Ref: PEL 40/2025-26
Date: 30th July, 2025.

To
The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001
Scrip Code: 544238

To
The Manager,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, G Block, Bandra-Kurla
Complex, Bandra (East), Mumbai – 400 051
Trading Symbol: PREMIERENE

Sub: Transcript of the conference call on financial results for the quarter ended on June 30, 2025.

Dear Sir/ Madam,

In accordance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the conference call discussing the financial results for the quarter ended on June 30, 2025. This call took place at 11:00 hours IST on Monday, 28th July 2025.

The above information will be made available on the website of the Company.

This is for your information and records.

Thanking you,
Yours truly,

For Premier Energies Limited

Ravella Sreenivasa Rao
Digitally signed by Ravella Sreenivasa Rao
Date: 2025.07.30 15:53:49 +05'30'

Ravella Sreenivasa Rao
Company Secretary & Compliance Officer

“Premier Energies Limited

Q1 FY’26 Earnings Conference Call”

July 28, 2025

MANAGEMENT: **MR. CHIRANJEEV SINGH SALUJA – MANAGING DIRECTOR – PREMIER ENERGIES LIMITED**
MR. NAND KISHORE KHANDELWAL – CHIEF FINANCIAL OFFICER – PREMIER ENERGIES LIMITED
MR. VINAY RUSTAGI – CHIEF BUSINESS OFFICER – PREMIER ENERGIES LIMITED

MODERATOR: **MR. MOHIT KUMAR – ICICI SECURITIES**

Moderator: Ladies and gentlemen, good day, and welcome to the Premier Energies Limited Q1 FY26 Earnings Conference Call hosted by ICICI Securities 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 and then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Mohit Kumar from ICICI Securities Ltd. Please go ahead, sir.

Mohit Kumar: Good morning. On behalf of ICICI Securities, I welcome you all to the Q1 FY26 Earnings Call of Premier Energies. Today, we have with us from the management, Mr. Chiranjeev Singh Saluja, Managing Director, Mr. Nand Kishore Khandelwal, Chief Financial Officer, and Mr. Vinay Rustagi, Chief Business Officer.

We'll begin with the opening remarks from the management, which will be followed by Q&A. Thank you and over to you, sir.

Management: Thank you, Mohit. So, good morning, everyone, and thank you for joining us today for our Q1 FY26 Earnings Call. Pleased to report a strong start to the financial year with our best-ever performance in terms of revenue and profit in the long history of the company.

In Q1, our total revenue stood at INR18,695 million, marking a 12% year-on-year growth, More importantly, we delivered a robust profitability with EBITDA at INR5,971 million, up 61% year-on-year, and a profit after tax at INR3,078 million, a 55% increase over the same quarter last year. What makes this performance even more noteworthy is that it comes despite planned annual maintenance on our cell lines during this quarter.

Thanks to strong execution on the ground, we were able to maintain high uptime and strong production volumes across the board. A key milestone this quarter was the successful commissioning of our 1.4 gigawatt module line and time-bound commissioning of our 1.2 gigawatt TOPCon cell manufacturing line.

This marks a significant step forward in our growth journey and sets the stage for our next phase of expansion. We remain firmly on track to deliver on our mission 2028, our ambitious roadmap to build an integrated 10 gigawatt in-board to module manufacturing ecosystem, 12 gigawatt of battery energy storage systems, 3 gigawatt of inverter capacity by the end of FY28.

I'm happy to report that all projects are progressing well, both on timelines and within budget, reflecting our disciplined execution and long-term vision. The macro environment continues to be highly supportive. We are seeing strong and broad-based demand across all our focus segments. The solar industry is witnessing record capacity additions, and we expect this momentum to continue.

On battery energy storage system, it's poised to take off in a big way with about 19 gigawatt hours of capacity already awarded and more activity expected through hybrid and FDRE tenders. Meanwhile, the residential rooftop solar is gaining strong traction. Driven by initiatives like the

Prime Minister's Surya Ghar Muft Bijli Yojana, we believe that this will be a long-term structural trend.

On the policy front, we are encouraged by the government's sustained push for domestic manufacturing, and we expect further initiatives to promote upstream capacity and advanced future-based technology development. Given this strong demand and outlook, we have accelerated our plans for both BESS and inverter manufacturing.

We aim to have both verticals begin contributing to our top line from the beginning of FY27. Regarding our proposed cell manufacturing plant in the U.S., we have decided to continue keeping those plans on hold for now, pending greater clarity on the U.S. policy and tariffs. That said, it's important to note that our business model is deeply anchored in the Indian market. Less than 1% of our total order book currently comes from the United States.

Looking ahead, we continue to evaluate new opportunities that align with our core strengths and offer scale and strategic fit. We remain agile and open to meaningful growth avenues that can complement and enhance our platform.

As we approach our first anniversary as a listed company, I want to thank all our investors and stakeholders for your trust and support. We remain committed to building long-term value and delivering sustainable, profitable growth. FY27 will be a pivotal year for Premier Energies.

We'll be more than doubling our cell and module capacities and unlocking new revenues across different streams like BESS, inverters, inverter, and wafer. We believe we are well positioned to lead India's clean energy transition and create meaningful value for all our stakeholders. Thank you once again.

With that, we are happy to take your questions.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Subramaniam Yadav from SBI Life Insurance. Please go ahead.

Subramaniam Yadav: Thank you. Sir, I just wanted to understand the order inflow numbers. We are at about INR2,000 odd crores inflow this quarter. But when you look at the breakup of that, the cell mix has been increased to 39% versus 27% in the last quarter. So, what is our strategy going ahead in terms because we have already commissioned our model facility? So how do we look at it? Whether it could be internally used or we are going to sell it to third party?

Vinay Rustagi: Yes, Subramaniam. Hi. Good morning. This is Vinay here. So, I think, what has happened there is that -- there is a big demand for cells in the domestic market. Particularly, going beyond even FY26. And we've had a closure on a few of those cell orders. And I think it is just the result in the share of cells in the order book is simply a reflection on that.

I would also say that not too much should be read into that in terms of our strategy for the business mix and cell and modules. We have huge capacities coming up, as you know for both cells and modules and we continue to evaluate the market on an ongoing basis to determine the best sales mix for us.

Moderator: Sorry to interrupt, sir. But your voice seems distant. Can you come closer? Sir, it was a little bit distant.

Vinay Rustagi: Okay. So, I was just saying that we had a closure on some cell orders going into FY27. And the ratio of cells in the order book has gone up. Having said that, we should not read too much into that as a specific company strategy. We have lots of capacity coming up for both cells and modules. And we continue to evaluate the market environment in terms of demand and pricing. And we'll fix our strategy on an ongoing basis accordingly.

Subramaniam Yadav: Okay. And, sir, have you seen any pricing pressure? Because though we have improved in realization on cell and modules. But in last six to eight months, there have been a couple of fatalities come up. So incrementally for next six months, are you seeing any pressure in the pricing?

Vinay Rustagi: No. So the answer to that is, as of now, we don't see any pricing pressure. As you can see in the results for the quarter, as well as what we have in our order book. I think there is a lot of volatility in the market in terms of pricing of some of the raw materials. But, we don't -- on the whole, we are able to protect our margins. And we don't see that impacting our profitability.

Subramaniam Yadav: And for TCF annual maintenance, how much time the plan costs shut down for this cell facility?

Management: Sorry, I can take this for the annual maintenance. So generally for annual maintenance, we allocate about a week, Mr. Subramanian. But then it could add another day or two for them coming back into the right efficiency numbers. So anything between two to five days.

Subramaniam Yadav: Okay. Thank you, sir. Thank you very much.

Moderator: Thank you. The next question is from the line of Mr. Mohit Kumar. Please go ahead.

Mohit Kumar: Yes. Hi. Good morning. Congratulations on another good quarter. My first question is, sir, on the order book, is it possible to help us see traditionally the order book composition at the end of Q1-25 versus Q1-FY26, especially between DCR and non-DCR? Has the composition changed materially?

Management: So, Mohit, the composition has not changed materially. Of course, there is an uptake in the DCR demand when you compare between Q1-FY25 and Q1-FY26. But then as our production lines also have come up, so I don't see there's a material change. But the demand for DCR is increasing starting June '26, as you're aware. It will become totally ALCM, which is 100% DCR for the Indian market.

Mohit Kumar: And my second question, sir, what is the progress on the approved list of sales? Has the application been submitted? And when do you think the list will be made public or notified?

Management: So, in our case, the applications have been submitted, fees paid, inspections done. And I think a couple of other manufacturers also have facilities which have been inspected. And I think it's

now sitting with the National Institute of Solar Energy for them to compile and come up with the list shortly.

Mohit Kumar: My last question, sir, how do you see the demand of the sale from the U.S.? Are you receiving more inquiries? And is it fair to expect to see some booking in this fiscal year for supplying sales to the U.S. market?

Management: So, on a short-term or medium-term outlook, there is a big demand from the U.S. But then we don't have enough capacities. Our priority has always been to cater to the Indian market. And we work very closely with the programs which are being monitored by the ministry. And the demand in India is so strong that we have no capacities for the U.S.

Mohit Kumar: Understood, sir. Thank you and best of luck. Thank you.

Moderator: Thank you. The next question is from the line of Rehan Syed from Trinetra Asset Managers. Please go ahead.

Rehan Syed: Oh, yes. Good morning, everyone, and thank you for giving me the opportunity. Sir, I have two questions on the PLL side. First of all, the company has achieved a 16.5% PAT margin this quarter. How sustainable do you believe this margin is?

Management: Sir, we are not here to hear you. You are smudging, please.

Rehan Syed: Yes, right now. I'm audible now?

Management: Yes, just move a little away from the phone and you can talk, please.

Rehan Syed: Okay. The company has achieved a 16.5% PAT margin this quarter. How sustainable do you believe this margin profile is given the rising depreciation from the real plant function? So, do you believe you can maintain this moving forward for FY27…?

Management: See, I think, Rehan, thank you for the question. In terms of profitability, when you look at the PAT number, there are too many levers in terms of EBITDA, obviously, and then depreciation interest and tax rate. And, on an ongoing basis, there are a number of adjustments in all these parameters. So, for example, if you see even this quarter, the depreciation has come down, interest has come down, tax has come down, and there are very good reasons for that and these changes will keep on happening on a quarter-on-quarter basis.

So, I think the key metric for us that we look at is the EBITDA margin, you know, which is how kind of we evaluate our order book and all the discussion pipeline and discussion with the clients. So, there I'm happy to say that our EBITDA margin, that we have in our order book is pretty visible and attractive along the lines of what you see currently.

In terms of the PAT margin itself, there will be minor tweaks going forward because the depreciation rate, for example, as we go forward, there will be more drawdown on debt because of expansion of a new cell and module capacity. And as the debt gets drawn down, there will be more debt cost, and that will kind of take away something from the PAT margin.

So, similarly, the tax rate is dependent on the mix between our manufacturing business, the project business, inventory valuation, etc. So, I think because of that, there will be some minor tweaks in the PAT rate. But overall, the EBITDA margin is very stable and attractive.

Rehan Syed: Okay. So, just clarifying what you asked was, and then we have to focus on the EBITDA margin and compare the PAT margin for going forward.

Management: Correct. Yes. Yes. That's correct.

Rehan Syed: Okay. And then second question is around the order book. They have mentioned that the order book stands at INR 86,027 Mn/ 5,545 MW with 100% domestic exposure. So, given that almost all orders are India-focused, so how are you planning to re-enter or scale exports, especially with the growing global demand and trade policy?

Management: Sorry. You're not audible.

Rehan Syed: I'm asking regarding the order book at INR86,000 right now with 100% domestic exposure. Given that almost all orders are India-focused, how are you planning to re-enter or scale exports, especially with the growing global demand and trade policy? Is there any plan in the internal team to focus on the exports and also for going forward?

Management: No. What did you say? How are we going to?

Rehan Syed: Scale in export market. Is there any demand on that side?

Management: So, as we just answered the last question, we do not have capacities to sell into the export market. Our capacities are all sold out for the Indian market.

Rehan Syed: Okay. I'm clarifying that. Is there any internal demand that we have focusing for export from going forward? That's what I am asking.

Management: Yes. There is a strong demand from the export market, but we don't have capacities as of now.

Rehan Syed: Okay. And the last bookkeeping question, can you please tell me what is the capex plan for the quarter and FY26-FY27?

Management: So, on the capex plan, I think we have been very clear in our presentation that we have accelerated our BSS and inverter lines, which will now come in Q1 of FY27, and our wafer manufacturing, our 4.8 gigawatt cell and module, all that is available in the presentation. Most of them are coming up in Q1 FY27, and I think something in Q2 FY27. Correct.

Rehan Syed: Okay. Okay. Thank you for answering the questions. Thank you.

Moderator: Thank you. The next question is from the line of Shivam Patel from PL Capital. Please go ahead.

Shivam Patel: Yes. Thank you for the opportunity. Just a clarification on revenue mix by business, which was said in the PPT. It has changed for the past quarter. So, how can we read those updated numbers? Yes, that's the only question I have.

Vinay Rustagi: Sorry, could you repeat that? Revenue mix?

Shivam Patel: The revenue mix by business, which was said in the PPT, it has changed for past quarters. So, how can we read those updated numbers?

Chiranjeev Saluja: Yes. So, you see there is an increase in the module sales, and that is because our 1.4 gigawatt of module line got commissioned on 16th of May. So, there is a certain amount of production of module, which has got added to our production line. And you see a 1% drop in the cell revenue, which is also because of annual maintenance of the lines in the start of the quarter.

Shivam Patel: Okay, okay. Thank you, sir. And all the best.

Chiranjeev Saluja: Thank you. Thank you.

Moderator: Thank you. The next question is from the line of Deepak Krishnan from Kotak Institutional Equities. Please go ahead.

Deepak Krishnan: Yes. Chiranjeev, just more of a strategic question. Just wanted to get your take on building versus make. How do you kind of see this? You know, there are lines available at depreciated cost globally. Is there a chance that Premier would do that to accelerate its capacity additions? And what are their views? Because we've also seen some players commission at a shorter period of time versus our initial lines were 2 years plus. Now it's 18, 21 months for the remaining cell lines. So how do you see this in terms of Premier positioning itself for this?

Chiranjeev Saluja: Yes. So, A, Premier as a company, we would always invest in advanced technologies and the latest equipment. So we would never look at depreciated or second-hand lines if you meant in Southeast Asia or in China. We would not want to foray into such an idea because these are equipments which are getting new upgrades every quarter. So, you know, we need to time it in such a way that we are not investing in an old technology.

And the majority of the lines which are available in Southeast Asia or China are mono PERC lines, which is, again, a technology which is phasing out. And getting in mono PERC lines and upgrading them is not the best way to get the high efficiency or be a leadership, have a leadership position on the efficiency front. The other aspect of this is it's not the equipment which takes time for the cell lines to set up. The equipments are available within 6 to 8 months.

The problem is when you have to start from the ground, the building, the utilities which have to be made in India, and it's impossible to get utilities from these depreciated lines in Southeast Asia or in China because those utilities have been built to suit those local requirements. So I think we as a company would not look at this aspect at all. We would want to build high-class, state-of-the-art lines and build lines which will give the highest efficiency in terms of value to the customer.

Deepak Krishnan: Sure, Chiranjeev. And maybe just, wanted to understand, let me look at, this particular quarter, the incremental sales have happened at, very low margins if I look at the incremental EBITDA jump. Is that all a function of, incremental sales have been ALLM and non-DCR sales because we have capacity constrained, and that mix should ideally improve in coming quarters?

And maybe just a follow-up on the question the previous participant asked. Basically, your sell and revenue percentages for the previous quarters have been restated in the presentation. Any particular factor that is driving that? So the Q4 number that was there in the Q4 presentation and this presentation do not match similarly for some of the other quarters. So any factor that is driving that?

And just a mix of it looks like all the incremental sales have been at 10% margins, so looks everything has to be ALMM. That should sort of rectify as we sort of add the sale capacity. And what stage are we in terms of stabilizing the 1.2 gigawatt line? Is it like in full production already this quarter?

Chiranjeev Saluja: So line is not in full production. We have commissioned the line and started the stabilization process. We expect to achieve 25% and above efficiency sometime in the end of August or first week of September. So there would be a contribution coming in from cell line starting the end of August or first week of September. And once line is stabilized, then, looking at the deep knowledge we have on running these lines, they generally work consistently.

In terms of the EBITDA and PAT margins, you're talking the EBITDA margin went down, mostly because of depreciation. We had upgraded some of our module lines in the last quarter. And also the, Vinay, you want to take...

Vinay Rustagi: I will take this. Deepak, I presume you're looking at slide number 25. Is that right?

Deepak Krishnan: Yes.

Vinay Rustagi: Yes, so I think what you see is that the operating EBITDA margin over the last two quarters has gone from 32.6% to 30.1%. And I think here what has happened is that the underlying, the core EBITDA on the sales of the business has actually remained static at the same old levels. However, during this quarter, there was a very sharp reduction in prices for sales and wafers, in China.

And because we maintain a large inventory of these products with us, we had to mark down the prices at which this inventory was held. Because our inventory pricing policy is cost price or current price, the lower of the two. So it is only because of reduction in the inventory valuation, which basically went through to the cost of goods sold line, which resulted in a reduction in the EBITDA margin that you see on the slide.

Deepak Krishnan: Sure, Vinay. And just maybe on slide 27 itself, the Q4 number, the percentages for sale is different in this versus the previous quarter.

Moderator: Sir, sorry to interrupt.

Deepak Krishnan: No, just to follow up on just on what was asked. So slide 27, if I just, if I look at it, the sale percentage this quarter for Q3 is 33 versus the presentation at that time. So it's 35 versus that time it was 33. And similarly, Q4 number has been restated, similar to what the previous participant asked. The percentage of cell and module on a quarterly basis, the historical numbers are getting changed. Any reason, how should we sort of read that?

Vinay Rustagi: See, just to clarify, Deepak, you're looking at slide number 26, right?

Deepak Krishnan: The revenue by mixed business, the right bar chart. If I look at last quarter, what's -- no, no, if I look at the Q4 number, it is 70, 24, and 6. You know, versus the previous, the same presentation last quarter was 74, 23, and 3. So any, and similarly, the 3Q number has also been restated.

Vinay Rustagi: Okay. So basically, your question is about the restatement of the historic numbers.

Deepak Krishnan: Yes, of cell and module and EPC. The mix is being changed.

Vinay Rustagi: Deepak, just give me a minute. I'm just checking it.

Deepak Krishnan: Yes, no worries. You can go on to the next participant. I'll join back on the queue so that we can come back.

Vinay Rustagi: Sure, we'll come back to you. Thanks.

Moderator: Thank you. The next question is from the line of Nidhi Shah from ICICI Securities. Please go ahead.

Nidhi Shah: Yes, thank you so much for taking my question. So my first question is on the utilization that we have given in slide number 24. So when we take the cell and module utilization, on what capacity are we taking this utilization for Q1 for cells and modules? Like, are we doing it on the effective capacity, the nameplate capacity, and what would be that number?

Chiranjeev Saluja: So it is on effective capacity.

Vinay Rustagi: Correct.

Chiranjeev Saluja: And generally, the number is, you know, the nameplate capacity less 10% is the effective capacity, and this is on that effective capacity.

Nidhi Shah: All right. Thank you. And so another thing that I wanted to know is that how are you seeing the trend in the pricing of the modules? Are you seeing that there is a drop in realizations, not only for Q1, but also for the upcoming year? Where do you see the prices moving?

Chiranjeev Saluja: So as of now, if you're looking at the ALMM non-DCR market, there we are seeing prices to be going up because the polysilicon prices, ingot vapor sale prices in China have gone up. So we are seeing an increase in the sale prices. And if you're talking about the margins, generally it's a pass-through cost for us, so we don't have any effect on that.

Nidhi Shah: Okay. Lastly, on the KUSUM scheme, what is your outlook on the KUSUM scheme, especially the component B and the component C? Are you seeing that installations are rising in the upcoming quarters? Are there any hindrances in those projects that are affecting installations?

Vinay Rustagi: No. So I think in terms of the KUSUM tenders, the big volumes are expected to come in the next year, particularly for these ground-mounted projects. As you can see from the data that we have shown in our presentation, the number of pumps installation, which is basically shown as off-

grid on slide number 13, has actually come down. That is because bulk of the focus in terms of the scheme is now on grid-connected, ground-mounted projects. Those tenders and auction awards happened over the last 1 year or so, and hence we expect a major pickup in execution in the course of the next 1 year.

Nidhi Shah: All right. Thank you so much. Those were my questions.

Moderator: Thank you. The next question is from the line of...

Chiranjeev Saluja: Can we just answer Deepak's question on the slide number 26?

Vinay Rustagi: So, Deepak, hi. So what has happened in terms of slide 26 is that historically the data that we had given was only for the domestic market. So actually, apologies, it was not complete, but now we have adjusted that data for the domestic plus export, reflecting our total business mix, and hence there has been a re-reporting of all the historic numbers.

Chiranjeev Saluja: Deepak, you're there?

Moderator: No, sir, he's not there. Okay, sir. The next question is from the line of Sujit Jain from BALIC. Please go ahead.

Sujit Jain: Yes. I hope I'm audible. So in terms of the BESS...

Moderator: Yes, sir.

Sujit Jain: Okay, great. In terms of the BESS that you put out on your presentation, A, who are the suppliers currently in India? When do you start bidding? And which are the technical partners that you're talking to? And do you see this deadline of June '26, you'll be able to come up with your facilities?

Chiranjeev Saluja: So June '26, Sujit, has got nothing to do with BESS. That is for the solar cell, mandatory use of Indian-made cells. To answer your question on BESS, we are investing in a cell to pack in a containerized solution line. We have onboarded an experienced team, and the line should be commissioned by Q1 FY '27. We are talking to various technology suppliers on the cell side. That is the battery cell which we're going to import from China. So we have not concluded on the technology partner as we speak today.

And in terms of customers whom we're going to sell this to is mostly the developers who have bid and won projects in the IPP space who's our target customer to supply the BESS containerized solutions. Does that answer your question?

Sujit Jain: In terms of the timeline, I'm not clear. June '26 is what your presentation says, 6 gigawatt hour?

Chiranjeev Saluja: Yes.

Vinay Rustagi: Yes, that's correct. So that is what Chiranjeev just said. Quarter one of FY '27 is when we expect this capacity to come online and start selling.

Sujit Jain: Yes, and in terms of the order book or booking of the order, in terms of timelines, when do you actually get into that process?

Vinay Rustagi: We've just, as we said, we've just hired an experienced team and we're adding to the sales team also over there. We have simultaneously begun discussions with our IPP customers who are winning many of these hybrid or solar plus storage projects. So given that our first product is not expected to come out for another 8 to 9 months, we would expect order conversion somewhere towards the end of the year.

Sujit Jain: Sure, and who are the suppliers currently and what capacities in India currently other players would be having? That's my last question. Thank you.

Vinay Rustagi: Yes, sure. So I think at this point in time, the capacity in India is very, very small. Most customers are looking to import completely packaged solutions from other countries. But over a period of time, particularly given the government's focus on indigenization, this entire value chain is expected to shift to India.

Sujit Jain: Sure, thanks.

Moderator: Thank you. The next question is from the line of Bala Murali Krishna from Oman Investment Advisors. Please go ahead.

Bala Murali Krishna: Hi, good morning. So do we have any incremental revenues from the recent capacity additions in this quarter?

Chiranjeev Saluja: Sorry, could you be a little louder, Bala?

Bala Murali Krishna: In this current -- yes.

Vinay Rustagi: Yes, I got your question. So basically our module line got commissioned in May and we had part of the production coming through reflected in our numbers. And to that end, yes, there are some incremental revenues in the business. On the cell line, the commercial production has just begun, so that is not shown in the quarter at all.

Bala Murali Krishna: So going forward in this, maybe next quarter or third quarter, so how much incremental revenue we can expect from these two additions? And I think that there is no further capacity coming in this year.

Vinay Rustagi: So I think it is very simple math, Bala. I mean, the total capacity that is coming online is 1.4 gigawatt modules and 1.2 gigawatt cell. Effectively, if you take it at about 75% capacity utilization and the prices that are currently in the market, you know, they will give you the expected uptake in the revenue numbers.

What I will say, though, is that while the module line is now currently nearly operating at full capacity, the cell line will take some time to ramp up and get the right efficiency, which we expect to happen over the course of this quarter. So I think this quarter you will still see only part of the uptake coming through with the balance coming in the next quarter.

Bala Murali Krishna: Okay. And the gross margin side...

Moderator: Sorry to interrupt, but I request you to join the queue for the follow-up questions. Thank you. The next question is from the line of Anupam Goswami from SUD Life. .Please go ahead.

Anupam Goswami: Sir, can you give us a hint on what's our DCR content this time and how are we going to ramp up or where do we see the mix going forward? And also, sir, on the capacity that is coming on the cells in the industry and our long-term strategy to, say, right now we are enjoying high DCR prices. Now when the capacity comes, what's our view and strategy on that?

Vinay Rustagi: Anupam, sorry, can you repeat the first part of the question? You said something about DCR content.

Anupam Goswami: Yes, sir. So DCR mix this time. Where are we at how much mix? And going forward, where do you see that ramping up and how fast ramping up?

Vinay Rustagi: So in terms of the DCR versus the non-DCR mix in our business, we don't reveal these numbers. Now in terms of the demand, the DCR demand is obviously given is going up, steadily, given the shift, given the introduction of ALMM2. Our estimate is that the current run rate of demand for DCL modules is about 15-gigawatts per annum.

That is basically the Surya Ghar Yojana, the Kusum scheme, and the PSU scheme. But from early next year onwards we will see the open access demand coming through, because projects commissioned by June 2026, we'll have to, procure, sales and modules, made in India. And so there on, early '26 onwards we expected the demand and rate to increase to about 25-gigawatts.

And then, somewhere towards the end of the year early 2027 the entire market, which is about 40-gigawatts to 45-gigawatts, will shift towards DCR. And our sales mix will basically largely reflect the changing mix of the market.

Chiranjeev Saluja: And just to answer your question on the capacity. So I mean, we are closely monitoring the situation, and our view remains that the market is expected to remain favorable with a strong demand. It's worth quoting that recent report of BNEF projects annual, deployment in India to go up from present 40-gigawatt to 125-gigawatts per annum in the next 10-years.

And we feel it's a difficult business for new entrants. New capacity usually takes much longer than expected to come online and ramp-up. And moreover, the IPB clients, the developers in India are very selective with a preference for integrated supplies, offering scale, advanced technology, proven track record and bankability. So we believe that we enjoy a strong competitive position on all these parameters.

Anupam Goswami: Got it, sir. So just one if I can squeeze. Sir, a little on the long-term, when we see this year pricing coming down with the sales or the demand also subsiding, then what's our strategy to diversify out of India or in the product lines?

Chiranjeev Saluja: So I don't think that the demand is looking to be coming down. What we are seeing is the demand is going to go up consistently. As I just mentioned to about 125-gigawats per annum in the next

10 years. So even if you look at 125-gigawatt demand, which means that the capacity of manufacturing should be at least about 170-gigawatts, 175-gigawatts in India over the next 10 years, so we don't see that the demand is coming down.

Vinay Rustagi: But equally at the same time, in parallel to that you already know, what is our expansion and vertical integration strategy. So we are going backwards into ingots and wafers and entering new businesses like batteries, inverters, and even making ancillary products like aluminum frames. So while the module business will continue to grow, as Chiranjeev said, there'll be additional revenue streams coming from all these new businesses. And that will provide us with the growth that is expected in the business.

Moderator: The next question is from the line of Aman Jain from Bernstein.

Aman Jain: Hello. Yes, hi. Thank you for taking my questions. Just one question. If you look at depreciation number, it has declined Q-on-Q even when we are adding new assets. So I just wanted to check with you why is that?

Chiranjeev Saluja: Yes, so I think I had answered this question some time back. Is that last quarter we had an increased depreciation, because we upgraded our solar module line stringers from the old technology to the latest technology. And hence the depreciation was slightly higher in the last quarter compared to this quarter.

Moderator: The next question is from the line of Mayur Patel from 360 ONE AMC.

Mayur Patel: Congratulations, Chiranjeev, and the team for a robust set of numbers. Just give us some idea about the current pricing in the market on both module and the DCR sales site.

Chiranjeev Saluja: So Pricing, Mayur, is fairly constant. It would actually see a slight increase due to prices in China going up on the non-DCR side. You would see an increase because solar cell prices in China in the last couple of weeks have gone up by almost 30%. And this is almost close to a cent, which is incremental price in the sale price from China.

And, it doesn't, affect our orders with our customers because -- yes, so our contracts are generally passed through with variable prices. So, prices in the market are fairly stable, and our order book is going into almost, 12 to 15 months which our contracts are signed so we don't see any significant change in margins.

Mayur Patel: Okay. So it's around $0.16, the sales for the DCR market currently?

Chiranjeev Saluja: DCR market sale prices range between $0.14 to $0.16, so an average of about $0.15, I would say.

Mayur Patel: Got it. And Chiranjeev change of any color on the pipeline of new order booking. Is it possible to share anything? It would be helpful.

Chiranjeev Saluja: So as we speak today, we have signed significantly large orders, post 30th June. And generally we are very, very clear on our internal policy on the order book. It has to be a fully secured signed order book what we disclose. In terms of pipeline, we have a very strong pipeline going

into FY '27. The number is fairly large, but we generally refrain from, giving numbers as a future guidance.

But, if you align with the capacity that which we are putting up which are coming up in, June 26th, the pipeline is significantly larger, compared to the volumes that we are -- the factories that we're setting up.

Moderator: The next question is from the line of Nitin Arora from Axis Mutual Fund.

Nitin Arora: Hi, sir. Thanks for taking my question.

Chiranjeev Saluja: Hi, Nitin.

Nitin Arora: Hi, sir. So just, you also said that there has been volatility in the sale prices. We saw that in the last 2 months, but now we are seeing even wafer prices, sale prices going very sharp move what we have seen in the last 2, 3 months. Can you throw some light how the Indian IPP thinking about this in terms of clocking prices now?

Because I think in the previous question you said you're seeing very large pipeline. So is it like the IPPs now are going ahead and closing the orders if you can throw some light because you deal with them. So just if you can throw some light on that aspect.

Chiranjeev Saluja: Yes, I think you're spot on this, Nitin. it is a general tendency when prices are up. You want to quickly lock up the deals and then they're dropping you expect that they'll drop further and you keep waiting. So I think you're right on that. We are seeing a strong uptake of IPPs wanting to close quickly now and, this will of course show up in our next quarterly results.

Moderator: The next question is from the line of Sarang Joglekar from Vimana Capital.

Sarang Joglekar: Yes, hi. Thanks for the opportunity. I'm looking at Slide 14 that you have given the whole demand scenario. So just, can you break it up into various sources, like how much is coming from each source annually, say, the main tendering agencies NTPC and all the state discounts corporate rooftop, and the household rooftop. So and maybe how much demand is coming if you could?

Vinay Rustagi: Sure, Sarang. Just to clarify, you're looking at the slide number 14, with the title strong demand with DCR modules.

Sarang Joglekar: Yes, but I just wanted, understanding on the entire not just DCR non-DCR as well.

Vinay Rustagi: Sure. So I think, Slide 14 is, kind of self-explanatory in a way. The Surya Ghar Yojana demand is obviously ultimately coming in from the households, wherein the demand is aggregated by the distributors and the local installers. And hence our customer continue -- is typically, these entities. In the PM Kusum Yojna, again that Kusum scheme has multiple components, comprising both solar pumps as well as ground mounted projects.

Solar pumps obviously you have these large companies, who are all the customers. And then, for the ground moted projects it is the same IPP customers that we see in the normal utility scale

business. CPSU scheme is basically all PSU companies like NTPC, NHPC, SECI, etcetera. These are mostly tender driven procurements, and we have historically had a low share in this market.

The corporate market is a mix of the captive consumers themselves, so for example, the steel companies, IT companies, etcetera. And the IPPs were setting up these projects for their end customers. And finally, the utility scale solar is the large -- is basically all the large private as well as the public sector IPP.

So that is the basically the typical customer profile in each of these markets. I would say from our business point of view we have historically had a much larger presence in the private IPP business. We've done some public sector business in the past, although that business is much smaller, share of, our, business mix right now.

Now the one change that we're making going forward is that we want to scale up our presence, in the rooftop solar market, particularly with the demand growing exceptionally in the residential segment. So there, we are making a lot of effort to enlarge our distribution base, and spend more on marketing and branding efforts, targeted at the end consumer.

Sarang Joglekar: Got it. So, follow up question.

Vinay Rustagi: Sure.

Sarang Joglekar: You said that annual demand would be around 40-gigawatt, 45-gigawatt modules, right? And if you see ALMM list capacity and listed is already at about 90-gigawatts, and you still are maintaining margins. So just trying to understand like if the capacity is already there, why isn't there's still pressure on pricing?

Chiranjeev Saluja: Yes. So I think we have answered this earlier also that the ALMM format is such that even, players who have, 300 megawatts, 500 megawatts of annual capacity which are supposed to operate, 24x7, the capacity is deciphered by -- on the basis of 24x7 operations. And many of these lines do not operate 24x7.

The other thing is that, if you look at the capacity utilization we have large capacities, but utilization is quite low, so we as a company have always thought of growing with the integration of cells and ingot wafer. So you see higher capacity utilizations in our case. And the 90-gigawatt what you see on the ALMM is not what is all operational, not what is all automated. Many of the lines are semi-automated. An IPP developer would not buy from such lines. So I think, that should answer your question.

Sarang Joglekar: So in your estimate, how much is the actual capacity?

Moderator: Sorry to interrupt, but I request you to join -- rejoin the queue for the follow-up question.

Sarang Joglekar: Yes. No. That was the last one.

Moderator: The next question is from the line of Nikhil Somani from Nixa Investment Advisors.

Nikhil Somani: Hi. Sir, just taking a cue from the previous participant, right? Trying to understand the demand supply especially on the module side. Sir, from what we understand on the module side against a demand of 40-gigawatt, the industry is expected to go to, let's say, 160-gigawatt to 170-gigawatt nameplate capacity in the next couple of years as against 90-gigawatt to 100-gigawatt currently, which the previous participant alluded to.

Now on 160-gigawatt to 170-gigawatt, even at a 60% to 70% utilization, we get 200-gigawatt to 120-gigawatt of available supply. Against, let's say, two years down the line, a demand of 50-gigawatt. So optically, it still looks like we will end up in a high over supply situation in the next two years to three years. So how do you look at this?

Chiranjeev Saluja: Yes. No. Let me explain this to you. I think we are missing the biggest point here that starting June 26, even though you have 100-gigawatt of module capacity, you would not be able to sell those modules with upward cell capacity, because you have to use Indian-made cells. So the limitation factor is not the module, but it is the cell.

Today's cell capacity in India is around 20 gigawatts, 25 gigawatts, and this has to grow to about 150 gigawatts as the demand increases. So we foresee that the demand supply situation would continue to be as it is for at least two years to three years. We don't see that there will be an overcapacity over the next two years to three years.

Nikhil Somani: So effectively, sir, what you're saying is for an integrated player like us, probably given the fact we have a sizable cell capacity, it shouldn't impact. But for a fringe player or a player who's just into module right now and not even integrated to the cell level, things could go worse.

Chiranjeev Saluja: They would be impacted big time if they don't have cells.

Nikhil Somani: Understood. Understood.

Chiranjeev Saluja: Or if it's impact to cell manufacturer who could supply themselves.

Nikhil Somani: Got it. And on the capacity utilization for the module line, which has steadily been rising for us from 69% six months to nine months back to 77% right now. I think you already mentioned that the nameplate capacity is 10% less and the effective capacity is, let's say, 90% of the nameplate capacity. And right now we are operating at 77% of effective capacity, which is essentially 70% of the nameplate capacity. Would it be fair to assume that we are operating at fairly advanced capacity utilizations and not much scope of improving the utilization there?

Chiranjeev Saluja: Yes. You are right.

Chiranjeev Saluja: Yes. You're right, because in module line you're making different kind of modules of different wattages for customers. We would be making 580-watt modules for a customer A and a 615-watt to 620-watt for a customer B. But that's not the case in a cell line. You just make one single product continuously. So in module lines we don't expect utilization capacity to go beyond around 80% of the effective.

Nikhil Somani: 80% of the effective. Got it. Got it. Okay.

Moderator: The next question is from the line of Balasubramanian from Arihant Capital.

Balasubramanian: Good morning, sir. Good morning, sir. Thank you so much for the opportunity. So my first question regarding the industry, I shared the Mono PERC capacities. It's anywhere between 30 gigawatts right now. And right now the industry itself transitioning to TOPCon. I just want to happen existing capacities, whether the real demand is there for Mono PERC. And if you could share that split between Mono PERC, TOPCon and HAT in the industry in India?

And how these Chinese transition happening. Because I shared some of the players are importing secondhand TOPCon machines they installed in India. How this transition happening on the technology side? Because if you look at in 2000 – 2002, 2015, polycrystalline technologies were there. It's almost 15 years?

From 2015 to 2025, '26, almost 10 years, 11 years. Like the people are talking about post-2030, HAT will be in the place. But then how this transition happening and the timeline is also reducing. If you could share some details about the industry and how this transition happening?

Chiranjeev Saluja: Yes. So let's start with China. In China, majority of the technology share is with TOPCon. And we are seeing that the HAT is not really growing in China. It's from TOPCon. And the roadmap from TOPCon to TOPCon back on that. And Tandem is all very clearly visible with majority of the players working on TOPCon technology. If you talk about India, we have about 20-gigawatt to 25-gigawatt of capacity. Today, out of that, I would say about 70% is Mono PERC. The rest could be TOPCon and thin film, right? But any new line coming up would be TOPCon.

And to answer your question on getting secondhand TOPCon like China is something which we do not think is the right decision because most of these lines would be two years to three years old. And the efficiency you would get from these lines would be almost a 1% lower than the latest technology lines. So we as a company do not believe in investing into two years to three years old line…

Moderator: Sorry to interrupt, but your voice is breaking.

Chiranjeev Saluja: Yes. So I was saying that we as a company would not recommend or would want to invest in old technology lines from China, because the efficiency you would get out of it would not be really up to the mark what is available today in the market.

Balasubramanian: Okay, sir. Sir, quick question about the recycling. Are we planning any recycling plant for, like, solar module and all that we can be able to reuse it?

Vinay Rustagi: Yes. Hi, Bala. This is Vinay here. So in terms of recycling, we are very, very keen to ensure that we have access to a high technology, completely environmentally compliant recycling source. So to that end, we are in the process of identifying some partners and entering into strategic tie-ups with them. We don't see it as a core activity for ourselves. So, we are not going to invest and develop these plants ourselves.

Moderator: The next question is from the line of Apoorva from IIFL Capital.

Apoorva: Hi. Thank you so much for the opportunity. Sir, I wanted to – hi. I wanted to know your thoughts on this US anti-dumping duty. There was some news flow around it. How do you see that panning out in case it gets implemented? Do you see it having an impact on the Indian market demand supply dynamics as well, given that it will essentially close the US export markets?

Vinay Rustagi: Yes. Apoorva, hi. Vinay here. So I think the investigation has just begun. And there is a pretty long period for these investigations to get completed and any duty to get effective. In general, I would say, the two main grounds for any such duty are, one, the producers selling goods at below cost, which we know is definitely not the case in India.

The second main ground is often the companies getting subsidies from the government. So, we believe the case for this is kind of not very sure. And definitely the Indian companies are not selling any products below their cost levels.

In general, I think the timeline for this investigation is incomplete and it is very hard for us to assess, what is the viability of exports to the US market. We also have to remember that, there are a couple of other issues in relation to the US market, mainly the outcome of the pending US-India trade treaty, as well as the other levies that the US Government is proposing against big nations or other countries buying Russian crude, etcetera.

So I think in general, there is quite a lot of unknowns in relation to the US market. And hence for the time being at least, because of that uncertainty, not much -- we are not placing much value on the potential of the US market until all these issues become clearer.

Apoorva: Well, this company is getting a subsidy from government sort of leave them open for a potential duty action from US. Is my understanding correct?

Vinay Rustagi: See, I think if you look at these subsidies, they are mostly at the cell level. Now on the cell level, you could argue that there is no case for the US companies to support any duty because the US cell capacity is actually very, very limited in relation to the domestic demand. The cell capacity today is only about 5-watt -- gigawatts in the US.

So I -- and all those cell manufacturers are actually sold out in the US. So for them to claim injury because of any cheap or subsidized imports from India is not actually a legitimate argument. So I think that is why I say that we don't believe that there's any kind of a solid ground for this investigation. But, of course, we have to wait until the outcome is known.

Chiranjeev Saluja: And also the exports are...

Apoorva Bahadur: And I think…

Vinay Rustagi: Sorry, Apoorva. My final point is that, our reliance on the export market is next to nil. And hence we are protected irrespective of the outcome of this investigation.

Apoorva Bahadur: Yes, understood. I think, fair enough. Another question, I think, and I would love to have some color from you.

Moderator: Sorry to interrupt, but I request you to...

Apoorva Bahadur: Ma'am, this is my second question. You're allowed two per participant.

Chiranjeev Saluja: Please go ahead.

Apoorva Bahadur: Sorry, thanks. Yes, so just wanted to get some color from you on how is the Indian market discovering pricing for cells and modules? Is it based or still based on the Chinese pricing or is the Indian market now deep enough to have its own price discovery?

Chiranjeev Saluja: No, I think we always had our own price discovery. It was never related to the Chinese prices. And if you see, Chinese have been dumping and losing money quarter-on-quarter. And that is the reason why the association reached out to the government for support and they have increased prices by about 30% at cell level and substantial increase in vapor and polysilicon. So we never had any comparison to prices in China because prices in China were varying by over 70%, 80% over a year, So it's very difficult to compare with China.

Apoorva Bahadur: Sir I understand. Yes, I understand that from a floor pricing perspective, yes, that was the case. But now given that the Chinese have such increasing pricing, do you think it will percolate to the pricing of Indian cells and modules as well, irrespective of the input cost? So can the prices go more than the input cost increase?

Chiranjeev Saluja: No, I think if we have a variable contract, so whatever increase for non-DCR module gets passed on, for a DCR module, whatever increase in the vapor gets passed on.

Vinay Rustagi: See, Apoorva, I think, you know, the Indian market ecosystem is actually developing and maturing rapidly, as you can see, with the rising capacity, both for cells and modules. Second, over the next 1 to 2 years, 1 and 1.5 years, we will see a complete transition to India-made products because of ALMM.

So because of that, there is really no connection between what is happening in China and what is happening in India. The Indian market, as you, I think, were trying to say, there is a completely independent price discovery in the Indian market, depending on local demand, particularly given for DCR cells and modules and local supply.

Apoorva Bahadur: Understood. Thank you so much.

Moderator: Thank you. The next question is from the line of Amit Mahawar' from UBS, please go ahead.

Amit Mahawar: Sorry, I have just two quick questions. First is, our decision, if you see the business mix and business model, we definitely skew towards the utility and CNI and domestic market. Exports and retail rooftop, to some extent, you answered the question about exports, but still both these segments, on a 5-year basis, are going to be an important share of the total time for you. So any thoughts about these two directionally for us?

And second question is more, starting next year, if things are on track, we will see a potential shortage in local cell capacities. Where do you think, on a 3-year basis, say on FY '25 to '28, the cell demand supply will move? Thank you, sir.

Chiranjeev Saluja: Yes. So on exports, I had answered. On retail, we are focused. We have a channels sales distribution network, and we are supplying, I would say, almost 60% to 70% of our DCR manufacturing into the rooftop segment, and about 35% to 40% to the KUSUM. So there is a very clear focus from the ministry and from the company to supply as much as we can to the rooftop segment.

To answer your question on when do we estimate that cell capacity would be enough, my take would be at least about 3 years, where you have enough cell capacity to cater to local demand, but then it's subjective as to how the demand would shape up. If the demand shapes up much faster, then of course this could go even longer. And given the fact that it's not easy to set up cell lines, this would take about 3 years. Correct.

Amit Mahawar: Thank you.

Chiranjeev Saluja: Does that answer your question, Amit?

Amit Mahawar: Yes, sir, thank you.

Moderator: Thank you. The next question is from the line of Subramanyam Yadav from SBI Life Insurance. Please go ahead.

Subramanyam Yadav: Thank you, sir, for taking the question. Yes, sir, thank you. The second thing I just wanted to ask is, on the inventory front, what is the write-off we have taken this quarter? And incrementally, I understand that in the order book, we won't have any impact because we have passed through. But the new orders, what we are going to take from the utility, are we able to pass on that incremental increase in the wafer or cell prices?

Chiranjeev Saluja: Yes, for the wafer and cell, we do pass on. And for the provision that we have made, as Vinay had said, as a policy, we value our raw material stock at either the cost or the net realizable value. So in the last quarter, prices have gone down. And because of which, as prudent governance practice, we had, yes, accounting standards, we had created this provision. But then this keeps changing quarter-on-quarter. If prices go up, then we would go back to our purchase cost. It would not be then as per market prices.

Subramanyam Yadav: Okay. And what about...

Vinay Rustagi: Subramanyam, hi. It's Vinay here. The key thing there is that it is not a loss for the business. It is just an accounting entry. And ultimately these inventory is held on account of the customers. And any price increase or decrease is passed on to them. So to that end, our position in terms of margins and profits is completely protected.

Subramanyam Yadav: Yes, understood, sir. And what about the incremental thing? Because 30% increase in the raw material cost, are the utilities agreed to such increase in prices in the future orders?

Chiranjeev Saluja: They have no choice, because if they have to buy cells, and they're dependent on China, and if prices go up, they have to pay the cost of the cell of what China is selling. And this is the reason why we need to be having a very strong ecosystem of manufacturing in India, where a developer

who bids for projects gets a fairly stable supply chain security rather than face these volatility. So this is passed on to the customer. That's an industry-wide practice.

Subramanyam Yadav: Okay, thank you, sir. Thank you very much.

Moderator: Thank you. The next question is from the line of Kunal Shah from DAM Capital. Please go ahead.

Kunal Shah: Yes. So thanks for taking my questions. Two from my side. Now recently, one of the leading solar EPC companies mentioned about a bit of slowdown in the tendering activity because of confusion around the ALCM timelines as one of the reasons, and that there is less confidence on India becoming self-sufficient on cell by June '26. Now could you just throw some light here, and do you see slippage of timelines here in terms of implementation?

Vinay Rustagi: No. So Kunal when you say slowdown in tender activity, you're talking about tender issuance, I presume. You're right. There is a definite slowdown there. But bear in mind that we have more than 130 gigawatts of solar projects which have been tendered and auctioned and are currently in the pipeline. And there's a small share of that where the PPA capacities have still not been tied up with the ultimate DISCOM customers.

So I think this is a very conscious move by the government to basically completely tie up the old auctions in terms of PPAs and then move on to new auctions. So I think we typically see this kind of cyclical pattern in the sector where we see a lot of auctions which the market takes time to absorb, followed by a slight slowdown in new tenders and followed by uptick in tenders again. So I think it is all very kind of natural and normal activity.

But the good news there is that, you know, I think 3, 4 months ago, we were talking about more than 40 gigawatts of projects being held up with PPAs not being signed up. But a lot of those PPAs are now, particularly for renewable and hybrid projects, are being tied up and the backlog is being cleared up. So we should shortly see an uptick in the tendering activity, I think, from next quarter onwards.

Chiranjeev Saluja: Sure. And just to add, the June '26 deadline would not affect the projects which have been tendered recently because they have 18 months of timeline to complete these projects. So we feel that the demand from the present levels going up over the next 2 to 3 years is going to be quite stable and in sync with the capacities which are available. We don't see overcapacity.

What will happen from June '26 is the CMI segment will have to switch over to the ALMM List II compliant, but the tenders which have been bid, they have 18 months, and they would look at buying modules at least 12 months post the tendering date or post the PPA signing date.

Kunal Shah: Understood. Now, this is very helpful. Second, on the capex towards your ingot wafer project, right? I mean, and given it's a large capex. Now, could you just tell, because on the understanding bid, would we need some sort of policy tailwind here in terms of DCR benefits, etcetera, and are we seeing any developments there?

And also, I don't know if you've clarified this on the previous calls, but could you just help the cost of production of wafers and how competitive we would be versus, let's say, Chinese imports?

Vinay Rustagi: Yes, sure, Kunal. So I think in terms of the policy, so the good news there is that we are in active discussions with the government, which is trying to assess the market landscape and is considering a very comprehensive policy combining incentives, duties, and ALM kind of measures.

So it is in anticipation of that policy that we have announced for the time being only a 2 gigawatt wafer plant, and most of the development of the remaining 8 or 10 gigawatt capacity is going to be back-ended towards end of FY '27, FY '28. So that will be after we have more clarity on the policy front.

In terms of the cost of manufacturing ingots and wafers, I think it's kind of too early to say because the local ecosystem is not really developed, but based on all the discussions we're having, once we have scale and we can develop domestic vendors for some of these products, we believe that we can reduce any cost delta over the true cost of Chinese manufacturing to very, very manageable levels.

Kunal Shah: Understood. This is extremely helpful. Thanks a lot, sir.

Moderator: Thank you very much. Ladies and gentlemen, we'll take this as the last question for today. I would now like to hand the conference over to management for closing comments.

Vinay Rustagi: Thank you. So I think overall, there is a little bit of volatility in the market in relation to, for example, supply of raw materials and prices in China, the U.S. duty structure, etcetera. From our point of view, we have been very, very focused, one, on making sure that our profitability remains intact. Second, that execution of new projects, which are going to more than double our capacity and impact on revenues and profits to make sure that the execution remains on track and on cost. And that is where we are focusing on.

So as Chiranjeev said, our main objective here is to be one of the leading players in the entire clean tech manufacturing space with scale, vertical integration, and the latest technologies. And we believe that given the initiatives that we are undertaking, we are well-poised to remain at the forefront of the sector, with growing demand and a growing business, I think we can expect very good results from the company in the coming years. Thank you.

Moderator: Thank you very much. On behalf of ICICI Securities Limited, that conclude this conference. Thank you for joining us, and you may now disconnect your lines.