September 17, 2025

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BSE Ltd. Department of Corporate Services P. J. Towers, Dalal Street, Mumbai – 400 001. **(Scrip Code: Equity - 544488)**	**National Stock Exchange of India Ltd.** Listing Department Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 **(Symbol: VIKRAMSOLR, Series EQ)**

Dear Sir/ Madam,

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Transcript of the Q1FY26 Earnings Conference Call

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, , please find enclosed herewith transcript of the Q1FY26 Earnings Conference Call held on Wednesday, September 10, 2025.

We request you to kindly take the aforesaid information on record.

Thanking You,

For and on behalf of
VIKRAM SOLAR LIMITED

SUDIPTA BHOWAL
Digitally signed by SUDIPTA BHOWAL
Date: 2025.09.17 17:16:10 +05'30'

SUDIPTA BHOWAL
Company Secretary &
Compliance Officer

Encl: As above

“Vikram Solar Limited
Q1 FY '26 Earnings Conference Call”
September 10, 2025

E&OE - This transcript has been edited for transcribing and other factual errors. In case of discrepancy, the audio recording uploaded on the stock exchange on 10th September 2025 will prevail.

MANAGEMENT: **MR. GYANESH CHAUDHARY – CHAIRMAN AND MANAGING DIRECTOR – VIKRAM SOLAR LIMITED**
MR. K. K. MASKARA – CHIEF EXECUTIVE OFFICER (INTERIM) – VIKRAM SOLAR LIMITED
MR. RANJAN JINDAL – CHIEF FINANCIAL OFFICER – VIKRAM SOLAR LIMITED
MS. RINAL SHAH – GENERAL MANAGER, CORPORATE FINANCE – VIKRAM SOLAR LIMITED

SGA - INVESTOR RELATIONS ADVISORS

Moderator: Ladies and gentlemen, we welcome you all to the Q1 FY26 Earning Conference Call of Vikram Solar Limited. This conference call may contain forward-looking statements about the company which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements do not guarantee the future performance of the company and may involve risks and uncertainties that are difficult to predict.

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 touch-tone phone. Please note this conference is being recorded.

Now I hand the conference over to Mr. Gyanesh Chaudhary, Chairman and Managing Director. Thank you and over to you, sir.

Gyanesh Chaudhary: Good morning everyone, and a very warm welcome to Vikram Solar's first earnings call post our recent listing. To begin with, I would like to express my sincere gratitude and congratulations to all our stakeholders, investors and bankers, business partners also for their support in helping us achieve a significant milestone. The successful listing of Vikram Solar on the Indian Stock Exchange is a milestone. We are truly encouraged by the overwhelming response to our IPO. This call is not just about quarterly numbers. It is about the larger story we are all a part of, the story of India's energy transition.

Over the last decade, we have seen solar power evolve from being an alternative energy source to becoming the backbone of India's energy ambition. This year, India achieved something remarkable. More than half of the country's installed power capacity now comes from non-fossil fuel sources, a target which was originally set for 2030 but achieved five years ahead of schedule.

This tells us this transition is no longer aspirational. It is happening here and now and that too at scale. With this broader energy transition, solar energy has emerged at the cornerstone with over 119 gigawatts already installed as of July 2025 and a clear national roadmap of 280 gigawatts by 2030.

Solar is no longer just about adding capacity. It is about reimagining how India powers its industries, homes and aspirations. In addition to above, the National Green Hydrogen Mission, PM Kusum Scheme, PM Surya Ghar Muft Bijli Yojana add about 200 gigawatts of demand over the coming years.

What makes this transition unique is that it is deeply intertwined with India's vision of energy security and self-reliance. Energy independence is no longer spoken of only in terms of coal reserves or imported oil, it is now defined by our ability to build, innovate and manufacture at a resilient renewable energy ecosystem right here in India. This trend that we are seeing is a multi-decadal trend that we are just getting started with.

Our strategic investments today will be the foundation for decades of sustainable growth. Cost continues to work in our favour too. Globally, the levelized cost of energy of utility-scale solar has fallen 80% to 90% since 2010, with further efficiency and balance of system gain bringing down the energy tariffs.

Storage costs are also trending downwards, improving the economics of round-the-clock and peak power solutions. Additionally, there are multiple emerging trends we are observing. Supply chain dynamics, tariff overhang risks for India as an economy, clear technology paths and choices, domestic policy evolution including the transition to the new GST regime.

We'll cover this as we proceed.

As the domestic demand for solar modules remains strong and resilient, navigating through this tariff uncertainty has been remarkably smooth. Almost all the shipments we are executing are for domestic markets currently and we expect this trend to continue throughout the year.

As for our existing orders from U.S. customers, we are in active discussion and monitoring the policy situation closely, adapting in real time to any shifts. On the raw material side, polysilicon supply and demand scenarios in China are now stabilising and we are seeing a much more balanced and sustainable equilibrium.

Following the recent July meeting between China's Ministry of Industry and Information Technology and 14 leading PV manufacturers, polysilicon prices briefly spiked but have now normalised, supported by production discipline, self-regulatory agreements, significantly reducing the price volatility going forward.

On the technology front, TOPCon has emerged as a dominant standard both in China and India. Unlike other next generation technologies like HJT, TOPCon provides a low-cost, low-risk pathway to a retrofit flow from PERC. It has rapidly gained market share because of its rapid scalability and meets efficiency mandates without the heavy capex or silver usage required by alternatives.

With recent notifications by Ministry of Renewable Energy in last week of July, the commitment to onshore solar supply chain has been reinforced. In coming years, players with integrated cell and module capacities will command a sizeable market share in the domestic market. We are also seeing a market design change with country's peak demand surging on the back of India's industrial growth and electrification.

The shift towards a more decentralised and distributed energy generation is imminent over the next decade. Round-the-clock renewable tenders backed by storage are scaling. And both state and central utilities are experimenting with storage co-located at sites to better integrate daytime solar and meet evening peaks.

For us at Vikram Solar, this moment brings both opportunity as well as responsibility. We began our journey in 2009 with a modest 12-megawatt module line, driven by the belief that solar would one

day be at the heart of India's growth story. Today, we have 4.5 gigawatt of installed capacity and are on course to expand whopping 17.5 gigawatt by fiscal 27.

With policy certainty reinforced and technology trend being clear, we are also entering solar cell manufacturing with a planned 12-gigawatt capacity by FY27. This will be the largest TOPCon capacity in India in a single location.

We operate in capital goods segment. Our customers, while undertaking large capital expenditure, value long-term performance and bankability over upfront cost. Our focus is to ensure that every module we manufacture contributes not just to get megawatts installed, but to megawatt hours delivered reliably over decades. That is why our strategy is guided by three principles, to expand with discipline, to compete through quality and innovation, and to build for the markets of tomorrow.

With that, I now hand it over to our CEO, Mr. Maskara, to share his thoughts for our execution and market outlook, followed by CFO, Mr. Ranjan Jindal, who will take you through the financial performance of the quarter. Thank you.

K. K. Maskara: Thank you, sir. A very warm welcome to all the participants present on this call today. On this momentous occasion, I feel immense pride in the journey Vikram Solar has undertaken and I have had the unique privilege of witnessing it unfold from the front row seat. In our initial days, we commenced from a daily throughput of 100 to 120 modules a day and today have scaled the number to 15,000 plus, clocking more than 150x growth.

While the global counterparts scale rapidly on the back of domestic and export demand, Vikram Solar has built its trajectory with a far more nascent ecosystem. Yet today, we are standing shoulder to shoulder in terms of manufacturing sophistication, product reliability and adoption of latest generation technology such as N-Type TOPCon, and HJT. All our current capacities are on TOPCon capable.

We have successfully navigated multiple technology transitions with speed and precision and the practical experience of swiftly adapting to new technology pivots has enabled us to lead the next wave of advanced upcoming innovations like Back-Contact and Tandem cells with advanced chemistries. Consistent advancement in wattage and efficiencies has led us to considerably improve the LCOE for our end customers, which in turn has enabled us to win over 70% repeat business from marquee customers in our top 10 list.

With a strong emphasis on quality and reliability, all our modules undergo highly accelerated stress testing to meet the highest global standards. As a testament to our performance, we are India's first solar company to feature in the reliability test gold standards, Kiwa PVEL, top performer list in 2017, and have consistently featured 8 times since then. Our manufacturing facilities are equipped with advanced automation system and technologies that adhere to global standards.

Next quarter, we will commission our new facility, 5 gigawatt module manufacturing in Vallam, Tamil Nadu, a state-of-the-art, highly automated plant engineered to achieve significant manpower efficiency per line. From our existing workforce of 2,000 plus for 4.5 gigawatt capacity spread over two facilities, we will only deploy additional manpower of 800 for the new 5 gigawatt facility. Such transformational manpower optimisation will yield significant operating leverage as we scale.

Our 200-member strong R&D and quality control team plays a critical role in driving innovation through the adoption of digitisation and lean manufacturing practises. Our R&D laboratory is accredited by NABL along with ILAC-MRA. The value engineering initiatives that allowed us to reduce the cost of poor quality by 53.33% and sustain our cell and BORM yield above industry benchmarks. To further strengthen our innovation capabilities, we plan to establish a centre of excellence at our Falta facility.

We are present across all business segments in the domestic as well as the export markets. Throughout two decades' journey, we have had the most diversified export presence, having catered to 39 global markets since inception. On the domestic front, we cater to key customer accounts with utility-scale projects for both public and private entities, commercial and industrial segment, and retail segment through our exclusive distributor network.

We have built a strong pan-India presence, operating across 19 states and two union territories through an extensive distribution network comprising 98 authorised distributors, over 375 dealers, and more than 76 system integrators. This robust network has enabled us to establish a sustainable customer base for our solar PV modules across the country.

As we scale capacity, our focus remains on reinforcing Vikram Solar as the brand of choice for bankable, high-efficiency modules. At the same time, we are investing in brand equity globally so that made-in-India solar technology is associated with excellence, sustainability, and leadership. With strong and growing demand, a healthy order book, an expanding project pipeline, and the established capabilities and brand equity of Vikram Solar, we are well-positioned to capitalise on the significant growth opportunities ahead.

Now, I would like to invite our CFO, Mr. Ranjan Jindal, to take over through the operational highlights of the quarter.

Ranjan Jindal: Thank you, Mr. Maskara, and good morning everyone once again. Let me now take you through the financial performance for the quarter ended June '25. So, this quarter marks a clear shift in the quality of our earnings.

Growth is now accompanied by structural efficiency gains across operations and financing. With higher utilization, after last year's capacity expansion, we are not only producing more, we are producing at a substantially lower cost that is materially boosting profitability. As of June 30, our order book stands at 10.96 gigawatt, supported by order wins from marquee customers, giving us ability and visibility for the next quarter.

Additionally, we have secured prestigious contracts, including 250 megawatt from Bondada Group, 336 megawatt from L&T, and 326 megawatt from GIPCL. These wins reflect strong market confidence and validate our execution capabilities. Financially, the impact is visible across the profit and loss statement.

Revenue rose by 79.7% year-on-year from INR630 crores in Q1 of FY '25 to INR1,134 crores in the current quarter. Operating EBITDA more than doubled from INR111 crores in Q1 FY '25 to INR242 crores in the current quarter. Consequently, PAT increased from INR22.8 crores in Q1 '25 to INR133 crores in the current quarter, delivering an unprecedented growth of approximately 5x.

Increase in overall profitability vis-à-vis growth in revenue was additionally fuelled by reduced cost of manufacturing, optimised finance cost, and efficient tax planning. We are pairing our growth plans with one of the largest capex programs in the sector, a 4x increase in the module capacity to 17.5 gigawatt, coupled with a backward integration through a 12 gigawatt cell line in FY '27. Investment in these capex plans will be supported by incentives from both the center and the state government.

This quarter shows not just higher volumes, but lower manufacturing costs, optimised cost of capital, a strong execution team that helps us secure an improved and sustainable earnings going forward. With a healthy order book in hand, expanded capacities, and a continued financial discipline, we remain confident in delivering a sustained growth. Thank you once again. We are now open for questions.

Moderator: Thank you very much, sir. We will now begin the question-and-answer session. The first question comes from the line of Nidhi Shah from ICICI Securities. Please go ahead.

Nidhi Shah: Thank you so much for taking my question and congratulations on a great set of numbers. My first question would be what is the execution for the quarter for module? And my second question is on the order book. How do we see our order book going forward? The order book at this point in time is quite robust. Are we hoping for any incremental orders during the year of large sizes or are we looking to work with the order book that we have currently?

K. K. Maskara: Nidhi, I couldn't get your first question.

Nidhi Shah: My first question is what is the execution in megawatt terms for this quarter? As in what are the modules that we have sold in megawatt terms?

K. K. Maskara: During this quarter, we have produced more than 750 megawatt of modules. And as regards to your second question with respect to order pipeline, we are having a healthy pipeline of more than 38 gigawatt on which we are working. And historically, we have had a very good success ratio of converting the pipeline.

As regards to order win on large size projects, as I explained that we are present across all segments. We are there in distribution market, which is taking care of the retail segment. We are also there in the utility scale segment, both on private and government front and also on the C&I segment. So, our

new order book will be a mix of all kinds from large orders from the utility scale, medium size orders from the C&I segment and cash and carry order from the retail segment.

Nidhi Shah: Thank you. I have a question on the spread. So, if I assume that the module realisation has been flat from last year at INR18 per watt, I am seeing that there is an increase in the spread this quarter. Is my assumption correct? And if so, then what is the reason for the accretion in the spread?

K. K. Maskara: Spread meaning?

Nidhi Shah: Gross profit per watt.

Ranjan Jindal: I will take that. Yes, you are right, Nidhi. There has been an increase in the spread for the current quarter. But that does not permanently mean that the prices on the module front have changed substantially. As we explained that with economies of scale coming in, we were able to secure the overhead cost per unit to an optimal level and the impact of the raw material cost has also helped us maintain a healthy margin.

Nidhi Shah: So, can we expect that the spread will remain in this range of 5, 5.5 for FY '26?

Ranjan Jindal: So this, Nidhi, will be a bit of forward looking. Maybe we can reconnect again after a month and we will be happy to share the numbers at that point of time.

Nidhi Shah: All right. My absolute last question would be that what is the progress on the development of the cell plant? Have we given out orders for equipment yet?

Ranjan Jindal: So, on the ordering front, yes, the projects are in line with what was scheduled originally and most of the contracts with regard to execution are in the negotiation stage to be closed in this month. We are on track.

Nidhi Shah: All right. Thank you so much.

Moderator: Thank you. The next question comes from the line of Ketan Jain with Avendus Spark. Please go ahead.

Ketan Jain: Thank you for the opportunity, sir. So, my first question is, what is your capex plan for the near term, the next 2 to 3 years, to build to the capacity which we have targeted?

Ranjan Jindal: So, we can only just give you a plan as to the addition in the module, starting from 4.5 to 17.5, as the CMD and the CEO briefed about, and a 12 gigawatt cell line. So, that can help us work out an effective deployment of about INR 6,000 plus crores.

Ketan Jain: INR6,000 crores for the full capacity which we are adding?

Ranjan Jindal: Yes.

Ketan Jain: INR6,000 crores capex we can expect in the next build to FY '28?

Ranjan Jindal: FY '27.

Ketan Jain: '27. Sir, my next question is on the DCR side. What type of realisations are we seeing in DCR and in the DCR modules which we are, sorry, in the non-DCR modules which we are selling right now? And once the cell capacity comes in, are we going to use the cells only for captive purposes or are we thinking to export them or sell the cells outside?

K. K. Maskara: So, as regards realisation for the non-DCR market, it is a function of the solar cell prices which prevails in the market. We ensure that we are able to maintain a healthy gross margin in all our contracts. So, it is ever moving. As regards the uses of the DCR cell going forward, we will be having a capacity of 17.5 gigawatt of modules as well as our cell capacity would be around 12 gigawatt. So, we would be looking at captively consuming the solar cells for our modules.

And as regards the market where we would be selling, we foresee India to have a large demand of the domestically manufactured cell as well as the domestic module. However, if we find good opportunities for exporting the modules, we will be open to that.

Ketan Jain: So, cells you will use 100% for captive only. Is that a right assumption, sir?

K. K. Maskara: **That's** right.

Ketan Jain: And on the export, I can see that we have been very active in FY24 and then we were not active in FY25. What would be your strategy going forward? Is it dependent on the realisations and how it plays out or is there any percentage you are targeting of the mix?

K. K. Maskara: So, currently in our order book around 14% is the export mix. We are closely watching what is the development in US and accordingly we will decide on a way forward for the export mix in our overall order book.

Ketan Jain: Understood. So, my last question is on, I think you said our margins improved because of lower cost of production. In terms of modelling, I just wanted to understand how much does a fixed cost of one gigawatt of module capacity comes into? Like if I have to operate a module capacity, what is the fixed cost for one gigawatt of module capacity?

Ranjan Jindal: So, on a capex front, about INR200 crores of capex is what we envisage for a one gigawatt module. And the operating cost fluctuates with whatever efficiencies we are bringing in the operations.

Ketan Jain: No, without the variable cost like we employ overheads and all those things, what is the fixed cost to operate a module capacity?

Ranjan Jindal: It keeps fluctuating, Ketan.

Ketan Jain: So, in other ways, what is the sales required to make a break-even in terms?

Ranjan Jindal: So, normally with the current cost levels, a cost of about INR10.5 to INR11 per watt is what the current operators are working at.

Ketan Jain: INR11 per watt.

Ranjan Jindal: Yes.

Ketan Jain: This is the fixed cost you are talking about, sir. Sorry.

Ranjan Jindal: So, maybe, Ketan, we are entering a bit of nuts and bolts, but I can always say that on an overall level, the cost is at INR11 per watt peak.

Ketan Jain: This includes the variable also.

Ranjan Jindal: It does.

Moderator: The next question comes from the line of Deepak Purswani with SVAN Investments.

Deepak Purswani: Congratulations for a successful listing. So, I just wanted to check it out a couple of things. Firstly, on the export market, I just wanted to check it out what was the contribution during this quarter, whether there was any pre-buying which we have witnessed from the US market during this time. And as a result, the realisation is higher than, non-DCR market realisation and currently at $0.18 and would it sustain going ahead? How should we see into this?

K. K. Maskara: As regards export market, we have not done export in this quarter. So, and as regards the average selling price in the non-DCR market, as I explained that this is a function of the solar cell prices and as the solar cell prices move, the selling price of the modules will also move. We always maintain a proper gross margin while doing the pricing of the modules.

Deepak Purswani: And sir, recently, like you also, I mean, in the initial comments, also it was mentioned about the hike in the raw material prices. So, just wanted to check it out on the pricing, but how does the contractually we have the pricing terms with the client, whether these price get passed on to the clients or these are typically the fixed price for the contracts and would this margin of 22% with only module capacity, would this be sustainable at least for the next couple of quarters from here? How should we see into this entire scenario?

K. K. Maskara: See, we have different forms of contract and the contracts have different delivery periods. Contracts which are for a short-term delivery period do not have a price variation clause. However, contracts which are having deliveries of say more than 3 to 4 months spreading over 8 to 12 months, they have a price variation clause wherein the change in solar cell prices is passed on to the customer.

And for the government orders, there is no price variation clause. So, if there is a fall in raw material prices, it helps to increase the margin. Whereas, if there is an increase in raw material prices, that has to be absorbed by the company.

Deepak Purswani: And sir, finally, just wanted to check it out about the timeline for the coming capacity for the Vallam plant. For 5 gigawatt, we mentioned that would be by Q2 FY26 and what about the rest of the capacities? 6 gigawatt is another plant in Tamil Nadu and Calcutta 2 gigawatt. And similarly, for the cell plant, what are the broad timelines if you can share that would be really helpful?

K. K. Maskara: So, we are on track with respect to timelines for these facilities for these capital facilities that are coming up in next fiscal year and for the 2 gigawatt Falta plant that will come up in fiscal year '27.

Deepak Purswani: And what about the cell capacity? When they should be on stream?

K. K. Maskara: Cell capacity is also scheduled to come up in next fiscal year.

Deepak Purswani: And sir, from the industry perspective, if I understand correctly, ALCM is going is expected to be implemented from June 26 only. So, in that context how should we see from our company point of view. how we are positioned in terms of this evolving regulatory development?

K. K. Maskara: As regards ALCM, it will be applicable for the net metering and open access project from June 2026. And we see it to be a good development happening. Solar cell manufacturing capacities are coming up and we foresee that there will be adequate solar cell available to cater to this market.

Deepak Purswani: So, from the solar cell capacity point of view we are lined up in H2 and this is going to be implemented from June 26. So, in the interim period what would be our procurement strategy for the cell?

K. K. Maskara: So, we are tying up for the cells that we will require to cater to this market from the DCR cell manufacturers.

Moderator: The next question comes from the line of Bala Murali Krishna with Oman Investment Advisors. Please go ahead.

Bala Murali Krishna: So, regarding the margins, so, even some listed players who are operating domestically are also having margins around 30% for having domestic presence and US suppliers are also having around 20%. So, we are also supplying 100% of the production almost in this quarter to the domestic players. So, still we are lagging behind the margins. What would be the levers which can improve the margins going forward near to 30% like other players? So, when do you see that we can achieve that?

Ranjan Jindal: Yes, Bala, I could gather you partially. Maybe you'll have to repeat the questions again, please?

Bala Murali Krishna: Yes, I'm telling that the margins which we are achieving around 20%, players who are selling almost 100% of the modules in the domestic are having a margin of around 30%. So, what is the lever which we can improve our margins to that level and when do you think that we can achieve those numbers?

Ranjan Jindal: So, maybe again not very clear, but I'll try to answer. So, the 30% EBITDA margins which you are talking about are the ones who are dealing in DCR market today. But we are not into DCR we are catering to the non-DCR market. So, hence the reduced EBITDA in comparison to the ones in DCR.

K. K. Maskara: And we have already started the lever for the same as in by setting up the solar cell manufacturing facilities which will be up and running in the next fiscal.

Bala Murali Krishna: Okay. So, when we go into DCR then we can get those margins?

K. K. Maskara: Right.

Bala Murali Krishna: So, on the gross margin front do you think these margins are sustainable there any rates in the upcoming quarter? In previous quarter, there was a decrease in input raw material cost. There will be some transition period, but maybe we need to pass this, between the raw material products as to the customer also. So going forward, where do you see gross margin to stabilize?

K. K. Maskara: The order book which we are executing is with healthy gross margin. However, the exact gross margin will depend upon the mix of the orders which we would be executing. As explained that there are some contracts which are without price variation and there are some contracts with price variation. So finally, the gross margin will depend upon that mix that we are executing in this quarter.

Bala Murali Krishna: So, regarding the capex execution, so I think your 5 gigawatts you told that the quarter 2 will be completing. So, the managing we are expecting Q3 or Q4 of the financial year?

K. K. Maskara: Regarding this 5 gigawatt facility, we are expecting it to come up in this quarter means in Q3 of this year.

Bala Murali Krishna: Q3, right?

K. K. Maskara: Yes.

Bala Murali Krishna: Okay, that's all for my side. Thank you.

Moderator: Thank you. The next question comes from the line of Yash Gadia with Ambit Wealth. Please go ahead.

Yash Gadia: Yes, so I think the first question is what's your plan on funding the capex of INR 6,000 crores in the cell capacity, right? So, as we understand you're planning a cell capacity of 12 gigawatts. That looks like a more than INR 6,000 crores figure. So how do you plan to you know fund that?

Ranjan Jindal: So yes, it will be a combination of the equity we raised from IPO, debt from PSU and private banks and internal accruals which are accrued to the company over the period of time.

Yash Gadia: I mean, but I think the IPO proceeds would suffice, I mean that for just the module expansion, right? So you look to raise another round of equity for the cell because we understand that you're going

from 4.5 to 17 gigawatts of module capacity and with the INR1500 crores of raise, I mean how does that even fund your cell capacity?

Ranjan Jindal: Yash, the answer remains same. It's a combination of the three factors we discussed. But as of now, no further plans to fund this capex from raising additional equity.

Yash Gadia: Okay, great. Just one more question. So just a split between in terms of your top line, split between the manufactured modules, traded modules and the EPC modules. If you could just give a brief split between the three?

K. K. Maskara: So yes, we are catering to the EPC customers as well and we also have this distribution segment. We have customers on the C&I segment, customers on the utility scale. So and the mix of supplies to EPC contractors or the utility scale varies on quarter-to-quarter basis.

Yash Gadia: No, sorry, sir. I think I did not mean the customer segmentation but how much of cells were, how much of modules were manufactured, how much were from, traded volumes, right? I mean you also trade some modules, import them and sell them within the country. So split between those two and EPC business?

K. K. Maskara: So in Q1, we do not have any EPC revenues and as regards the split between the trading and the manufactured modules, we get all our modules manufactured, be it in our facility or at an OEM facility.

Yash Gadia: Okay, awesome sir. I think one last question on efficiency, how I think we've improved to 75, quarter-on-quarter what has been the improvement in efficiency?

K. K. Maskara: Efficiency you mean to on the module side?

Yash Gadia: Yes.

K. K. Maskara: So we are operating on this TOPCon modules. So, say average watt peak of TOPCon modules in the last fiscal was around 585 watt and whereas in this quarter we were selling an average power output of around 590 watt. So there is an increase of around 5 watt per module.

Yash Gadia: I mean -- I meant the manufacturing efficiency. So, of your 4.5 gigawatts of capacity, how much of production were you able to detect the efficiency or production efficiency levels?

K. K. Maskara: Got it, got it. So on the rated capacity of on a manufacturing facility, we were at 67%.

Yash Gadia: Okay. And last quarter?

K. K. Maskara: Last quarter we were a bit lower than this. So, we have improved on this capacity utilisation in this quarter.

Yash Gadia: Okay, great. Thank you so much.

Rinal Shah: To that, we would just like to say that last year saw us expanding 1 gigawatt of additional capacity which came through only in the last quarter, which is why our additional capacities were ramping up and hence the utilisation was less than optimum. This quarter we've had full 4.5 gigawatt at our disposal, completely ramped up, entirely N-type capable producing products at the highest watt peak which has been in our order book and hence our utilisation on the effective capacity has been amazing at 89% this quarter.

Yash Gadia: Yes, okay. Thank you.

Moderator: Thank you. The next question comes from the line of Saloni with ValQ Investment Advisory. Please go ahead.

Saloni: Okay. Thank you for this opportunity. Most of my questions are answered. The only one question that I have is that the upcoming cell facility by '27 would be 12 gigawatt and the module capacity by then would be 17.5 gigawatt. So, the entire cell that we will manufacture will be consumed by our module facility. Will we need any additional cell to be bought from outside? That is the question.

K. K. Maskara: Saloni, yes, that will depend upon the type of order books that we will be executing at that point of time. However, we foresee that there will be a huge market which will also be there which will not require DCR cells. So, the balance of capacity of modules which we will have, we would be able to sell into the market for the non-DCR requirement.

Saloni: Okay. And so, I'm sorry it's a very basic question maybe, but what is the ratio of a cell to module like?

K. K. Maskara: It's basically 1:1.

Saloni: Okay. Okay, sure. Thank you. That’s it from my side. Thank you so much.

Moderator: Thank you. The next question comes from the line of Aman Soni with Nvest Analytics Advisory. Please go ahead.

Aman Soni: Good afternoon, sir, and congrats for decent numbers. My first question is on BESS. So, with the rising adoption of renewable energy in India driven by the data centre growth and favourable government policies, so storage becomes some critical as renewables can't scale meaningfully without solving these intermittency challenges.

So could you share Vikram Solar's strategy or plans around BESS? Specifically, are you people exploring any partnerships or any in-house solutions or any integrated solar plus storage projects to capture this opportunity? So that's my first question.

Rinal Shah: Sure. Vikram Solar has announced plans in battery energy storage. We have been exploring partnerships, technology partnerships, and the prevalent technologies in BESS. We recognise storage

as one of the single most influential factors in faster adoption of solar, especially in the C&I segment, which is more than 50% of the energy consumption of the country.

We have plans to set up a 1 gigawatt hour manufacturing integrated cell and module BESS product, and that facility can be further expanded to 5 gigawatt hour, both of which will be commissioned in fiscal '27.

Aman Soni: Can you spend a few minutes more on the size of the opportunity that we are looking at in this particular segment and who are your competitors in this segment? What kind of order inflows are we expecting, let's say, in next one or two years from the government side?

Rinal Shah: Aman the current installed, especially BESS capacity is extremely low at this point in time, but given the recent innovations, the recent price movements in lithium prices, energy storage as an option has become very economically attractive. Plus, given the push by the VGF scheme announced by the central government and then the subsequent tenders that you have seen for various states that have announced solar plus storage we see about 236 gigawatt hour of installations happening in the coming five years. It is a little premature for us to be talking about the opportunity in terms of Rs. crores or USD billion, but we see energy storage at an inflexion point at which Solar was in 2017 when it achieved grid parity.

Aman Soni: So this 236 gigawatt per hour, so is it the incremental opportunity that we are talking about and what is the current level of BESS that is currently installed in India?

Rinal Shah: Currently, it is under 200 megawatt . Most of the storage capacity that you see is pumped storage, which is coming through hydro, which has been around for a really long time, but the challenge with hydro is it's very location specific. It can't be scaled, which is why energy storage through solar is an option, which if you look at the recent tenders for solar plus storage, they have been almost at the same level as solar tariffs.

Aman Soni: 200 megawatt, you said, right?

Rinal Shah: Current BESS capacity is 200 megawatt . The CEA estimates this to go up to 236 gigawatt hours.

Aman Soni: So it's a huge opportunity?

Rinal Shah: Yes.

Moderator: The next question comes from the line of Balasubramanian with Arihant Capital. Please go ahead.

Balasubramanian: Good afternoon. Thank you so much for the opportunity. Madam, actually you mentioned about the INR 11 per watt peak expenses, including variables. Right now, we are doing a capacity of 12 gigawatt on that cell side, especially it's one of the key backward integration mode. And what kind of gross margin benefits we can expect in terms of INR per watt or basis point from producing cells

in-house versus purchasing them on the open market, especially considering the 40% basic custom duty on imported cells.

And secondly, I heard some industry data shows that around solar cell capacity currently 30 gigawatt. It is expected to triple more than 100 gigawatt by FY27. And we are doing almost 10%, nearly 10% of that capacity. And I just want to know your thought process in terms of how this, because of this capacity addition, how the cost can go down? And is there any price risk because of this adding capacity?

Ranjan: With domestic cells coming in, obviously, the margins are expected to increase. But given the market is very volatile, it will be too premature to comment on the numbers. But yes, with domestic cell coming in and with the constant push from the government side, we expect margins to improve.

Balasubramanian: Okay, sir. And sir, we have seen some delays in the capacity expansion, especially in big players in the industry. Is there any key risk on the executions and timeline risk for expansion side?

Ranjan: So, we are on track as of now Bala. Maybe in the subsequent months we can come up with an update on the progress and the expected timeline, if at all.

Balasubramanian: Okay, sir. So, like what is that breakup in this order of 10.96 gigawatt and is there any penalty clauses for delayed deliveries to customers? And if you could share that -- some detailed breakup in terms of utility, commercial and industrial services, residential and fixed price and commodity limited contracts?

K.K: See, most of the contracts do have liquidated damages clauses if the delays are because of us. As regards detailed breakup, maybe we will come back to you.

Moderator: Thank you. Mr. Bala, I would request you to please come back in the queue for further questions. The next question is from the line of Prince Choudhary with PINC Wealth. Please go ahead.

Prince Choudhary: Yes. Hi, sir. Thank you for the opportunity. Actually, I have questions related to battery energy storage system. If you can walk us through your business model, like are we planning for EPC or we are going through IPP model?

Rinal Shah: No, we are not doing either. We will be in the manufacturing space. We will be providing a proprietary BMS module to the IPPs or to the EPC consumers of energy storage.

Prince Choudhary: Okay. So, we are doing the IPP work, right?

Rinal Shah: So, we will be servicing our IPP customers. We will be manufacturing the BESS module.

Prince Choudhary: Okay. Okay. Understood. And also, if you can explain the arbitrage between the per, per megawatt cost of annual cost and the annual revenue, if you can explain the arbitrage between them?

Rinal Shah: Between?

Prince Choudhary: The per manufacture -- per megawatt cost, annual cost and also the revenue which IPP usually generates, for the per megawatt in BESS only?

Rinal Shah: Are you talking about BESS specifically?

Prince Choudhary: Yes, yes. For BESS. Yes, yes. For BESS.

Rinal Shah: For BESS, it is too premature for us to have any commercial and business model related discussion. So, we would refrain from answering that.

Prince Choudhary: Okay. So, on the last part of it, if you can just explain what percentage of total cost is being funded by VGF in BESS?

Rinal Shah: For VGF, VGF is provided to the IPP consumers who are participating in the tenders to sell power. So, VGF is not provided to us, manufacturers. It's provided to the power producers.

Prince Choudhary: Yes, Yes. Right. It is provided to the IPP. I understand that. But that's not the point. Like, what percentage of cost does VGF get us?

Rinal Shah: 40% is what the government offers and then it is a result, the conclusive extent is the result of the bidding happening for every state. If you see, the tariffs are a little divergent between state to state. It's lower for a state like Rajasthan or Maharashtra but higher for Bihar.

Prince Choudhary: Okay. And what is the per megawatt cost for BESS?

Rinal Shah: The current tenders, if you go by, they are ranging between Rs.2,00,000 per megawatt to Rs.2,20,000 per megawatt per month.

Moderator: Thank you, ma'am. Mr. Prince, I would request you to please come back in the queue for further questions. The next question is from the line of Ketan Jain from Avendus Park. Please go ahead.

Ketan Jain: Yes. Thank you for the follow-up. I just wanted to confirm, do we have any exposure to DCR modules in our order book? And if not, will we be taking up DCR orders for DCR modules before our capacity comes in?

K. K. Maskara: So, as regard DCR, we are supplying into the distribution segment for the DCR requirement in the retail segment. Currently, on the large scale, we do not have DCR order book. However, we are open to take DCR order book and we have solar cell tie up available.

Ketan Jain: So, can I assume it will be less than 5% of the order book?

K. K. Maskara: We are not targeting any percentages. It will depend...

Ketan Jain: Right now, what percentage of the order book would be that?

K. K. Maskara: In our current order book of 10.9 gigawatt, there is no DCR order.

Ketan Jain: No DCR. Okay, Okay. That's it. Thank you.

Moderator: Thank you. Ladies and gentlemen, due to time constraint, this was the last question for today. I would now like to hand the conference over to the management for their closing remarks.

Ranjan Jindal: So, it was a great experience talking to you all and thank you for the questions and interactive session. We look forward to working with you all for the periods to come and reconnect again for the second quarter somewhere in the next month.

Moderator: Thank you on behalf of Vikram Solar Limited. That concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.

Ranjan Jindal: Thank you. Thank you, everyone.