Ref: PEL 21/ 2025-26
Date: 22nd May 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 and Year ended March 31, 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 and year ended March 31, 2025. This call took place on May 19, 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: 2025.05.22 17:04:22 +05'30'

Ravella Sreenivasa Rao
Company Secretary & Compliance Officer

“Premier Energies Limited

Q4 FY '25 Earnings Conference Call”

May 19, 2025

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

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

Moderator: Ladies and gentlemen, good day and welcome to the Premier Energies Limited Q4 and FY '25 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 then zero on your touch-tone phone.

I now hand the conference over to Mr. Mohit Kumar from ICICI Securities. Thank you and over to you, sir.

Mohit Kumar: Thank you, Shruti. Good morning. On behalf of ICICI Securities, I welcome you all to the Q4 and FY '25 Earnings Call of Premier Energies. Today, we have with us from the management, Mr. Chiranjeev Singh Saluja, Managing Director, Mr. Nand Kishore Khandelwal, CFO, and Mr. Vinay Rustagi, Senior Director, Investor Relations. We believe we will begin with the opening remarks from management, which will be followed by Q&A. Thank you and over to you, sir.

Chiranjeev Saluja: Thank you, Mohit. Am I audible?

Moderator: Yes, sir, you are audible.

Chiranjeev Saluja: Okay, thank you. Good morning, everybody. Thank you for joining us today for our financial year 2025 results call. I am joined today by my colleague, Mr. N. K. Khandelwal, Group CFO, Sudhir Reddy, Director and Chief Strategy Officer, Vinay Rustagi, Chief Business Officer.

Premier Energies has had an outstanding year with excellent revenue and earnings growth. For the whole year, the company achieved a total revenue of INR66,521 million, registering a 110% growth over the previous year. EBITDA came in at INR19,142 million, exhibiting a growth of 279%, while PAT grew by 305% to INR9,371 million.

These strong results have come because of robust demand across different segments in the domestic market, plus our strong focus on optimizing operations and building customer relationships. I'm very pleased to share with all of you about our long-term vision of maintaining a leadership position in the industry. As part of our mission 2028, we have set ourselves a target of achieving a 10 gigawatt ingot, wafer, cell, and module integrated capacity.

Apart from this, our entry into battery energy storage business and inverter businesses. Our previously announced growth projects are progressing very well. A new 1.4 gigawatt module line has become operational last week, while the 1.2 gigawatt TOPCon cell line is due for commissioning next month. Work is also progressing well on our 4.8 gigawatt TOPCon and 5.6 gigawatt module line, which is a part of the 4 plus 4 of the IPO proceeds, as well as the 2 gigawatt wafer plant.

We are also ready to move ahead with our investments into the U.S. space for a 1.2 gigawatt cell line, as and when there is more clarity on the U.S. policy. Including these ongoing expansion plans and the new initiatives announced today, as part of our mission 2028, our total estimated capex over the next three years is going to be INR125,000 million.

We believe that mission 2028 places us in a great competitive position with investments in scale, advanced technology, backward integration, and a complimentary product portfolio with huge synergies. Overall, we see a very good demand visibility in the solar sector. There is a strong policy impotence behind the government's flagship Surya Ghar and Kusum scheme, both of which require DCR modules.

With the implementation of ALMM on cells from June '26 onwards, the market is gradually moving to a 100% DCR status. The government of India remains very supportive of domestic manufacturing, and to this end, a new national manufacturing mission has been announced in the union budget 2025. We expect specific policy support for promoting upstream manufacturing to be announced shortly.

We are continuously examining the market landscape and remain open to new growth opportunities, offering scale and synergies with our existing business. Thank you. We are now open for questions.

Moderator: Thank you very much. The first question is from the line of Nidhi Shah from ICICI Securities. You may proceed.

Nidhi Shah: Thank you so much for taking my question. Firstly, on the 125 billion capex that has been announced over the next three years or so, I want to know what was the capex from this 125 that was already undertaken in FY25 and what will this have in 2026 and 2027? Basically, the phasing of the capex. That is my first question.

Chiranjeev Saluja: Sure. So, I will allow Vinay to take this question.

Vinay Rustagi: Yes, Nidhi. Hi. This is Vinay here. So, in terms of the capex, the 4.8 gigawatt cell line and the 5.6 gigawatt module line, the bulk of the capex will be incurred in the current financial year because we are anticipating completion by end of this financial year or early next year. For the other businesses, capex will be incurred in a scaled manner. A phased out manner because we are anticipating a phased ramp-up of the battery energy storage business as well as the inverter business.

Nidhi Shah: Okay. So, my second question is on DCR. How much percentage of the current order book would be DCR? That is one. And secondly, how do we see DCR demand in FY26 compared to how FY25 has been? What can we expect from DCR perspective, not only because of the ALM-1 kicking in, but even otherwise the existing segment of the PM Suryagar and the Kusum schemes?

Vinay Rustagi: See, I think if you see our presentation, we have given an order book breakup between cells, modules, and the EPC business. We are not able to unfortunately break down that number in more detail in terms of DCR versus non-DCR.

Chiranjeev Saluja: And the question was on demand for DCR.

Vinay Rustagi: So, in terms of demand for DCR, the demand envelope remains very, very strong. Like we said in the presentation, there are three components to demand right now, namely the Surya Ghar

Yojana the Kusum scheme, and the CPSU scheme. Between these three schemes, the total demand as per the government targets is about 65 gigawatts over the next two years. Even if we take a slightly realistic and more conservative number, there is likely to be very strong demand over the next two years.

And then, of course, with ALM cells being implemented from June 2026 onwards, there will be more market segments, namely the corporate segment, as well as the IPP segment opening up in the next two years.

Nidhi Shah: So, just to follow up on what you mentioned, that you are expecting demand from these three different schemes in DCR. Have you seen anything coming up in the first one-and-a-half month of this year? Has there been more inquiry on this? And secondly, you mentioned again the ALM-1 kicking in. Have the notifications come out? Have we got any orders pertaining to that? Do we expect this to kick in in June, or could there be any delays?

Vinay Rustagi: So, I think taking the first question first, yes, of course, we are seeing more and more customer inquiries for both the schemes, particularly Surya Ghar Yojana and the Kusum scheme. In terms of the government policy, so I think that is a hypothetical question in our view. As I said, the annual demand expectation is about 30-odd gigawatts from the government policy perspective.

Already the domestic cell capacity is about 25 gigawatts. More capacity is coming online as we speak, and we expect there to be enough capacity by the middle of next year for it to be able to cater to domestic demand. So, as such, plus given the government support for the sector, we don't see any possibility of any LMM relaxation for cells.

Nidhi Shah: Alright. Thank you so much. Thank you.

Moderator: Thank you. The next question is from the line of Deepak Krishnan from Kotak Institutional Equities. You may proceed.

Deepak Krishnan: So I just wanted to first check on this Ingot vehicle. Are we going to await any policy support to do this? Because some of the peers have PLI and we don't currently. So are we going to get some local spec schemes for that? And secondly, on the BSS 12 gigawatt capacity, what are you going to do in terms of how much is the capex, what level of backward integration? So maybe this is the first question, and then I'll come back for a couple more.

Chiranjeev Saluja: Sure. So for ingot wafer, Deepak, we've already announced our timelines for setting up the 2 gigawatt wafer facility, which is in a JV with SAS of Taiwan. This is planned for commissioning in FY27. And we are seeing a very strong demand for non-Chinese wafers in Ingot. And to answer your question on specs, yes, we are working with the government for subsidies through specs apart from state government subsidies. We will be evaluating our capex deployment plans on expansion.

The target is to achieve 10 gigawatt. We are starting with a 2 gigawatt wafer. And as and when we see plans getting formed, we will update the market on that. And your next question was on battery, right? On BESS, we are getting into to start with a cell-to-pack manufacturing line along with EPC offerings to our IPP customers. And we will be doing this in two phases. The first

phase would come up in FY27, and the second in FY28. Each is going to be a 6 gigawatt hour capacity. And that's the plan on the BESS investments.

Deepak Krishnan: Sure, sir. Maybe just on the commissioning of your module and cell line, I think, given that cell is about a quarter of the 1 gigawatt than what we had initially thought through, and we've had a change of location for the 4 gigawatt, how confident are you of achieving the 6.4 capacity by 2026? Is there Would stabilization be post that or are you implying COD plus stabilization by June '26?

Chiranjeev Saluja: So for the 1.4 gigawatt module, it's already commissioned as we announced in the opening remarks. And the 1.2 gigawatt TOPCon cell line is getting commissioned next month, which is well in time compared to the data which we had shared in the last quarterly results. We had said it would be commissioned by June 26, and it is on track.

On the 4 plus 4, which has now become 4.8 and 5.6, that's enhanced capacity. This is also well on track. Changing location has actually given an advantage rather than a disadvantage, because the new location is far more better a site in terms of the land development work to be done, and also the connectivity to the substation is far better compared to the earlier site.

So we are on track, and we don't anticipate any delays in those projects in terms of commissioning. In fact, we are trying to get the enhanced capacity commissioned by then. Instead of 4, we would maybe achieve 4.8, and instead of 5, we'll achieve 5.6, well within the stipulated timelines.

Deepak Krishnan: So maybe just a thought process. Essentially, no policy support today in terms of ingots, wafers, or BESA. Would we sort of awaiting anything on that front, or will we go ahead and commission irrespective of any government-equivalent policy coming for domestic sourcing at that particular point of time?

Vinay Rustagi: So like we said in the opening remarks, there is a new manufacturing mission, a national manufacturing mission has been announced by the government. We have been in consultations with MNRE already over the policy support needed for the upstream manufacturing space, and the government is worrying mulling a set of incentives. It could be a mix of financial incentives, duties, and other elements such like measures, which will be announced in due course. So we are in consultations with the government and expecting a package to be announced over the next year.

Deepak Krishnan: And all our expansion is on, essentially the sale is with TOPCon today, right? And if any change in technology, that we look at it in the future, are we adding anything else in some of the newer capabilities as well?

Vinay Rustagi: No, that's correct. The current lines are all being set up using TOPCon technology. We are, having said that, we are in parallel doing a lot of work behind the scenes on new technologies. You may have seen, last month we signed an MOU with a German company. We are also studying new technologies, whether it is BackContact or SkyTandem, etc. So we will be anticipating these developments and be ready to commercialize and set up lines as and when there is a commercial viability.

Deepak Krishnan: Sure. I think there's maybe one final question from my end. Just the slight different revenue that we've seen this quarter versus the previous quarter with similar level of utilizations. Our understanding is it's because of higher DCR mix versus the previous quarter. Is that sort of a fair understanding?

Vinay Rustagi: So, Deepak, this is, I won't read too much into the small dip that we have seen. That can be caused by a number of different factors. One of those being the change in the product mix, as you said. But also, given that it is year-end, some clients are hesitant to take deliveries so I think some shipments have been delayed simply because of that. So I think there are a number of factors. But overall, I would say, in terms of utilization of the line and the product mix, there is no major change.

Deepak Krishnan: And any FY '26 guidance that we have in mind or no public guidance at this point?

Vinay Rustagi: No, no. I mean, look, I think you know what is the planned delivery of all the new expansion capacities. So, you know what is that order book also. So I think that should be able to give you enough guidance in terms of numbers. But as such, as a company, we are not giving any specific guidance.

Deepak Krishnan: Perfect. Those are my questions. Thank you.

Moderator: The next question is from the line of Bala Murli from Oman Investments. You may proceed.

Bala Murli: We have a big capex plan of 12,500. What could be the asset turn in our business?

Chiranjeev Saluja: Sorry, could you repeat that? We couldn't hear the second half of your question.

Bala Murli: Yes, what could be the asset turn for the capex we're going to incur? Approximate asset turn, how much we can expect in terms of asset turn?

Vinay Rustagi: Bala, hi. This is Vinay here. So overall, of course, this depends on how the pricing and the demand envelope shapes up over the next 3 years. But we are expecting, based on all this capex, fixed asset turnover of about between 2.2x to 2.5x by the end of this implementation program.

Bala Murli: So further, by enhancing our sales capacity to 6.4 gigawatts in the next fiscal year, so how much it could contribute to margins? Is there any significant, can I expect any significant move in the margins? That would…

Chiranjeev Saluja: The line is not clear, Bala. Could you be a little closer to the phone? We are not able to hear you clearly.

Bala Murli: Yes, I'm asking about the sell line after we commission the 6.4 gigawatt in the upcoming year. So how it is going to impact the margins? So can we expect any significant movement in the margins or it would be a similar line as of now?

Vinay Rustagi: So Bala, I think it is very difficult to predict how the margins are going to play out. It is a very fast-moving industry with a lot of variables out there. Insofar as we have the visibility and the

order book, which is already committed for the next year, we should be able to, by and large, maintain our margins. But, we are not able to give any guidance as such.

Bala Murli: Okay. And lastly, on the execution side, mostly we are focused on the domestic side only. So we are not exporting much to any other country. So how do the margins compare to domestic and exports? And do we have any plans in this year or coming year to increase the export content?

Vinay Rustagi: Yes. So I think in terms of the export markets, I think, the US is the main export opportunity for India right now. Although we do hope that Europe and some other countries will open up in the future. In the US itself, there is a little bit of a short-term uncertainty given the recent tariff moves by the US Government.

We do expect more clarity to come up as the trade treaty with the US is signed up over the next few months. The US is a market which remains of great interest to us. We have already, as you know, previously announced a 1.2 gigawatt cell venture there and are looking at other business opportunities. So as and when there is more clarity, we will move into those projects and capitalizing on those opportunities.

Bala Murli: Okay. Thank you.

Vinay Rustagi: Yes. So as of today, at least over the foreseeable period, most of our revenue and profit is expected to come from the Indian market.

Moderator: Thank you. The next question is from the line of Anupam Goswami from SUD Life. You may proceed.

Anupam Goswami: Sir, my first question on the, if you can give some light on the price realization that is going on currently and what sort of spread are we making in the different categories? And over the long term, sir, where do we see the capacity of cell coming and how do we see the price movement in the next 3 to 4 years?

Vinay Rustagi: Sure. So in terms of the current pricing, I think this is publicly available information. The DCR modules, the general pricing is around $0.24 to $0.25. Non-DCR modules are at about $0.17. For sales, again, there's a little bit of a variation depending on whether sales are being sold in the Indian market or exports. In the Indian market, prices tend to be around $0.14 to $0.15. Export market prices are a little lower.

In terms of future trend, I think it is very difficult to say how these prices will evolve. But insofar as our order book is concerned, this is more or less in line with the prices that I've indicated to you.

Chiranjeev Saluja: And just to add to on future with cell capacities coming in, we feel that we are very well positioned on the three pillars which are required for this business. One is scale, one is the technology, and the third is vertical integration. We don't see any foreseeable risk in the coming 2 to 3 years in terms of additional capacities coming in because we feel that these three pillars

are very important in terms of success in this business and Premier is very well positioned on all these three pillars.

And the demand also is growing. We don't see any major kind of margin erosion coming in because of capacity because several of the announcements which have been made we feel only about 50% of those would actually come up.

Anupam Goswami: Okay, sir. Thank you, sir. I'll turn back in the queue.

Moderator: Thank you. The next question is from the line of Nikhil Nigania from Bernstein. You may proceed.

Nikhil Nigania: I just have a follow-up on the US market. While I understand the focus on the domestic market given the strong realisation and margins here itself, I just want to understand if the proposed anti-dumping duties they have on South-East Asian players goes through Vietnam, Malaysia, etc.

Do you think that could open up a big front for Premier as well as a couple of your competitors have been targeting that space and any particular reason why we have not been that exposed to the US market as some of our peers have been?

Chiranjeev Saluja: So, you are right that the CMTB duties have opened up a big market for Indian players. But as we said earlier, we are committed more to first cater to the domestic demand. We have always been giving priority to the Indian market not now, but from the last 2 years since we started making sales.

As far as the US market, some of our peers are exporting modules. We as a company had a very clear strategy that we would like to restrict ourselves to exporting sales to the US because we do not want to compete with our clients in the US. Our strategy was clear that it is not easy to make sales and not easy to make good quality high efficiency sales.

We at Premier have achieved this and have been consistently exporting sales to US module manufacturers and we feel that it has played out well for us because now in the US market there is almost about close to 30 gigawatt of operational module capacity but very little cell capacity which means that the demand for cells from the US is huge but we would look at increasing exports to US only when we have our new capacities coming in that is starting June 26.

For now our focus commitment is towards the Indian market and Government of India has really supported the manufacturing and we don't want to we want to ensure that supplies to the Indian programs are consistent.

Vinay Rustagi: Just to add Nikhil, I think first of all we remain completely open to we are actively tracking the US market and we remain open to any such opportunity but the fact is that beyond CMTB there are other countries which are exporting cells to the US as I said also earlier the prices that we realize in the US are lower than in the domestic market so the domestic market there is a very strong demand plus pricing environment.

And from a company point of view that is something which is more conducive to us more attractive for our business. So, we are deliberately keeping more of a focus on the domestic market, but as and when the market evolves and the US market grows and the pricing is more attractive, we will be ready to effectively tap into that market and supply more volume there.

Nikhil Nigania: My second and last question was on the new opportunities being targeted, especially BSS. It's a thought process where that what we have seen happen in solar PV industry with government restricting imports into the country. There is a similar expectation we have playing out in BSS as well. And that's a thought process to be an early mover in that space?

Vinay Rustagi: Yes, sure, Nikhil. So you're right. Think that a pretty logical assumption. The government is very committed to making India. There is a huge amount of investment which is going to go into the storage space. And inevitably, there would be more indigenization in that space as well.

So our thought process in terms of the best market is that we are initially going to focus on cell to pack container solutions and the EPC business. Really just to understand the client needs, the technology, the value chain, etc. And it is not, this part of the business is not particularly capital intensive.

As in when there is a more conducive policy framework that emerges and we feel enough confidence in terms of going further back upstream, sorry, we will examine a further foray into the segment action business.

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

Mayur Patel: Hi, Stellar Performance, Chiranjeev and the team. Thanks for the opportunity. Just want to ask INR3,100 crores of new bookings. So is it fair to assume that some part of that would be also related to the greenfield which is coming in 2026, the sale and the model?

Chiranjeev Saluja: Yes, so you're talking about ALMM List-II, right? The sale one which is going to come up.

Mayur Patel: Yes, your greenfield project Chiranjeev? Earlier you were trying to...

Chiranjeev Saluja: So yes, the project which is -- the Greenfield project which is coming up, there's a very, very small amount which would spill over into that project. As of now, most of these have timelines of around, I would say, 12 to 14 months. So what we show in our order book, Mayur, is signed, advances received and confirmed order book. This doesn't include our pipeline.

Our pipeline would be almost similar or a little higher than the 5 gigawatt of order book which we have. So there is a lot of pipeline which is under discussion. As and when we get finalized, we add them in the order book. And not a significant portion of this order book is from the greenfield project.

Mayur Patel: Got it. So say next 3 to 6 months, we should expect the pipeline getting converted into bookings related to the greenfield which is going to come in '26 right?

Chiranjeev Saluja: Yes, correct.

Mayur Patel: Perfect. I will join the queue for more questions and all the best.

Moderator: Thank you. The next question is from the line of Sanjay Mookim from JPMorgan. You may proceed.

Sanjay Mookim: Hi. Good morning, everybody. Couple of questions on your utilizations, the cell utilization has remained relatively stagnant at about 74%, 75% for 2 quarters. Is this what we should assume continues in the future or do you expect the utilization to go up again?

Chiranjeev Saluja: Sanjay, I think you are talking about the module…

Sanjay Mookim: The module, I beg your pardon. I beg the -- module, that's right.

Chiranjeev Saluja: Yes. So let me answer this question to you Sanjay. Unlike the cell business, the module business has different customers buying you know different category of products from us. Some buy Mono PERC, some are moved into TOPCon. In TOPCon, there is M10, M10 Plus size. Then there's also a G12R. So unlike a cell line that you're producing one product category 24 hours, 365 days, in a module line, you would actually require several changeovers depending on customer requirements.

So for cell manufacturing, we see that the peak could be around 80%-85%. It is at 75% now. But we don't expect cell line to go to 95% as, sorry, module to go to 95% like cell.

Sanjay Mookim: Right. Thanks for that Chiranjeev. The second question is, let's say when we say that the utilization of the cell line was 95% for the quarter, is it fair to assume that if I take your capacity of 2 gigawatts multiplied by 95, that gives me an estimate of how many cells?

Chiranjeev Saluja: No, no. So this is 95% of effective capacity. Again, in a cell line, you've got various formats of wafers which you can process. What we are making today is an M10 Plus wafer. 2 gigawatt would be based on G12 wafer, which is still not under the production and is not being used in India. So this is not 95% of 2 gigawatt. It would be 95 % of around 1.8 gigawatt, 1.8, 1.8 5 gigawatt.

Sanjay Mookim: Great. So it will be great if we can get some sense of quarterly production of both cells and modules, right? Because it will help track pricing and margins better for us. So perhaps if you could talk about how many cells and modules produced or sold this quarter, that would be great.

Chiranjeev Saluja: I think we have not been sharing this data in the past two and we don't intend to, Sanjay, because of confidentiality reasons. We will just be able to give what we are giving as of now every quarter. We would not be very comfortable to share further details.

Sanjay Mookim: Okay, okay. Thanks. Those were my questions. Thanks, Chiranjeev.

Chiranjeev Saluja: Yes.

Vinay Rustagi: Sanjay, can you hear me?

Sanjay Mookim: Yes. Hi, Vinay.

Vinay Rustagi: Hi. I was just going to say that, you know, we have given an indication of what the delta between effective capacity and limited capacity is. We've given you the capacity based on effective capacity, so I think -- but actually not very difficult to get, of course

Sanjay Mookim: Of course, of course. Thank you.

Vinay Rustagi: Thank you.

Chiranjeev Saluja: Thank you.

Moderator: The next question is from the line of Hemaant, an individual investor. You may proceed.

Hemaant: Congratulations on a stellar set of numbers, and thank you for providing us the opportunity. Pardon me, actually. I'm new to the company. I just wanted to clear few things. So first of all is our initial capacity of cell was 2 gigawatt, and module was for 4.1 gigawatt. And the plan was to take the cell capacity to 7 gigawatt and module to, I guess, 9 gigawatt, right? Out of the 9 gigawatt module capacity, we have implemented 1.1 gigawatt, right? 1.4. 1.4. So I had a look at the investor presentation uploaded, I think, yesterday. So that 7 gigawatt cell capacity is still intact, plus 0.8 gigawatt will be, we will be adding over and above it?

Vinay Rustagi: That's correct, yes.

Chiranjeev Saluja: And then some more also to achieve 10. So we have put a mission 2028, which talks about 10 gigawatt in-board wafer cell and module, which is being announced in the results and the presentation on Saturday. So the 1.4 is already commissioned in terms of module cell, we were at 2. Another 1.2 is getting added next month and then 4.8 getting added instead of 4 which was announced earlier. But the overall target is to achieve 10.

Hemaant: 10 gigawatt of cell and 10 gigawatt of module, right?

Chiranjeev Saluja: That's right.

Hemaant: So, sir, you are saying that 1.4 gigawatt of module has already been added and 1.1 will be added in the next month, right, of cell?

Chiranjeev Saluja: Yes, 1.2.

Hemaant: 1.2 will be added. So what will be the capacity by FY '27 then because the numbers changed, right?

Chiranjeev Saluja: Yes. So 2 is what is operational, 1.2 is getting added which takes you to 3.2. Next month, FY '27, we are adding 4.8, which will take you to 8 gigawatts in terms of cell capacity in FY '27. And then we have announced another 2 gigawatt, another 1.6 to 2 gigawatt are getting added in FY '28. If look at the presentation page number,

VinayRustagi: 18.

ChiranjeevSaluja: 18. We have given a very clear roadmap on capacity expansion plans with the dates.

Hemaant: Okay. And sir, what will be the module capacity, sir by FY '27? It will be now I guess 11 gigawatts?

ChiranjeevSaluja: Yes. It will be 11.1. It will be slightly higher than the 10 which we have a target where it is going to be 11.1.

Hemaant: And sir, I wanted to ask you.

ChiranjeevSaluja: Yes. Yes.

Hemaant: Sir, I wanted to ask you one more thing, like sir, what is the tenure of the current order book on a blended basin -- on a blended basis. And sir, what is the -- I mean order in terms of megawatt which we have executed in the current fiscal year?

ChiranjeevSaluja: So the blended basis, the order book is for about 12 to 15 months and if you look at the order book it is about 5.3 odd gigawatt, which is the order book which is shown on slide number 23.

Hemaant: And sir, what is the order book in terms of megawatt which we have executed in the FY '25?

Vinay Rustagi: You know, that number we are not able to give you as we said earlier because we don't release the actual production numbers or the sales numbers in terms of megawatts.

Hemaant: Actually just wanted to have an idea regarding this.

Moderator: Hello, sorry to interrupt sir. We request you to join the queue as we have other participants as well.

Hemaant: Okay, okay.

Moderator: Thank you, sir.

Vinay Rustagi: Thank you, Hemaant.

Moderator: Thank you. The next question is from the line of Dhruv Muchhal from HDFC AMC. You may proceed

Dhruv Muchhal: Yes. Thank you so much, sir. So just some you know understanding on your capex number, INR12,500 crores. So if I use some industry benchmarks on capex and your ongoing and future expansion plans for cell and module, is it right to understand almost 50% of your total capex plan is X of cells and modules? I mean probably it is going into wafers and wafer, ingot and the batteries and others.

Vinay Rustagi: Yes. Hi, Drew. So you're right. I mean, in terms of ingot and wafer, the expected capex on a per gigawatt basis is about INR400 crores. So for 10 gigawatt, that would be about INR4,000 crores. And then there will be some capex, obviously, on BESS, as well as the inverter businesses. In total, the BESS capex is about INR600 crores for this capacity. And for inverters, the cap is would be about INR100 to INR150 crores.

Dhruv Muchhal: This is helpful. And the second question was on the wafer expansion that we are, the 2 gigawatt wafer expansion that's progressing. Some understanding on the status of land. I'm not sure if this requires an EC, so EC approval, equipment ordering, and some other, the other status please.

Chiranjeev Saluja: Yes, so the plan is to commission the 2 gigawatt in FY '27. We have already acquired the land and it's well aligned with what we have targeted to commission this line. This is with the Taiwanese company SAS, which is a JV. And it's a 2 gigawatt line.

Dhruv Muchhal: So the equipment ordering and everything is all done. And would it require an environment clearance approval? I'm not sure if that is a...

Chiranjeev Saluja: it would require from the state. Its in process and it will be well on time. It'll be obtained well on time.

Dhruv Muchhal: And so earlier, so I'm still trying to understand. What we used to understand was there is a specific size for any polysilicon on a wafer plant. Some industry, you know, some reading suggested it's about 5 or 10 gigawatts. So does 2 gigawatt, I mean, I am just trying to understand you are going ahead with a 2 gigawatt plan, so…

Chiranjeev Saluja: The target and the mission '28 talks of 10 gigawatt

Dhruv Muchhal: Okay.

Chiranjeev Saluja: 2 gigawatt is,…

Dhruv Muchhal: Okay. So the specific size can be lower and it does not impact the economics of the project.

Chiranjeev Saluja: The land has been acquired for entire 10 gigawatt.

Dhruv Muchhal: Okay.

Vinay Rustagi: Yes. So to answer your question, time size can be lower, but it is the procurement efficiency, the et cetera, which do make the operations optimal and which we will achieve over a period of 3 years.

Dhruv Muchhal: Okay. All right. And the last 2 questions is just a small point on the CWIP in your balance sheet, it's about INR240 odd crores, if I see the numbers. I am just wondering your cell line is yet to commission, I think about 1.4 gigawatt and the module line I am not sure if it commissioned I mean before the March quarter end or not. So the CWIP number seems low. So have you already capitalized a portion of the capex for the cell line or since the payments are pending and hence it will all come up next year?

Chiranjeev Saluja: No. So we have not capitalized on the cell. The module line was also not commissioned before March, it was commissioned on the 16th of May and we have not capitalized.

Dhruv Muchhal: In that context the CWIP number seems low, so it is just because the cash spending is coming in the next year and hence everything or I'm just trying to understand has the capex amount come down significantly for the projects.

Chiranjeev Saluja: So Yes, there are payments due to vendors and that's why everything is not being capitalized, the number is lower in CWIP.

Dhruv Muchhal: It's not showing any. Got it. And so last question on the US market outlook, so what we understand is the duties in some of the Southeast Asian region countries where US was importing a large quantum are already in place and provisional duties are already there, some final announcements are pending and China is already there and India is positioning relative to some of the other regions seems very strong.

I'm just -- and as you mentioned 30 gigawatt of modules is there in US, so I'm just wondering aren't you seeing a lot of inquiries from the US companies to source sales and I'm not sure if pricing can be better in the US market now given the shortages that we are facing -- they likely to face. So what am I missing here, I mean, just trying to understand, I understand the focus on India, but at least from an inquiry level are seeing feelers of the market.

Vinay Rustagi: So Dhruv, you're right. I think all the factors you already mentioned, I think what is missing is a long-term predictability of the tariff regime, right? So I think the problem is that these changes have been coming so thick and fast that everybody is kind of really sitting back a little bit and just trying to make sure they understand the market landscape. Of course, there is also a trade treaty with the US in under negotiation. So I think both from the customer side in the US, as well as the supplier side for us, I think it is better to wait a little bit before we fully understand the market landscape and start discussing order book. So that is the kind of little hold up right now.

Dhruv Muchhal: Okay. So it's a wait and watch situation with the customer and with you.

Vinay Rustagi: Yes.

Moderator: Thank you. The next question is from the line of Akash Mehta from Canada HSBC Life. You may proceed.

Akash Mehta: Hi. Sir, my first question is on leverage, I mean, what kind of debt to equity or debt to EBITDA and debt to EBITDA we are kind of targeting with the ongoing capex by maybe fiscal '27 or '28. So Yes, that's my first question.

Vinay Rustagi: Sure, Akash. So based on the modelling that we have done internally, first of all, we expect to be able to fund all the capex using internal accruals and cash on board. Our expectation is that the total leverage will peak out at about 1.4 to 1.5 times in terms of debt to equity and about two times in terms of debt to EBITDA. So both of which we feel are fairly conservative numbers and easily manageable in the context of the larger industry parameters.

Akash Mehta: Okay, that's helpful. And my second question is in terms of the uptrend investments that we making or backward integration, what kind of sustainable margins we kind of expect. I mean, earlier the expectations were low, but I think we might end up getting slightly better realizations or some cost savings as well because of our investments. So I mean, maybe by fiscal '28, '29 what kind of sustainable margins that we can look at for Premier, I mean going ahead?

Vinay Rustagi: Yes, Akash. So I think that is a very interesting question and I think we would love to know the answer to be honest ourselves. But we don't, you know, like I said earlier there are so many changes in the industry, it's very, very dynamic. So it is impossible to kind of predict what kind -- how the margins will evolve.

Our expectation is that in the selling module business we would be able to by and large sustain our margins over the next three years. Even for all the modeling and the market assessment that we have done for the PES and the inverter business, that is also very attractive in terms of EBITDA margins as well as return on capital employed.

I think for the upstream business the ingot wafer business much of it depends on how the policy framework shapes up. So I think it is impossible to give you any kind of guidance or expectation on that number.

Akash Mehta: So I mean since this would be like an integrated thing. So, I mean, we could expect a decent margin expansion at least from what we are right on the cell and module front?

Vinay Rustagi: Yes, so I think again that would be the logical assumption, but as I said there are so many other moving parts to this, in terms of demand supply envelope, technology outlook, customer expectations etcetera. So it's not just one factor, there are so many other variables which will affect the margin and hence it is difficult to take any reasonable guess at it.

Akash Mehta: Okay. That's it from my side. Thank you.

Moderator: Thank you. The next question is from the line of Sarang Joglekar from Vimana Capital. You may proceed.

Sarang Joglekar: Yes. Thank you for the opportunity. This is regarding the 14th slide in the investor's presentation about the demand for DCR modules. We have stated that for the next two years there is going to be significant demand 27 from PM Surya Ghar and 30 from KUSUM. I believe that was the total demand over three years and lot of it was installed last year also. So do you still think that another 50 gigawatt of DCR will be there over next two years?

Vinay Rustagi: Sorry I did not get your name, but I think the numbers that we have given are based on the government schemes and their targets. So looking at each of them one by one in the Surya Ghar Yojana there is a target of 1 crores installations out of which only 10 lakh odd have been done till date. So 90% of the demand is still yet to come.

Similarly, in the KUSUM program if you look at the actual execution on the ground out of the 35 gigawatts of target installations are only currently about 4 to 5 gigawatts. So there is lot of projects have been bid and allocated post auctions. There is a lot of capacity under execution. So 30 gigawatts of actual module demand is yet to come to the market.

Similarly likewise for the 5 gigawatts CPSU scheme, now these are government numbers and we are not saying that this will be the actual capacity execution. That will of course depend on a few factors, but even if you take slight moderation in these numbers in terms of realistic on the ground development there is a very robust demand environment.

I was just saying these are only in terms of ALMM cells being applicable right now, but that will also become applicable to the corporate market from next year wherein we expect demand to start materializing from Q1 of the next financial year and even taking into account the delays in the utility scale market. We do expect that market also to start becoming 100% DCR market from 2027 onwards. So as we go forward the DCR demand is likely to keep on increasing over time.

Sarang Joglekar: Also there was some problem around delay in signing the PPAs, do you see that affecting the solar demand?

Vinay Rustagi: Look to be honest I think that is a big red herring in the sector, it is causing a lot of confusion unfortunately, but if you look at the reality the government has auctioned about 90 gigawatts of projects in the last two financial years. That is basically all solar, wind and hybrid projects. The actual number that will translate into demand is expected to be much higher because many of these projects the hybrid projects are typically oversized 1.5 to 2.5 times.

Now even if 40 gigawatts of PPAs has not been signed as per the news headlines. I'm looking at it as a positive in the sense that 50 gigawatts of PPAs have been signed, which itself would translate easily into solar demand of about 50 gigawatts to 55 gigawatts over the next three years in addition to all the demand which is there from the projects which have been auctioned in the past.

And like you see on the Slide number 14, we have said that the utility scale solar demand will be 20 gigawatts plus per annum. So I think if you see what is in the pipeline by way of projects being auctioned and the PPAs being signed that provides us with a very healthy demand outlook for the market.

Sarang Joglekar: Got it. Thank you. That's it from my side.

Moderator: Thank you. The next question is from the line of Kartik Sharma from Anand Rathi. You may proceed.

Kartik Sharma: Congratulations on a great set of numbers and thank you for taking my question. You gave you gave a break up to the previous gentleman about the capex that you have bets of INR600 crores inverters of INR150 crores. Just in a similar way if you could give us a timeline break up of that capex that would be very helpful, that is my first question.

My second question is how much of your cells are captive as of now and what kind of realization do you see for modules and for cells and how it will be going forward?

Chiranjeev Saluja: So on the capex plan we have already given you data in terms of the investments which you are making in the battery and inverter business. We have also given details as to when what capacity is coming up. So I think the numbers are quite clear and in terms of captive consumption around 50% of the cells what we produce goes into captive consumption for DCR modules.

And I think Vinay also shared the market prices for all these products DCR, non-DCR and the cell realization.

Vinay Rustagi: But also just to add to that the share of captive consumption for cells will go up over a period of time over the next two years because like I said by 2027 the entire market is expected to be almost I would say 100% DCR. So we will go from 50% captive consumption 100% over these two years.

Kartik Sharma: Okay. Thank you so much. Just one follow up question like how you said that from your effective capacity that is of 2 gigawatts of cell, you take 95% of the 1.8 gigawatts and not the 2 gigawatts so how is that for the module?

Chiranjeev Saluja: So for the module it is about 75% what we are as on today and we have said that the peak we could achieve is around 80, 85 and that is also the similar thing if you produce a G12 cell module that is the installed capacity and if you are producing an M10 or M10 plus which is a slightly smaller size of wafer then the effective capacity comes down.

And then we talk of you know utilization we always talk of what we have achieved on the effective capacity and not on the name plate.

Kartik Sharma: Okay. Thank you.

Moderator: Thank you. The next question is from the line of Mohnish Dudhwala from Axia Asset Management. You may proceed.

Mohnish Dudhwala: Yes. So just wanted to understand regarding our realization. So our order book which is of 5.3 gigawatts and in value terms it is around INR8,445 crores, so which makes our realization of around INR15.9 per watt and as you said that current DCR realizations prevailing in the market are 24 cents per watt, which are around INR21 per watt. So can you help me understand difference regarding the gap between the two?

Chiranjeev Saluja: So if you see there is a 27% split in the order book for cells and cells is much lower. So what you are calculating is the average price. We have not given a break up of you know the DCR, non DCR and the cell capacity is already being shown on the screen.

Vinay Rustagi: So I think the difference is that you are working with a weighted average price, but of course in terms of the order book there is a difference between cells, DCR and non DCR module and with the prices that we have already given to you. So that explains the difference between the average prices and the individual product prices.

Mohnish Dudhwala: Sure understood. So out of this 5.3 gigawatt it is split between modules as well as cells and similar with the value that is why the difference?

Chiranjeev Saluja: And the module includes DCR and non DCR both.

Mohnish Dudhwala: Majority of our module will be DCR?

Chiranjeev Saluja: Not necessary and we would like to project it the way it is, we do not want to give a break up there.

Mohnish Dudhwala: Okay, sure. That is all from my side. Thank you.

Moderator: Thank you. The next question is from the line of Mayank Bhandari from Asian Market. You may proceed.

Mayank Bhandari: Just on the growth guidance, what kind of guidance you would like to give for FY26 and 27 based on the capacity expansion we are doing?

Vinay Rustagi: Yes. Hi Mayank. So we do not give out any specific numbers in terms of guidance, but I think a very strong indication is available in the form of order book which is all due for execution over the next 12 to 14 months and we have already talked about our capacity envelope over the next year, the current prices and the order book. So that should give you a reasonable visibility into the revenues as well as the profit numbers for the next year.

Mayank Bhandari: And in terms of margin if we are looking forward to so much of backward integration, any long term margin expectation next 3 years, 4 years?

Vinay Rustagi: We already covered this question a few times. I think it is very difficult to predict how the margins will play out over the next three years to four years because there are so many changes in the market all the time. I think the key question is what is the competitive position in the sector and because of the huge strength we have built into the business over the last few years and continuing investments in new capacities, backward integration, technology upgradation etcetera.

I think the focus for us is to protect the competitive position and be close to the market, anticipate the market needs and being able to respond to that and we believe that will provide us with a very strong position in terms of revenues as well as profit margins etcetera and that is where the focus is.

Mayank Bhandari: And just lastly if you could just give a proportion of FY27 revenue that probably in terms of cell module and wafer just a guesstimate would work the composition of the revenue?

Vinay Rustagi: No I think I would love to give you that number, but unfortunately we can't. FY27 is still more than is about a year away. So in terms of most of the orders are yet to be booked, but again you have a clear visibility in terms of how our capacity envelope is going to shape up because of all these projects we are working on. So we would expect revenues and profit numbers to move accordingly.

Mayank Bhandari: Okay, sir. Thank you. That's it from my side.

Moderator: Thank you. Due to time constraints that was the last question. I now hand the conference over to the management for the closing comments. Thank you and over to you sir.

Vinay Rustagi: So thank you very much. It's been a fantastic year of performance for the company. I think our focus as we go forward is one on executing all the projects on time and on budget. We are very focused also on making sure that we are maintaining a leadership position in the industry and continually examining new opportunities.

So that is where the focus is and we would expect to stay as one of the preferred suppliers to capitalize on the emerging opportunities and the growing demand in the sector. Thank you.

Moderator: Thank you. On behalf of ICICI Securities, that concludes this conference. Thank you for joining us and you may now disconnect your line.