

Ref: PEL 18/ 2024-25

Date: 12<sup>th</sup> November, 2024

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  
September 30, 2024**

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the conference call on financial results for the quarter ended September 30, 2024, conducted after the meeting of the Board of Directors held on November 08, 2024.

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  
Company Secretary & Compliance Officer



“Premier Energies Limited  
Q2 FY '25 Earnings Conference Call”  
November 08, 2024



**MANAGEMENT:** **MR. CHIRANJEEV SALUJA – MANAGING DIRECTOR –  
PREMIER ENERGIES LIMITED**  
**MR. ABHISHEK LOONKER – NON-EXECUTIVE  
DIRECTOR – PREMIER ENERGIES LIMITED**  
**MR. N. K. KHANDELWAL – CHIEF FINANCIAL OFFICER  
– PREMIER ENERGIES LIMITED**

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

**Moderator:** Ladies and gentlemen, good day and welcome to the Premier Energies Q2 FY25 Earnings Conference Call hosted by ICICI Securities. 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 this conference, please signal an operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded.

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

**Mohit Kumar:** Thank you, Dorwin. Good evening. On behalf of ICICI Securities, I welcome you all to the first call of Premier Energies Limited, whose successful listing is September 24. Today, we have with us from the management, Mr. Chiranjeev Saluja, Managing Director, Mr. Abhishek Loonker, Non-Executive Director, and Mr. N. K. Khandelwal, CFO. We'll begin with the opening remarks from the management, followed by Q&A. Thank you and over to you, sir.

**Chiranjeev Saluja:** Thank you. So good evening, everyone, and thank you all for joining us today. This is a special moment for Premier Energies as we are addressing our first analyst call post listing. I am Chiranjeev Saluja, Managing Director of Premier Energies, and it is an honour to present our quarterly results in this new chapter of our journey. I'm joined today by my colleagues, N. K. Khandelwal, Group CFO, and Abhishek Loonker, Non-Executive Director. It's a proud moment for us to share with all of you that Premier Energies has clocked another quarter of outstanding operational and financial performance, hosting excellent revenue and earnings growth.

For the Q2 FY25, company has achieved a revenue of INR1,553.59 crores as against INR701.81 crores in Q2 FY24, marking a 121.4% year-on-year increase. This growth is driven by robust demand from domestic market, reflecting solar energy's growing importance in the energy mix. Our exports for this quarter were 2.82% of the quarterly revenue. The EBITDA for the quarter stood at INR406.95 crores compared to INR107.02 crores in Q2 FY24, exhibiting a growth of 280.2%. The EBITDA margin improved from 15.25% in Q2 FY24 to 26.19% in Q2 FY25. This improvement highlights our focus on operational excellence, cost optimization, and our ability to efficiently ramp up capacity and meet the rising demand.

The profit after tax for the quarter serves to INR205.95 crores, making a remarkable 289.6% year-on-year growth compared to INR52.86 crores in the same period last year. PAT margin has improved from 7.53% in Q2 FY24 to 13.26% in Q2 FY25. The proceeds from our IPO have significantly strengthened our balance sheet. Our net debt-to-EBITDA ratio was 5.5 in H1 FY24, and today we are net cash positive.

As we discuss our performance, it is equally important to touch upon our future growth plans and the broader outlook of the solar sector. We are executing a 1 GW TOPCon cell line expansion, which will be completed by Q4 FY25. Further leveraging the opportunities for backward integration, we are planning an investment into a wafer manufacturing facility of 2 GW, which is targeted to be commissioned by FY26.

We are also pleased to announce today our foray into aluminium frame manufacturing business by setting up a 36,000 metric ton per annum facility for captive consumption. This project would require a capex of INR230 crores, wherein the equity portion of 25% will be funded through internal accruals. This investment into aluminium frame manufacturing will improve our EBITDA margin by 100 basis points to 150 basis points.

We are very well placed to benefit from the solar power demand outlook, and we are highly confident of achieving timely project execution and turnaround by leveraging our core strengths and delivering value-enhancing investments to our stakeholders. I look forward to sharing and discussing our progress in detail with all of you in the years to come. Thank you, and we are now open for questions.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may please press star and 1 on their touchtone telephone. If you wish to withdraw yourself from the question queue, you may press star and 2. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. We have the first question from the line of Deepak Krishnan from Kotak Institutional Equities. Please go ahead.

**Deepak Krishnan:** Congratulations on a good set of numbers. Maybe just wanted to first start off, you know, given the strong performance in H1, is there any sort of revenue and EBITDA margin guidance that you would want to give for the full year?

**Chiranjeev Saluja:** So, it's not that we cannot give any guidance, but what we can tell you is that, you know, being one of the top companies in the solar manufacturing space in India, we will continue to maintain leadership position and as the industry grows, we will be in the top tier of the growth.

**Deepak Krishnan:** Sure. Maybe just wanted to sort of understand this sharp margin improvement that we've kind of seen. Even considering the fact that we've seen a sharp increase in other expenses. Anything that you want to call out why other expenses have seen a sharp jump QoQ when revenues have sort of been flat?

**Chiranjeev Saluja:** So, margin improvement has happened because lines have stabilized and they are working on better utilization compared to last year. And last year our cell line was not commissioned. It had got commissioned only in the Q3 of last year. And then also efficiency in procurement because of scale what we have. So, all these have contributed for the margin improvement.

**Deepak Krishnan:** Sure. Just anything on the other expense? You've seen a sharp jump QoQ with, you know, for a flat revenue base. It's gone up to INR194 crores from about INR131 crores.

**Chiranjeev Saluja:** So that's as per our policy and provisions as the revenue is growing. We have a provision which is there for warranty because modules are sold on a 25-to-30-year warranty. So, because if you look at the revenues, they've almost doubled compared to last year. So that's how that provision has gone up.

- Deepak Krishnan:** Maybe just wanted to sort of check out in terms of any volume numbers that you want to indicate in terms of production of cell and module that you did. I know we already have the revenue numbers in the presentation, but any broad range of how much did we produce cell and module?
- Chiranjeev Saluja:** So, we generally track and share revenue numbers and both not volume and revenue because of confidentiality reasons. So, I think revenue is what would give you an indicator on volumes.
- Deepak Krishnan:** Sure. I just wanted to sort of understand because, you know, if we assume sort of very strong EBITDA margins of maybe 35%-40% on cell, even at module level, we will be doing north of 20%. So, is there sort of like a healthy mix of DCR also in the module revenue numbers?
- Chiranjeev Saluja:** So, we do have a healthy mix of DCR because we are one of the very few two or three players who are making DCR cells in India. And if you talk of the EBITDA margins, the operating EBITDA margins have increased by about 3.3%. And then this is again because of operational efficiency and also a mix of DCR and non-DCR remains almost constant every quarter. But there is a healthy mix.
- Deepak Krishnan:** Maybe just one final question from my end. I think just wanted to understand our US expansion policy given the change in government in the US And, does this further strengthen our thought process of expanding on the ground presence in the US? Or how are you looking at if there is any potential IRA rollback or any of that, how would you consider your investments today? Exports is a very small part, I understand. But obviously we are also looking at certain expansions in the US
- Chiranjeev Saluja:** So, our exports have been not very significant for a long time now. It's simply because of the demand for the domestic market. There is a huge domestic market demand and we are committed to the requirements in the Indian market. On US expansion, we are a little bit of a wait and watch looking at the political developments. We have signed, you know, an MOU and announced that we'll be setting up a gigawatt of facility along with our US partner that's Heliene.
- Generally, as I had even told earlier in my investor meetings that to construct a cell line takes about 2 to 3 years. We are just starting off now. And we will be looking at how developments happen. We are one of the few companies in solar manufacturing in India which is not dependent on the US market.
- Deepak Krishnan:** Yes, sir. I think those are my questions and best of luck for future projects. Thank you.
- Moderator:** Thank you. We have the next question from the line of Bala Murali Krishna from Oman Investment Advisors. Please go ahead.
- Bala Murali Krishna:** Yes, good evening. I want to understand the margins going forward in backward integration. So, where would it be by the year end?
- Chiranjeev Saluja:** You know, it's our plan to maintain similar margins than what they are today. And according to us, we will continue to maintain these margins because the industry, the demand is very robust. We are looking at a little bit of softening the margins only after about 2 to 3 years.

- Bala Murali Krishna:** Okay. And as per the module capacity, as of now, we have 4.13 GW. Out of which, could you please break up technology-wise like TOPCon how much and monocrystalline how much?
- Chiranjeev Saluja:** Yeah. So, our lines are apart from the 250 megawatt, that's 0.25 GW of polycrystalline line. Everything else is neutral. We can do Mono Perc, TOPCon, HAT, anything what we want.
- Bala Murali Krishna:** I mean, there is no rate of investment in the technology.
- Chiranjeev Saluja:** No. At the moment, almost 70% to 80% of our production is TOPCon. To move to HJT, the spend on capex is insignificant. It is just changing some jigs and fixtures. So, it's not material at all. But I'm talking about module line.
- Bala Murali Krishna:** Okay. Understood. So, by the year-end, we are going to commission again a 1 GW cell facility also. So, how much it could contribute to the margins? Like you mentioned that aluminum frame will contribute 1% to 1.5%.
- Chiranjeev Saluja:** So, for aluminum, we have already shared the improvement in margins. TOPCon is a technology which is just coming into India. And it is the first time even we are pouring into
- Moderator:** Thank you. The next question comes from the line of Vipraw Srivastava from Phillip Capital. Please go ahead.
- Vipraw Srivastava:** So, just first question on your margins. Obviously, you are making margins which is very higher than your peers. And I understand that is because of the DCR cells which you are selling. But it is being anticipated that by year-end, India should have around 10 GW to 12 GW of cells coming online from various players. Then that monopoly which you have currently goes away. So, how do you see margins progressing? Because if more solar capacity comes online, then the DCR compliant modules which are selling at very high elevation right now, might fall gradually.
- Chiranjeev Saluja:** Yes. So, we had given this in all our investor presentations that the demand is very robust. And as more cell lines come up and competition catches up, there would be a softening of EBITDA margins from where they are today. And this would take at least about 2 to three years as cell lines come up. But it also depends on how demand increases in US and in India. So, it's very difficult to give an answer to that today.
- Vipraw Srivastava:** Fair enough, sir. So, currently, obviously, since ALMM and cells are still some time away, government is indicating 2026. So, I mean, what benefit do you have compared to China because cells sourced from China are still cheap. So, apart from DCR, there is no regulatory requirement to use Indian-made cells. What's your pitch to players if you're pitching your cells?
- Chiranjeev Saluja:** So, these are two different markets. What is happening in China is an oversupply situation. They are bleeding. You can look at the financials of Chinese companies. They are suffering huge losses when you see their quarter-on-quarter results. So, it's a very tricky question to compare what China prices are today. Because when you look at China prices over the last one, one and a half years, they are today selling below even material costs because of survival. So, there are two different markets in India. And even if you talk of Chinese companies making solar cells

outside China, we are able to compete with them. It's only in China that they are able to dump to other countries. So, it's very difficult to compare these two markets.

**Vipraw Srivastava:** Well, in the non-DCR market, someone who is sourcing the cell from China will have an advantage. Indian-model manufacturers sourcing a cell from China will have an advantage, right, in the non-DCR market?

**Chiranjeev Saluja:** Yes. So, we also have a non-DCR market. So, we do import cells from China for our IPP customers. And that's a significant portion of our revenue. So, there is no competition between these two markets. When an IPP customer wants solar panels from us with Chinese cells, we do import and give them solar modules which are ALMM compliant. Now, once ALCM gets imposed, which the government has announced that they will impose in the future date, then there will be no difference because then everything will become DCR.

**Vipraw Srivastava:** Thank you.

**Moderator:** Thank you. The next question is from the line of Darshil Pandya from Finterest Capital. Please go ahead.

**Darshil Pandya:** Thank you and congratulations on the great set of numbers, sir. Sir, my first question would be on, there is some anti-dumping duty petition filed by the Indian solar firms. Do you have any update on that as on where this thing is right now?

**Chiranjeev Saluja:** It's still in the nascent stage. It's just been filed a couple of days ago. So, there is no development or significant update on that as of today.

**Darshil Pandya:** Okay. And do we expect any timeline or something that we may expect some developments from here on?

**Chiranjeev Saluja:** It's difficult to say. It may take a couple of months and it depends. There are a lot of stakeholders involved. So, we really cannot give the outcome of this.

**Darshil Pandya:** Okay. All right. And, sir, the second question would be, sir, what percentage of revenue comes from government projects? Or do we do something that we get revenues from the government sector?

**Chiranjeev Saluja:** So, in the government sector, we've got direct and indirect. Then our revenue in H1 has been around 10.3%.

**Darshil Pandya:** From government?

**Chiranjeev Saluja:** Yes. Okay.

**Darshil Pandya:** And, sir, how are we targeting to increase our revenue from government? Are we targeting that?

**Chiranjeev Saluja:** It depends. I mean, it depends on how the tenders come up, what the payment terms are. So, it all depends.

- Darshil Pandya:** Got it. Thank you.
- Moderator:** Thank you. We have the next question from the line of Nidhi Shah from ICICI Securities. Please go ahead.
- Nidhi Shah:** Hi. Thank you so much for taking my question. I had a couple of questions on the expansion that we had mentioned in the geography. So, the 4 GW cell and module line, have we given out orders for the expansion yet?
- Chiranjeev Saluja:** So, the order in the 4 GW project is that the land has already been acquired. We have finished with the land levelling and the boundary wall. We have already signed the agreements with the consultant who is going to be doing the design and engineering. And the tool finalization process is ongoing. As of today, we have not released the orders for the tools.
- Nidhi Shah:** All right. And, again, so the timeline that we had mentioned earlier for the setup of this, we are well in order to achieve that timeline? Yes.
- Chiranjeev Saluja:** Yes, we are well on track.
- Nidhi Shah:** So, we were also talking about a JV in the US where we would essentially produce modules in the US?
- Chiranjeev Saluja:** So, the JV in the US is to produce US cells. Our JV partner in the US is a module manufacturer, manufacturing modules for the last 14 years in the US. We are progressing well, but as of now, we are in a wait-and-watch situation. Because of the political developments in the US., we want to wait to understand the new regime's stand on the IRA benefits. So, as of now, we are just focusing on design and identifying the sites. So, we will be updating more on this as we progress.
- Nidhi Shah:** All right. Thank you so much for my question.
- Moderator:** Thank you. The next question comes from the line of Naman Jain from Kotak Institutional Equities. Please go ahead.
- Naman Jain:** So, congratulations on a great set of numbers. Actually, you were going through your presentation and one of the things which you have shared is the module pricing, right? So, Mono Perc is currently trading at USD0.19 while TOPCon is trading at USD0.11. Any reason for this? Is it because of DCR and its weighted average or is there some other reason or a difference?
- Chiranjeev Saluja:** So, I think those were prices given in the Chinese China market. Let me just look at that. So, as of now, in India, the TOPCon module prices are around USD 0.155 to USD 0.16 for non-DCR and DCR is around USD0.23 to USD0.24.
- Naman Jain:** Okay. And any other reason for the gap, is just because of China, is it?
- Chiranjeev Saluja:** You are talking about the drop in prices in China?
- Naman Jain:** No, just the gap.



- Chiranjeev Saluja:** Yes. The gap is because China is leading. They are selling below cost and we are able to get full advantage of that. Other customers in India, the IPPs are getting full advantage of cheaper solar cells from China because of overcapacity in China and that's why we are able to give them modules at USD 0.155 to USD 0.16.
- Naman Jain:** Got it. Thank you. That's it.
- Moderator:** Thank you. The next question comes from the line of Deepak Saha from KR Choksey Shares and Securities. Please go ahead.
- Deepak Saha:** So, my question is, on the wafer side, the capacity expansion that we are doing, so can you please highlight your plans for polysilicon? What are your plans exactly? What are the dynamics there? Do you have Indian suppliers for 16th grade silicon or are we looking to import it and further processes for ingots? If you can highlight that particular part on the wafer side.
- Chiranjeev Saluja:** Sure. So, we have announced even in our DRHP and RHP that we have entered into an agreement with a Taiwanese company to set up wafer manufacturing. The equipment for this has already been ordered and we expect, commissioning sometime in FY26 for this 2 GW wafering facility. And we will also get into backward integration to ingot subsequently once this line stabilizes. We don't have any plans to get into polysilicon manufacturing. We will be sourcing our polysilicon from outside India. And as and when polysilicon is available in India under the PLI scheme, if we get polysilicon in India, we will buy it in India. But if we don't, we would import polysilicon.
- Deepak Saha:** So, even without having polysilicon, will we still be able to gain better margins with the wafer backward integration that we have gained, right?
- Chiranjeev Saluja:** Yes. Even without getting into polysilicon, wafer and ingot itself will improve our margins.
- Deepak Saha:** Okay. And the last part is, I missed it. Pardon me for that. On the US side, did you say your plans to set up the JV of a plant in the US is currently on hold because of policy uncertainty?
- Chiranjeev Saluja:** No, it's not on hold. We're just going a little slow to understand, to get more clarity on their views on clean energy transition. So, it's not on hold. As I told, any case, it takes about 2 and a half, 3 years to set up a cell line. So, it's progressing. But we will just look at how things develop on the US. side with the speculations and kind of rumours on how the focus will be on clean energy.
- Deepak Saha:** No, my question is to be more specific. Is it just because of the change in government? Because I'm just trying to understand. The particular company you are trying to set up the JV with, no change on that part, right? That remains untapped. It's just the policy uncertainty and those things are impacting your decision, right?
- Chiranjeev Saluja:** Yes, there is no change in our plans with our JV partner. We have an excellent relationship with them. The whole point of going a little slow is only to understand how the new regime in the US decides on the clean energy transition. There's no other reason.

- Deepak Saha:** Okay. Thank you, sir. I'll fall back on that.
- Moderator:** Thank you. The next question is from the line of Harshil Shethia from Renaissance Investments. Please go ahead.
- Harshil Shethia:** Can you outline the total capex value planned for the cell module and the wafer manufacturing facility?
- Chiranjeev Saluja:** So, for the 1- GW cell line, the capex investment is about INR670 crores. For the 4 GW plus 4 GW, which is coming from the IPO rate, is INR3,300 crores. And on the wafer, it's about INR175 crores.
- Harshil Shethia:** And for the aluminum manufacturing?
- Chiranjeev Saluja:** INR230 crores.
- Harshil Shethia:** Okay. And that would be done in phases. So, how much would be done in FY25?
- Chiranjeev Saluja:** So, FY25, we will be finishing the 1 GW of TOPCon, which is the INR670 crores. The aluminum would come in FY26 and everything else will come in FY27.
- Moderator:** Thank you. Thank you. The next question is from the line of Nikhil Abhyankar from UTI Mutual Fund. Please go ahead.
- Nikhil Abhyankar:** Thank you, sir. I just had a query on the order book position that you have given in the PPT. So, this 3,800-megawatt order book that you have mentioned, is it only for module or is it module plus cell? Can you just clarify?
- Chiranjeev Saluja:** So, it is both put together.
- Nikhil Abhyankar:** It is cell plus module. Can you just give us a split, if you can?
- Chiranjeev Saluja:** The split is already shown in the investor presentation. In the revenue mix, it's about INR3,943 crores for modules and INR1,915 crores for cell and INR375 crores for EPC.
- Nikhil Abhyankar:** So, this pipeline of 4,250 megawatt, given the bidding activity that we have seen in India, isn't it a bit less? How exactly do you target your projects for which you will be bidding?
- Chiranjeev Saluja:** So, the bidding activity is quite robust. The demand is really high, but looking at the volatility in the market, we don't take very long-term kind of bets on orders. So, these are orders which we look at finalizing and closing in the next 6 months-8 months.
- Nikhil Abhyankar:** Okay. It is only that activity. Sure, sir. That's all from me, sir.
- Moderator:** Thank you. The next question is from the line of Aashish Uppanlawar from InvesQ PMS. Please go ahead.

- Aashish Upanlawar:** Thank you so much. Sir, on the question that was asked on your standard for the US capacity, is it possible to give some more insights whether current IRA, can the new government basically scrap it?
- Chiranjeev Saluja:** So, we have not heard anything concrete that there is going to be any change in the IRA. There are kind of rumours and market news and speculation based on statements given by the various political parties when they were campaigning. So, after the government is in place now, we have to wait and watch. We have to see what kind of stance they take. As of now, there is no change.
- Moderator:** Thank you. The next question is from the line of Anant from Mount Intra Finance. Please go ahead.
- Anant:** Hi. Thank you for taking my question. I have two questions. Could you please provide me an overview of the major raw materials required for a solar module and their respective contributions as percentages to a 1 GW module? So, let's just say solar cells, solar glass, aluminum frames, how much would that account for as a cost?
- Chiranjeev Saluja:** So, this keeps changing depending on the price for solar cells. As of today, when you talk of non-DCR modules being sold at USD 0.155, USD 0.16, the contribution for cells is close to about 40%. And then the BOM, that is the Balance of Material, is the rest of the contribution which comes in. In terms of, you know, an overall mix of DCR, non-DCR cells, our material margin is ranging between 35% to 38%.
- Moderator:** Thank you. We will proceed to the next question, which will be from the line of Sarang Joglekar from Vimana Capital. Please go ahead.
- Sarang Joglekar:** Thanks for the opportunity. So, just wanted to understand, is there any, I mean, regional hold in the industry? For example, you have factory in Telangana, so does that mean that you have better holdover market in that region and other people who are in factories in North, they control the market there? Is there any kind of thing?
- Chiranjeev Saluja:** No, there is nothing like any significance that, you know, because we are based in Telangana, we have a stronger market share in this region. We sell all across India. We sell our solar cells to over 25 module manufacturers in India. So, we sell all across India. There is no specific regional mix.
- Sarang Joglekar:** Okay. And so, can you give a distribution of how much of your modules are sold directly to EPC or through government vendors or through distributors?
- Chiranjeev Saluja:** So, we have, about maximum sales are, in domestic terms, it is about 41%. And to IPP, this is 32%. We do OEM for customers, that is about 12.2%. And export is about 3.9%. So that's the mix. So IPP customers is 31%. IPP is a large power plant developer
- Sarang Joglekar:** Thanks. That's it from my side.
- Moderator:** Thank you. The next question is from the line of Vipraw Srivastava from PhillipCapital. Please go ahead.

- Vipraw Srivastava:** I just wanted to understand, annually, what is the DCR market in terms of gigawatts in India annually? And this is growing. The pipeline is huge.
- Chiranjeev Saluja:** So, this is increasing now with the PM Surya Ghar Muft Bijli Yojana and the Kusum scheme, which was announced. In fact, one of the components of the Kusum scheme was converted to DCR from 1st of April, 24. So the demand is anywhere between, as on today, between 10 GW to 12 GW, and this is growing. The pipeline is huge. So, when you talk of pipeline, there is, the Kusum scheme, which has a huge pipeline. And then you have the CPSU scheme. You have the Surya Ghar Muft Bijli Yojana.
- So, if you look at the Kusum scheme itself, only about 5 lakh pumps have been installed, as against the government's target of 50 lakh pumps by FY26. And if you talk of the feeder level and the grid connect, that's about 34.8 GW of installation which has to be done at the target under the component C. In the Surya Ghar Muft Bijli Yojana, that's about 25 GW to 30 GW to be done over 3 years. So, this demand is growing. I would estimate it's been 10 GW to 15 GW as of today, but it's growing.
- Vipraw Srivastava:** Sir, since you brought Kusum scheme, so, on those lines, so basically government has an access dashboard which you can actually track the pumps being installed. So, even the government has sanctioned a lot of tenders for these pumps, but actual installation by farmers is not happening. Farmers are not ready to spend money on this. So, how do you see this progressing? Because even the government is giving tenders and Shakti Pumps are installing those pumps, you are getting the money. But if farmers are on the ground and installing those pumps, then maybe you could face an open capital issue in future. Is that a possibility?
- Chiranjeev Saluja:** So, I think the government has seen this slow progress which has been happening in the last couple of years. And they have come out with efficient mechanism, like in the PM Surya Ghar Muft Bijli Yojana scheme, they have come up with direct subsidy transfer to the individual or the family, which is installing the rooftop. And they have minimized documentation. You could very easily get your subsidy and very minimal documentation required. So, there are processes involved in disbursing the subsidy. Similar issue was also in the Kusum scheme, which has now been simplified, with Shakti and the government getting very proactive. So, we feel that the demand is going to grow from here.
- Vipraw Srivastava:** And sir, lastly, the numbers for Surya Ghar Muft Bijli Yojana, can you please repeat, what was the target in three years?
- Chiranjeev Saluja:** About 30 GW We are talking about 10 million households, even if you take an average of a very conservative average of everybody installing a 3-kilowatt system, that's about 30 GW.
- Vipraw Srivastava:** Fair enough. Thank you.
- Moderator:** Thank you. The next question is from the line of Bala Murali Krishna from Oman Investment Advisors. Please go ahead.
- Bala Murali Krishna:** Thanks for the opportunity. Could you please give a break-up of DCR and non-DCR in this current quota?

- Chiranjeev Saluja:** So, could you repeat? What did you mean, break-up of?
- Bala Murali Krishna:** DCR revenue and non-DCR revenue.
- Chiranjeev Saluja:** No, we don't share revenue of DCR and non-DCR in our revenue mix. It's a total revenue mix which we share.
- Bala Murali Krishna:** Okay. So, we are not exporting anything to the other countries, but do you see any opportunity going forward for the exports as we heard from other competitors that export margins are a little better than the domestic margins?
- Chiranjeev Saluja:** We are looking at various export opportunities, but at the moment, there is such a robust demand in India that we are catering to the domestic demand because of the unprecedented volumes which are required locally. And in our investor presentation, we have also shared the revenue mix of solar cell and module. I think you can get some idea from that.
- Bala Murali Krishna:** Yes, sure. So, under this aluminum frame capex, we are going to purchase aluminum from the smelter and do that process here or are we running any smelting or something like that?
- Chiranjeev Saluja:** No, we will be procuring the billets and then doing the exclusion and anodizing and then refabrication.
- Bala Murali Krishna:** Okay. Thanks. That's all from me.
- Moderator:** Thank you. The next question is from the line of Darshil Pandya from Finterest Capital. Please go ahead.
- Darshil Pandya:** Thanks again for the opportunity, sir. Just one question is on the interest cost. Sir, what will be the interest cost for this financial year and what is the debt around it in the company?
- N. K. Khandelwal:** So, the interest cost for the company right now on the long-term liabilities is around 9.25% per annum. And for the short-term liabilities, working capital funds, it's in the range of about 8.5%. And for the total long-term debts and short-term debts, as on 30th September, long-term debts are INR 863 crores, short-term debts are INR 385 crores. So, 1248 crores is the total debt. Against that, we have cash in hand of about INR 1,520 crores, including the IPO proceeds. The net cash on hand is about INR 223 crores against the IPO proceeds and regular cash of about INR 40 crores liquidity to INR 270 crores is the total cash.
- Darshil Pandya:** Okay. And this will be roughly around INR 180 crores-INR 190 crores for the full year? Sir, the full year interest cost for this financial year.
- N. K. Khandelwal:** Full year? Around INR 180 crores-INR 200 crores. All right.
- Darshil Pandya:** Thank you so much.
- Moderator:** Thank you. The next question is from the line of Deepak Saha from KR Choksey Shares and Securities. Please go ahead.

- Deepak Saha:** I just wanted to understand one thing. I missed the numbers on the industries, I mean, the customers, if you can just highlight that particular part, how much is the IPP and other players that you are supplying to? OEMs and IPPs in terms of the models that you are producing.
- Chiranjeev Saluja:** So, I think I have only answered this question. You are talking about the percentage of revenue to the IPPs, right?
- Deepak Saha:** Right.
- Chiranjeev Saluja:** Yes. 32% is our mix in H124, H125, 32% is to IPPs, 41% is to other domestic customers, and 12% is to OEM customers, 10.3% is government customers, and 3.9% is exports.
- Deepak Saha:** Okay. What was your order book in terms of Q1? What was your order book?
- Chiranjeev Saluja:** You are talking about Q1 or Q2?
- Deepak Saha:** Q1 FY25, what was your order book?
- Chiranjeev Saluja:** Yes, Q1, the order book was INR5,700 crores and Q2, we have already shared in the investor presentation.
- Deepak Saha:** I am asking in Q1, you shared the absolute number. If possible, can you share in terms of gigawatts, what was your order book?
- Chiranjeev Saluja:** So, I think Q1 numbers were given in the RHP, the megawatt and the order book. Q2 numbers is 3860, that's 3.86 GW, INR6,233 crores.
- Deepak Saha:** I mean, we looked into it, so we couldn't get the Q1 numbers in terms of gigawatts in the order book. The absolute number was there, but in terms of gigawatts, that number, I couldn't find. So that is why I was asking.
- Chiranjeev Saluja:** Okay, then allow us to come back to you on this, please.
- Deepak Saha:** Fine, thank you.
- Moderator:** Thank you. The next question is from the line of Ketan Deen from Avendus Spark. Please go ahead.
- Ketan Deen:** Hello Sir. So, my question is, what would be the realizations on sales in Indian market? And who would be the typical customers for this?
- Chiranjeev Saluja:** When you talk of cells, you are talking about Indian manufactured cells, right?
- Ketan Deen:** Yes, Indian manufactured.
- Chiranjeev Saluja:** So, it ranges depending on the order volume between USD0.13 to USD0.15 cents per watt.
- Ketan Deen:** Okay. And who would be the typical customers like for the module manufacturers? Is it the B2B? Is it a B2B market only then?

- Chiranjeev Saluja:** Yes, so about 15%-20% of our cells are going into export, and about 30% are going to B2B for a different module manufacturer, and the rest goes into own consumption.
- Ketan Deen:** Okay, understood. Thank you.
- Moderator:** Thank you. The next question is from the line of Deval Shah from Mirae. Please go ahead.
- Deval Shah:** Yeah. Hi, sir. Thank you so much for the opportunity. My first question is, our 36,000 metrics and aluminum frame capacity, what kind of module requirements will this capacity suffice?
- Chiranjeev Saluja:** So as of now, it will suffice our module requirement, which is close to about 3 GW -3.5 GW.
- Deval Shah:** Understood. And sir, my second question now is, when we say once our wafer capacity commissions, this will result in 100-120 basis by margin improvement. So, does this imply that we will be able to manufacture wafers at prices less than USD1.5 to USD0.2 cents per watt that we are currently importing?
- Chiranjeev Saluja:** Margin improvement was for aluminum, not for wafers.
- Deval Shah:** So, sir, on the wafer side, are we getting any benefits under PLI, will it result in margin improvement once the wafer capacity is commissioned? So, will our wafer proficiency cost be less than USD1.5 to USD0.2 cents per watt?
- Chiranjeev Saluja:** So today, as I told you, China is bleeding. It's very difficult to compare today's China price with what our margins would be when we start our wafer manufacturing. We are getting into wafer manufacturing because we want to get into backward integration, and there is a very robust demand from customers in the US for a clean solar supply chain. There are customers in the US whom we sell solar cells to who want non-Chinese wafers.
- It will again be similar to the DCR, non-DCR kind of a model. When we are selling to entities in India, we did not use our own wafers. And looking at the support from the Government of India, the roadmap is clear. They are talking about ALCM now, and they want to also look at ALWM as we go forward. And talking about the PLI, we are not under PLI. We are under the MSIPS and the SIPS scheme, and the local incentives given by the Telangana government, we do not have any subsidy under PLI.
- Deval Shah:** Understood. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Harshil Shethia from Renaissance Investments. Please go ahead.
- Harshil Shethia:** Sir, what I want to understand is whenever a customer orders, do they have the option to say that I want the cell from so and so player and you make the model, or they just have to get an integrated cell from you only?
- Chiranjeev Saluja:** It depends on the customer. If it is an IPP customer, they could actually decide on getting the solar cells and tell us to do the rest of the bomb. And if it is a DCR customer, then it could be our in-house cell and we would make the model.

- Harshil Shethia:** So, can I say that 100% of our cell capacity is capitally consumed for our own modules only?
- Chiranjeev Saluja:** No. So, we supply solar cells to about 25 module manufacturers in India. We also export cells to the US. So, what goes into our capital consumption is around 50%. Okay.
- Harshil Shethia:** Understood. And only the cells which are sold outside are being specified for those INR448 crores of revenue?
- Chiranjeev Saluja:** Yes.
- Harshil Shethia:** Okay. Understood. Thank you.
- Moderator:** Thank you. The next question is from the line of Aditya Jawar from AK Investments. Please go ahead.
- Aditya Jawar:** Thanks for the opportunity. This is regarding the cell market. So, in a couple of quarters, there will be large sums of modules, cell manufacturing companies going live. And how do you see the competition here? Is it easy to stabilize the line because they are coming up with, I guess, 5 GW of cell capacity?
- So, how will this affect Premier Energies as a company? That is my first question. And the second question is, I see you putting a lot of capacities till FY28 and the prices might be unstable at FY28. How do you see in terms of growth and what are your revenue and margin guidance in the coming three years? These are my three questions. Thanks.
- Chiranjeev Saluja:** So, talking about capacity which are coming into India, we have given this update even earlier that it is not easy to set up cell line. If you look at the companies which have been setting up cell line or announced setting up cell line, and if you look at how much time it's taking them to even commission the lines and then to stabilize these lines is not easy.
- We are one of the two companies in India which have almost 14 years of experience in cell manufacturing and at scale. So, according to us, it takes time for people to set up cell manufacturing. It's a process-driven industry. It's not easy. And with the announcements being made, we see that looking at the demand, there's going to be a very clear demand and margins are going to be stable for at least 2.5-3 years.
- Post that, what is going to be a differentiator between Premier and other companies is the knowledge, the operational efficiency, the kind of deep and rich experience we have. And then if you look at what Government of India is talking about, ALCM, if that comes in, which the government is quite positive about, then the entire market would need 40 GW to 50 GW of cells. So, if ALCM comes in, then we are looking at this whole story going for at least 4 to 5 years with very stable margins.
- Aditya Jawar:** And what about revenue and margins for the next three years? What is your target, internal target?



- Chiranjeev Saluja:** So, our internal target is to be among the top one or two companies growing at the same rate and having similar margins of what the industry would be delivering. So, we would like to maintain leadership position and have similar kind of growth story the industry has.
- Aditya Jawar:** But I don't see you putting a lot of capacity in the modules, right? I mean, industry is going at 20 to 25 at the single player, but we are planning for 8 GW. So, there is a lot of gap there in solar module. But I know you are good at solar cell, which is commendable. But in revenue and margins, do you have any thoughts? Can you share a concrete number, if you have internal targets?
- Chiranjeev Saluja:** Yes, would you pardon me, I'd like to refrain from any future guidance.
- Aditya Jawar:** Okay, sir. Wish you all the best. Thanks.
- Moderator:** Thank you. The next question is from the line of Aashish Urganlawar from InvesQ PMS. Please go ahead.
- Aashish Urganlawar:** Yeah, so I just wanted to understand the margin profile at an integrated facility. I mean, as you go backwards, how do the margins move? If you're a module manufacturer with your skill, maybe. And when you're doing cell plus module and then wafers plus cell plus module. Just for understanding, we need to know.
- Chiranjeev Saluja:** I think our results are up there. You know what kind of margins an integrated player is making and there are other listed players in pure play module. I'm sure you can compare what the advantage is to be an integrated player.
- Aashish Urganlawar:** Okay, so would that be maybe module would be 16%, 17% EBITDA at that scale and integrated would make it say 25% plus. Is that a fair assumption?
- Chiranjeev Saluja:** Yes, I think what is shown in pure play module listed players and our numbers are there. I think it's a ballpark around there.
- Aashish Urganlawar:** Okay. Fine, sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Bhavani from Kijuna Research. Please go ahead.
- Bhavani:** Hello, sir. Thank you for taking my question. My question was with respect to this aluminium frame manufacturing, so will that be whole for captive consumption or also for providing to other companies?
- Chiranjeev Saluja:** As of now, what we are going to implement in phase 1 and phase 2 is going to be captive. We don't have plans to sell to anybody else.
- Bhavani:** What kind of margin improvement would it bring?
- Chiranjeev Saluja:** About 100 basis points to 150 basis points.

- Bhavani:** 100 to 150. And then could you name any other company like any other competitor which are also into this aluminum frame manufacturing?
- Chiranjeev Saluja:** There have been quite a few announcements made by module manufacturers, which is I think available in public domain.
- Bhavani:** Okay, sir. Thank you.
- Moderator:** Thank you. The next question comes from the line of Sushrut Gokhale from Caprise Investment. Please go ahead.
- Sushrut Gokhale:** Sir, as you were replying to a previous participant that due to the increased volatility, we are not going into too much long-term contracts. So, this current order book of say INR6,200 crores. So, is it safe to assume that this is executable over next 6, 8 months? Or what is our typical order execution timeline?
- Chiranjeev Saluja:** So, this particular order of INR 6,200 crores is going to be about around 10 months to 12 months.
- Sushrut Gokhale:** Okay. And also, is there any seasonality like H2 strong?
- Chiranjeev Saluja:** No, we don't have any seasonality as such.
- Sushrut Gokhale:** Okay. Thank you.
- Moderator:** Thank you. The next question comes from the line of Dipesh Sancheti from Manya Finance. Please go ahead.
- Dipesh Sancheti:** I just want to know how much is the capex in terms of monetary? How much capex are we doing? And how are we going to fund it?
- Chiranjeev Saluja:** So, I think all the capex which we are doing apart from the one, we have announced today, it was all in the RHP. The 1 GW TOPCon cell line which is coming up in Q4 2025 is INR670 crores with 75% of net and 25 equity. The 4 plus 4 GW is INR 3,200 crores of project cost. Again about 66% debt and the rest has come from the IPO proceeds. The INR 230 aluminum will be again 75:25 equity.
- Dipesh Sancheti:** And now we have mentioned that we have an order book of around INR 6,000 crores. And our run rate every quarter is around INR1,500 crores. So, we have approximately a year of orders. Is the company comfortable with this or in future are we looking at 1.5 years or 2 years of orders? What is the comfort level for the company?
- Chiranjeev Saluja:** So, there is also a pipeline and with the new cell line getting commissioned in March next year, we will be closing further orders in the next 3 to 4 months. Okay.
- Dipesh Sancheti:** And if I can squeeze in a question about the US expansion. With the change in government, I mean with Donald Trump coming into this and everybody knows how his outlook towards solar is. Do you see any potential risks or is it covered?

**Chiranjeev Saluja:** So, we really do not know. It is a wait and watch situation. There have been statements made earlier, but I think most of them were during the political rallies. And if you look at the change in statement on the EV cards, what was made earlier and what is made now, there has been a total turnaround. And if you look at the module manufacturing facilities which have come up in the US, around 30 GW of manufacturing has come up. Majority of them have come up in the red states.

So, you will see that it will be difficult for them to turn around on policies, but we just want to be making a wait and watch kind of situation. We are not really dependent on the US market in any case, but as it progresses, we will take steps.

**Dipesh Sancheti:** How much capex have you already done in there?

**Chiranjeev Saluja:** Nothing. That is what I said. It is a wait and watch. We have already signed agreements and capex has not happened. We are just looking at identifying locations for the plant.

**Dipesh Sancheti:** Thank you so much.

**Moderator:** Thank you. Ladies and gentlemen, we will take that as our last question for today. I would now like to hand the call over to the management for closing comments. Over to you, sir.

**Chiranjeev Saluja:** Thank you. Thank you so much. I would like to thank all the analysts and the companies which joined in and the valuable time for today's call. We look forward to having more fruitful interactions with all of you and we look forward to more calls in the future.

**Moderator:** Thank you. On behalf of ICICI Securities, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.