the gain is recorded this quarter. The Solapur and BHEL items also flow directly to the bottom line due to settlement or provision reversals.

**Sanjay Kohli – Goldstone Capital:** So, the 37 crores from BHEL reduces expenditure rather than adding to the top line?

**Management:** Yes, that is correct.

**Sanjay Kohli – Goldstone Capital:** My other question is about near-term FGD catalyst orders.

**Management:** Since the government notification, we have not seen any new ordering for FGDs. Category C is out of scope. For Category A, about 8 GW remains, with 2 GW under tendering, but progress has been very slow.

**Operator:** We will take our next question from the line of Mehul Panjwani from 40 Cents. Please go ahead.

**Mehul Panjwani – 40 Cents:** What percentage of revenue will come from core services over the next 2 years, and how do margins differ between services and EPC work?

**Management:** For the next 2 years, I expect core services to be around 60% of the volume mix. Post-FY27, as we execute two large turbine upgrade orders currently in the backlog, that should grow to 80%. We do not provide segment-specific margins, but we target 30% plus gross margins and an overall EBITDA of 10% plus.

**Mehul Panjwani – 40 Cents:** What revenue visibility do we have for FY27?

**Management:** We expect top-line growth in the range of 5% to 8% compounded over the next few years.

**Operator:** Next question is from the line of Nikhil from Toro Wealth Managers LLP. Please go ahead.

**Nikhil – Toro Wealth Managers LLP:** Congratulations on the turnaround. Excluding one-offs, your operational profitability is already around 12% this quarter. Is it fair to assume this is the base level going forward?

**Management:** On a normalized nine-month basis, the EBITDA is around 10%. For this specific quarter, yes, the normalized margin is higher, around 14.5%. While we target 10% plus for the future, we continue to optimize costs and focus on pricing, especially for GE-owned machinery.

**Nikhil – Toro Wealth Managers LLP:** You mentioned 5% to 8% growth. Is that conservative?

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**Management:** It is not conservative; it accounts for two factors. While core services and turbine upgrades are growing, we are shrinking our footprint in greenfield EPC. The 5% to 8% figure reflects both the expansion in services and the calibrated decline in new build volume.

**Operator:** Next question is from the line of Aman Shah, an individual investor. Please go ahead.

**Aman Shah – Industrial Investor:** We mentioned the target market for core services is 2,500 crores annually. Does our nine-month order win imply a market share of 25% to 30%?

**Management:** Yes, that includes our own assets and non-GE assets. We focus on a capability matrix to serve non-GE assets, specifically targeting those that are geometrically similar to our own, such as certain Chinese-origin or Indian-manufactured assets.

**Operator:** Next question is from Tejas, a private investor. Please go ahead.

**Tejas – Private Investor:** Most questions are answered, but regarding the double-digit margin target, can you provide a range?

**Management:** We maintain an endeavor of 10% plus. We have a good pipeline, but we refrain from giving a specific range beyond that.

**Operator:** Next question is from Smith Shah from JHP Securities. Please go ahead.

**Smith Shah – JHP Securities:** Could you provide a breakup of the 1,671 crore order backlog between core services and upgrades?

**Management:** Approximately 450 crores is from the EPC or new build side, and the balance is from the services business, including upgrades and products.

**Operator:** Next question is from the line of Sunil Jain from Nirmal Bank Securities. Please go ahead.

**Sunil Jain – Nirmal Bank Securities:** Out of the 2,500 crore target market, how much is legacy GE assets? Also, what is the export market opportunity?

**Management:** Our own installed base in that target market is about 500 crores. The rest is non-GE. On the export side, we target only GE-design boilers for spare parts, which is an opportunity of roughly 450 to 600 crores. We are not targeting non-GE machines in the export market.

**Operator:** Next question is from the line of Rishikesh Shah from Alchemy Capital. Please go ahead.

**Rishikesh Shah – Alchemy Capital:** What are the plans for the cash on the balance sheet?

**Management:** We have passed through a very difficult time. We are focused on sustainability and moving quarter by quarter. We will deploy cash in line with the strategy we have tested, which is yielding results.

**Operator:** Next question is from Rama Krishnan V from Equity Intelligence. Please go ahead.

**Rama Krishnan V – Equity Intelligence:** How many employees will remain after the Durgapur demerger, and will you source equipment from that facility?

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**Management:** There are about 170 employees in the perimeter of that transaction. Currently, our headcount is around 600. Regarding Durgapur, we have signed a 5-year supply agreement with JSW Energy to ensure continuity for boiler spare parts while we develop an alternate supply chain.

**Operator:** Next question is from Mehul Panjwani from 40 Cents. Please go ahead.

**Mehul Panjwani – 40 Cents:** When do we expect the NCLT decision on the demerger?

**Management:** It is a court-driven process with multiple tollgates. Our expectation is that it could be completed within the calendar year 2026, likely toward the later part.

**Operator:** We have a follow-up from Nikhil. Please go ahead.

**Nikhil – Toro Wealth Managers LLP:** Regarding the 5% to 8% growth, I understand that is at a company level while core services will likely grow at a much higher rate. Is that correct?

**Management:** That is a fair assessment. As the share of services increases, it should logically lead to higher margins at the company level as well.

**Operator:** Next question is from Aman Shah. Please go ahead.

**Aman Shah – Industrial Investor:** Regarding steam turbine upgrades, the CEA has identified units for renovation. Will we focus on these?

**Management:** We are fully focused on upgrades. Your company is currently delivering these for Vindhyachal. There is a significant pipeline from central and state utilities as these assets reach the end of their design life.

**Aman Shah – Industrial Investor:** Will these be manufactured at Durgapur?

**Management:** We work with a global ecosystem and take calls based on the specific project, schedule, and cost.

**Operator:** Final question from Sunny Shah, an individual investor. Please go ahead.

**Sunny Shah – Individual Investor:** Regarding the BHEL settlement, how much is yet to be received?

**Management:** As of the reporting date, we collected 2,216 crores. We expect a further 124 to 125 crores in February and March. Total collections from BHEL within this financial year are expected to be around 340 crores.

**Operator:** Thank you. That concludes the question and answer session. I hand the conference back to Mr. Puneet Bhatla for closing comments.

**Management:** Thank you to all the investors for your interest. We remain disciplined, selective, and margin-focused as we march ahead. Thank you for your time.

**Operator:** On behalf of GE Power India Ltd., that concludes this conference. Thank you for joining us and you may now disconnect your lines.