August 12, 2024

The Manager
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001

Scrip No. 534618

Sub.: Transcript of Investors/Analyst Earnings Conference Call held on August 06, 2024.

Dear Sir/Madam

Further to our communication dated August 01, 2024, and August 06, 2024, please find enclosed the transcript of the Earning Conference Call held on Tuesday, August 06, 2024, at 11:30 a.m. to discuss the Un-audited Financial Results for the quarter ended June 30, 2024.

This intimation is also available on the website of the Company at www.waareertl.com.

We request you to take the same on your record.

Thanking you,

Yours faithfully,

For **Waaree Renewable Technologies Limited**

HEEMA KALPESHKUMAR SHAH
Digitally signed by HEEMA KALPESHKUMAR SHAH
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"Waaree Renewable Technologies Limited

Q1 FY'25 Earnings Conference Call"

August 06, 2024

MANAGEMENT:	**MR. DILIP PANJWANI – CHIEF FINANCIAL OFFICER – WAAREE RENEWABLE TECHNOLOGIES LIMITED** **MR. MANMOHAN SHARMA – ASSISTANT VICE PRESIDENT, FINANCIAL CONTROLLER – WAAREE RENEWABLE TECHNOLOGIES LIMITED** **MR. ROHIT WADE – GENERAL MANAGER, INVESTOR RELATIONS – WAAREE RENEWABLE TECHNOLOGIES LIMITED**
MODERATOR:	**MR. VIRAL SANKLECHA – ORIENT CAPITAL**

Moderator: Ladies and gentlemen, good day and welcome to the Q1 FY'25 Earnings Conference Call of Waaree Renewable Technologies 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 touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Viral Sanklecha from Orient Capital. Thank you and over to you, Mr. Viral.

Viral Sanklecha: Thank you. Good morning, ladies and gentlemen. I welcome you all to the earnings conference call of Waaree Renewable Technologies Limited. to discuss the Q1 FY25 business performance. Today on the call, we have from the management, Mr. Dilip Panjwani, Chief Financial Officer, Mr. Manmohan Sharma, AVP Financial Controller, and Mr. Rohit Wade, General Manager, Investor Relations. Before we proceed with the call, I would like to mention that some of the statements made in today's call may be forward-looking in nature and may involve risk and uncertainties.

For more details, kindly refer to the investor presentation and the other filings that can be found on the company's website. Without further ado, I would like to hand over the call to the management for their opening remarks and then we will open the floor for Q&A. Thank you and over to you, Mr. Dilip.

Dilip Panjwani: Thank you, Viral. Good morning, everyone. I would like to welcome you all to the earnings conference call of Waaree Renewable Technologies Ltd. to discuss business performance of first quarter for FY25. I hope you all have got an opportunity to go through our financial results and investor presentation, which has been uploaded on the stock exchange as well as on the company's website. I wish to express my heartfelt gratitude to all those who dedicated their time to joining the call and have consistently been part of our journey. I have along with me Mr. Manmohan Sharma, Financial Controller, and Mr. Rohit Wade, General Manager, Investor Relations and other members of the management team as well on the call.

Let me begin by giving you a brief outlook on the Indian economy and solar sector. The IMF has raised India's growth forecast for FY24-25 period to a little higher than 7% up from earlier 6.8% prediction in April 2024. India is on track to be the fastest growing major economy thanks to increased interest from multinational companies eyeing India as a viable manufacturing hub amidst global supply chain challenges. In the financial year 2023-24, India achieved a notable milestone in renewable energy by adding 21.2 GW, a significant increase from previous year's 18.8 GW as reported by Ministry of Renewable Energy. During this period, tenders for utility scale projects exceeded the government's 50 GW target, reaching 72 GW, fuelled by strong market opportunities, substantial central government support through targets and regulations, and improved operating margins.

In the fiscal year 2023-24, solar installations contributed significantly, adding 17.3 GW to India's total renewable energy capacity. Solar energy continues to lead the country's renewable energy sector with a total installed capacity of 85 GW. This underscores India's commitment to advancing its renewable energy landscape.

Overall, India's progress towards a sustainable energy future, particularly in solar and other renewable sources, is set to continue its robust growth trajectory. As a key player in global energy production and consumption, India is swiftly advancing towards a sustainable energy framework to meet its growing power demands. Between April and June 2024, India added around 3.6 GW of new solar PV capacity out of a total 4.4 GW capacity addition.

Solar energy representing 82.44% of this renewable capacity highlights India's commitment to solar power. By June 2024, solar energy accounted for 57.7% of total installed power capacity, reflecting a notable increase from previous fiscal year, reaching 85.47 GW. This trajectory solidifies India's role as a major force in the global renewable energy sector, especially in solar power.

In response to the urgent need for renewable energy amid climate change and rising energy costs, the country is heavily investing in enacting supportive policies to boost solar power adoption as renewable energy costs continue to fall. The Union Budget 2024 underscores the government's strategic emphasis on enhancing energy security, advancing clean energy, and meeting net zero emission goals. It has allocated 19,100 crores to the Ministry of Renewable Energy, marking a significant increase in funding for solar power and other initiatives aimed at fostering sustainable energy development in India.

Government measures, including financial incentives and supportive regulations, are key to accelerating renewable energy growth in India. By encouraging solar and other renewables, these actions attract investment, drive innovation, and promote sustainable progress in the energy sector. India is poised to achieve the 100 GW milestone in solar voltaic energy, positioning itself as a potential global leader in this sector.

This progress is driven by technological innovations, supportive policies, and rising environmental awareness, all of which are expected to attract additional investment. The government's commitment to expanding renewable energy capacity highlights its dedication to fostering a sustainable and reliable energy future. The growing importance of Solar Energy Corporation of India and other agencies in renewable energy tendering underscores the robustness of India's renewable energy procurement system.

In the realm of energy storage, the country aims to expand its storage capacity to 15 GW by FY24 and 85 GW by FY30, aligning with new renewable purchase obligations and energy storage norms to support its renewable energy goals. Now let me present our business performance for the quarter ended June 30, 2024. I am pleased to report that performance remains strong during first quarter of FY2024.

We have an unexecuted order book of 2,191 MW and we have successfully executed 217 MW during first quarter of FY2025. We have secured order wins totalling 58.19 MW peak for solar power projects reflecting our strong momentum in the renewable energy sector. Revenue for the first quarter FY25 stood at INR 236.35 crores, representing a growth of 83.31% year-on-year as compared to 128.94 crores in first quarter of FY24. EBITDA for the first quarter of FY25 stood at INR41.08 crores as compared to INR13.40 crores in first quarter of FY2024, representing a growth of 206.6% year-on-year. Profit after tax during first quarter FY25 stood at INR28.16 crores as compared to INR9.13 crores in first quarter of 2024, representing a growth of 208.51% year-on-year. That's it from my end. Thank you for joining us today and we look forward to your questions. Over to you Viral.

Moderator: The first question is from the line of Jatin Khandelwal from Khandelwal Securities. Please go ahead.

Jatin Khandelwal: Hi, sir. Thanks for the opportunity. I just wanted to get some more clarity on your other verticals under Waaree Group. So, Battery Energy Storage Systems, would it come under Waaree Renewables, Waaree Tech or Waaree Energy? That's the only question that I have.

Dilip Panjwani: Jatin, thank you so much. We have time and again to our stakeholders always mentioned that Waaree Renewables Technology is the EPC company and as we have EPC, we have got two segments which are prominent for us, which is EPC and O&M operations. We have a small portfolio of IPP as well, but our focus is always on EPC and IPP.

The rest of the product lines that you are mentioning will fall under the other group companies. Specifically, you may have to reach out to investor relations to know which vertical will fall under which company. But as far as Waaree Renewables Technology is concerned, we remain committed to EPC and O&M as of now.

Jatin Khandelwal: Got it. I'll reach out to investor relations for more info. Thank you.

Moderator: Thank you. The next question is from the line of Amit Agecha from HG Hawa & Co. Please go ahead.

Amit Agecha: Thank you. My question was regarding any companies that are getting any export orders?

Dilip Panjwani: Look, for us, the domestic market is quite compelling, but that doesn't mean we have ruled out export markets. But our focus right now, there's so much of opportunity that's happening in India. And we want to capture a slice of that first before we venture out. At an opportune time, we will inform all our stakeholders on our export-driven markets. So right now, we are focusing on domestic markets.

Amit Agecha: Understood. The second question was like, is there a company that has any 1GW projects?

Dilip Panjwani: So we have one project which is 20 megawatt lesser than 1 gigawatt. But we do have in our portfolio significant fine projects.

Amit Agecha: Thank you for answering.

Moderator: Thank you. The next question is from the line of Sarang Joglekar from Vimana Capital. Please go ahead.

Sarang Joglekar: Hello, thank you for the opportunity. I just wanted to understand about margin stability. So on an annualized basis, it's pretty stable at 24%. But if you look at quarter wise, it's quite volatile. We just wanted to understand why is that and going forward, how it would be.

Dilip Panjwani: Thanks, Sarang. We have time and again mentioned that we should be in some 15 kind of a range and we will always remain in double digits. Last year, we were able to register a significant margin especially in the last quarter as well. They are driven by certain specific projects, etc. But the most stable margins is in the 15% kind of a range. Though this quarter also we have not beaten and we have been at higher than 17%. But for our modelling purposes, we always take 15% as stable margins.

Sarang Joglekar: Yes, I said on a EBITDA level 15%. Is that what you're saying?

Dilip Panjwani: Yes

Sarang Joglekar: Yes, I said on the industry scenario, just wanted to understand out of the 280 gigawatt target, almost 80 is done, 200 is left and that includes self-EPC, private, commercial and industrial. So how much is the addressable market that you see for the third-party EPC players like yourself?

Dilip Panjwani: Look, the government's policy is to have a vision of grid-driven 500 gigawatt of renewable capacity out of which 280 gigawatt is solar. So what you have mentioned is correct. India achieved 80 gigawatt of solar capacity and that's by 2030. But whether it includes C&I or not, those are not kind of specified, they are grid-connected. But there's a lot of interest from corporate sector and there's a lot of new demand that will come up from green hydrogen and those areas. So 200 definitely from policy perspective, that's a left business by 2030.

But there's always a higher business that will come up from old projects coming up for renewal, C&I, those who will do it for captive, maybe behind the meter, then there will be off-grid projects as well. That will definitely be higher than 200 gigawatts. But it's difficult to specify what will be the exact addressable market for EPC players because there's no science behind how many people are outsourcing and how many people are actually outsourcing this and insourcing within themselves.

But there's a significant portion of these projects which are now coming up for outsourced players like ours. That's where even our pipeline is also increasing because of the interest of a lot of players to outsource. Because they want to speeden up the projects, so they believe that outsourcing kind of helps them. If you look at some of the CARE and CRISIL studies, it's in lakhs of crores, the EPC market.

Sarang Joglekar: Right, got it. Thanks. Also, one more thing, can you give a bifurcation of your order book based on how much of it is with module and how much is balance of system?

Dilip Panjwani: Well, I can give you a sense, we don't reveal the exact number, but we normally tend to be in the range of 30% to 35% with module and 65% to 70% without module, which we call as balance of systems as our projects. And that's been our trend, historically. But now we are also seeing projects coming up with modules also, but that range still remains the same.

Sarang Joglekar: Okay. And for those orders with module, do you procure from your parent or from others? How does that work?

Dilip Panjwani: So normally, if there is no insistence from the customer to buy from a particular geography or particular vendor, we do tend to buy from parent at an arm's length. It's a bit competitive at the end of the day. If our parent is able to match the market price, we tend to buy from the parent.

But we have seen some of the cases where customers have insisted that, you know, they will buy directly. But in the cross-selling opportunity, we do get these contracts from our parents as well. So, there was a customer, I can't name it, but he bought our modules from parent, but he gave EPC to us at the end of the day. So those things keep happening. So, whether we buy from parent or not, that's not a significant event for us because they happen at arm's length only.

Sarang Joglekar: I have one last question. Some time back, there was some news about some deal with 5B Maverick, right? So, can you throw some light on it?

Dilip Panjwani: Yes. So, you know, 5B Maverick has completed its test production, etc. In coming couple of months, we might see some of the deployments in terms of 5B Maverick in Waaree Renewable. So, we have a tie up with them. They have taken a little longer to, test them. The good part about 5B Maverick is that it's easily deployable and it cuts the time to put modules on the ground mounted kind of structures. So they are, you know, ready to fabricate pre-fabricated building blocks for 5B Maverick. We will see them in a couple of months.

Sarang Joglekar: Okay. And any, I mean, estimate on how much that impacts or enhances our margins?

Dilip Panjwani: See, it's a new product. It's very difficult to put any impact on margins, etc. It's the customer's adoption that's more important. And we do expect that given the value addition that, 5B Maverick will bring in in terms of speed to deployment, cutting short the time for going for the project to live. Today it takes about 12 months, 18 months. How much time it is cutting short, it depends on all those things, you know, how much is the customer adoption.

Moderator: Thank you. The next question is from the line of Gautam Trivedi from Nepean Capital LLP. Please go ahead.

Gautam Trivedi: Hi, congratulations on a great set of results. The question I had was with respect to your EBITDA margin. And obviously there was another question also on a similar thing, but I've been looking at, competitors or people in this industry, your peers, their margins are much, much lower at about 9, 9.5% and wanted to understand how is it that you are able to get some good margins?

Dilip Panjwani: Gautam, we keep constantly getting a question on why our margins are, and, we are being constantly producing those kinds of margins. There are two sets of things that we need to look at. We have been very long in this business and we are done cautiously, we don't tend to go below a particular internal benchmark margin in all our projects.

We don't get into projects for the sake of just bringing in revenues. That's one of the reasons. And second reason, of course, is that we have developed a strong ecosystem of vendors. The third, of course, you should leave some secretes it to us, as businessmen, that we want to produce value for our stakeholders.

Gautam Trivedi: Yes, absolutely, The other question is how big of a pie do you see annually for the next, say, five years in total number of gigawatt addition in India?

Dilip Panjwani: It's a good question that you have come up with and I would like to now address you how the company is looking at this sector. We are not looking at this sector as solar sector. Solar, we have already addressed that 200 gigawatt that's leftover that the government as a policy framework, they are trying to address.

We are now even bidding for BESS project, battery energy storage system project also. The tendering has come up, recently. And similarly, you know, we are looking at storage systems, pump storage. We are looking at hybrid projects. We are looking at RTC. You put any number, it will be an underestimate, you know.

So, there are enough research reports which say that give and take what will be the number, if you take even BESS projects, which is battery energy storage system, there are two numbers, one is 42 gigawatt and another is roughly around 72 gigawatt by 2030. So, even if you take the lower number at 42 gigawatt, the spend that is likely to happen is INR14 lakh crores in that sector alone. Okay. Then there are RTCs and, you know, green hydrogen, green ammonia. So, we are seeing a decade of inflation growth in this sector, you know. So, for me to put a number and restrict myself will be, not putting a vision for my stakeholders, you know.

We are equipping ourselves that we should be able to take all these, marquee projects in our segment.

Gautam Trivedi:(21:06) Okay Understood

Moderator: Thank you. The next question is from the line of Shashi Kant from Brighter Mind Equity Advisors. Please go ahead

Shashi Kant Sir, congrats on your good set of numbers compared to last year, same period. But if I take about the quarterly numbers, there is a decline in per megawatt realization. Can you shed some light on that?

Dilip Panjwani: Look, this question was attended in the past also in a different way. There was a question on, you know, how much is the module component, etc. We, our average realization per megawatt is between 1 to 1.2 crores. So, when we speak average, it could be sometimes lower than 1 crore, it could be sometimes higher than 1 crore. But that is the range that we operate in, you know, and it depends on whether it is a turnkey contract or whether it is a balance of system. So, in a particular quarter, if my per megawatt value is higher and the subsequent quantity is lower, it actually does not impact us because we always look at full year.

These projects are 12 to 18 months project and we see how much the client has given as a valid business to us. And that remains consistent for us. We speak this on two lengths, one on the volume segment, which you are putting a question, and even on the margins also. Our margins could be, you know, up in one quarter and in next quarter, they could be down, revenue could be up and down but it is full year that is important for EPC players. That is more important for us.

Shashi Kant: Sir, second question is, how many employees we have added in this quarter?

Dilip Panjwani: So, we are right now up to around 240.

Shashi Kant: 240, on total or what is the incremental addition during this quarter?

Dilip Panjwani: We are not taking in count in this, but project specific, we keep on adding, outsourced people as well. So, these are our Permanent employees. We measure this in terms of, how much business we can do. So, right now, we are geared up to do a significant higher level of business. If you look at our employee cost base, it has gone up from 4 crores to almost like 6 crores. We keep adding people and manpower to equip ourselves to do much higher level of business.

Shashi Kant: Sir, as we have mentioned that our unexecuted book is around 2191 megawatts. So, in this quarter, we have executed 217 megawatts. So, as we know, H2 is a big period for EPC companies. So, what is the estimated, executed project that we expect to get executed in H2?

Dilip Panjwani: We don't get into guidance, but I can give a perspective. At the beginning of the year, we were at 2.3 gigawatts and from 1st of July, you know, you can take that as a benchmark or you take from 1st April. If you take from 1st July, we are supposed to complete these projects in 9 to 12 months, the balance left over. And if you take from 1st April also, this 2.3 gigawatt was supposed to be completed between April to next June. That's what was in the outlook. If you take from today onwards, it's roughly translated to 75% of the leftover business. So, if you take 2.1 gigawatt and if you take 75%, we should be somewhere around 1.8 gigawatt roughly.

Shashi Kant: Sir, one last question. What is the bid pipeline currently? Are we bidding for, new areas like battery storage system and all, as you have mentioned?

Dilip Panjwani: I have already attended that question in a larger perspective when Gautam was talking to us. On the market sizing, yes, we are looking for renewable energy projects is the right terminology rather than solar as a fact for us. We are already doing that.

Shashi Kant: So, basically, our current bid pipeline, if I ask for the year that we are bidding?

Dilip Panjwani: Current bid pipeline is, today as we speak, is 15.5 gigawatt.

Shashi Kant: Okay, Thanks a lot, sir. That's all from my side.

Moderator: Thank you. The next question is from the line of Karan Sanwal from Niveshaay Investment Advisory (26:01). Please go ahead.

Karan Sanwal: Yes. So, I was considering that we have such a huge order book position. So, are you exploring any opportunity to subcontract some of the orders or we would be continuing expanding our team in-house to complete the order book?

Dilip Panjwani: Look, we don't outsource much part of our business. But, some portion, like civil, etc., where we feel that it's a small piece of a business that we are not competent in, we do outsource that. But largely, we try to do it in-house, ourselves.

And as far as picking on more work is concerned, I've already attended that, looking at our, expansion in employee base and we being a platform. Today if I have to take up, three, four more bigger projects like this, it's not a challenge for us. The kind of capacity that we have is very huge, you know, to undertake EPC projects.

Karan Sanwal: Correct, that's helpful. And also, wanted to ask, like, are we exclusive partner to 5B or they are, free to tie up with other EPC players as well?

Dilip Panjwani: No, 5B is exclusive with us.

Karan Sanwal: For the Indian market, right?

Dilip Panjwani: Yes, but we also export, in that space. We can develop market for them in exports also. But domestically, they will do business to us only.

Karan Sanwal: And so, can we expect this, the current run rate of PowerSale revenue that we are recording for the rest of the year? Or, what could be the, good number to look at for the full year basis?

Dilip Panjwani: PowerSales, it's a very annuity kind of stuff, I hope we continue at the same run rate for the rest of the year. Give and take, 3%-4% depending upon weather fluctuations and the degradation in modules that happens naturally.

Karan Sanwal: Okay. And are we need to look out to sell this project or we will keep it in-house only?

Dilip Panjwani: As of now, we are keeping it in-house and we will inform stakeholders, whenever we have an intent to monetize these assets.

Karan Sanwal: Okay. And one last question, like, so what would be the proportion of this retention money that we, you know, keep in the form of performance bank guarantees in the contract? Have any bank guarantees been, you know, triggered in the years of operation that we have?

Dilip Panjwani: So, the retention money is roughly, depends on contract to contract, largely in the range of 5%, but they can stretch up to 10% also. And as far as your second question is concerned, have any bank guarantees been triggered as of now? No, we haven't been triggered by any BGs invocation with us as of now.

Karan Sanwal: Okay, that's helpful. Oh, sorry, I had one question if I can. So, this is, you talked about hybrid projects, solar and wind together. So, I was asking, are we in advance talks with any customers or is it still in discussion, like, do we want to take these hybrid projects or not?

Dilip Panjwani: See, we constantly continue to engage with our customers, that's why we mentioned that we are actively looking at these kinds of projects. Now, whether it's an advanced talk or early talks is difficult to spell out, when a business translates into actual order. So, we are definitely in talks. It's difficult to specify whether it's an advanced talk because there's no metric to measure the difference between advanced and early talks.

Karan Sanwal: Right, that's helpful. Thank you so much and all the very best.

Moderator: Thank you, The next question is from the line of Abhigyan Gura from Aaryaman Consultants. Please go ahead.

Abhigyan Gura: Good morning, sir. Thank you very much and congratulations for the wonderful results. Just one question, the operating profit margin is being shown as 17% for the current quarter, which is around 10-11% down for the last two quarters. May I know the reasons specific for this downfall of 10-11% in OPM percentage?

Dilip Panjwani: So, if you look back into our history with engaging stakeholders, we have always maintained that we should be in the range of 15%. So, I think, it's a factor of that. And I also mentioned that you have to look at margins in annual, quarter volatility is very difficult to explain because these projects are 12-month, 18-month projects.

So, in a project, sometimes you have a higher margin and if that occurs in a particular quarter, the volatility will continue. We would not like to specify, which project kind of what happened, etc. Our continued model remains on double digit 15% level of margins. That's a better way to look at our business.

Abhigyan Gura: Okay. Thank you, sir. In another words, can I look into it that what were the reasons for high percentage in December and March quarters, which rallied up to 27% and 28%?

Dilip Panjwani: So, whether the margin is inverted or whether the margin is on the higher side, the answer remains the same. So, whenever it is higher also, I cannot specify, I would not like to get into one single project or something like that. I said that, we continue to remain guided by our model that we should be in the range of sub-15 and that we maintainable margin, as to the business, that is coming up.

Abhigyan Gura: Right, sir. Second question, sir, regarding the employee cost, it has seen a kind of a 1% increase in the employee cost. Is it up to the higher senior management position or middle and lower management has been increased in the organization?

Dilip Panjwani: It is a mix of both. So, it is a robustness in back offices and robustness in front office as well. So, front office when we mean it is on the project level, you know, higher project managers, senior people joining the company, it is a mix of both, but more higher numbers is towards the project side.

Abhigyan Gura: Thank you, sir.

Moderator: Thank you. The next question is from the line of Sarang Joglekar from Vimana Capital. Please go ahead. You may go ahead with your question.

Sarang Joglekar: Yes. So, your investors presentation mentions that you had also one of green hydrogen project, one megawatt. So, is that entire green hydrogen project or just the solar power plant part of it? So, if you could throw some light on that.

Dilip Panjwani: See, it is a pilot project given by a government agency and it has not made significant progress because they are yet to give us land and facilitate other things. So, as and when we have an update, we will tell you. But to answer the question, the project includes setting up the hydrogen plant as well as solar. It is just not solar.

Sarang Joglekar: Okay. Got it. And one more, the IPP plant that you have 40 megawatt almost. So, how much is the revenue generated from that?

Dilip Panjwani: I will give you the data point. IPP. So, we have generated seven and half crores, little less than 7.5 crores for our IPP plants revenues in first quarter.

Sarang Joglekar: Okay. Got it. Thank you.

Moderator: Thank you. The next question is from the line of Sahil Vohra from M&S Associates. Please go ahead.

Sahil Vohra: Thank you for the opportunity. I wanted to understand what were the primary drivers behind the 83 odd percent YoY revenue growth?

Dilip Panjwani: So, if you look at our history, from the first year of our results, 125 crores to 325, 325 to 876 crores. And now we are expecting to end the year at 1.8 gigawatt roughly or 2 gigawatt kind of business for the whole year. Whether you look at it in crores or whether you look at it in megawatt, it is between 2 to 3x. So, 2.5 to 2 to 2.5x is what we have been growing. And that is the kind of market landscape also available in India right now in the renewable energy space. So, this is a reflection of that growth that is coming in.

When we started the year, we had projects which were like 2.3 gigawatt in hand, which was also again, you know, 2 to 2.5x in volume higher than the last year. That is the reason we have delivered 83% higher turnover.

Sahil Vohra: Okay, understood. Thank you for the detailed answer. And also, if you could provide the breakdown of performance across the different business segments, and how are they contributing to the revenue growth, that would be really helpful.

Dilip Panjwani: See, right now, the focus is on EPC segment. So, if you look at, majority, almost like, 90% of the business comes from EPC. But the tail business, which is O&M, is kind of 500 megawatt for us, but the projects that we complete, by the end of the year, which will be like beginning of the next year, we will have almost like 2 gigawatt of O&M also available with us.

So, which is again, 3.3 to 3.5x higher than what we have today. So, we have delivered kind of 2 and half crores kind of revenues. So, for the full year, if you go, it will be 10 crores, but the next year it will be like, 2 to 2.5x. Hopefully, it means operation online.

Sahil Vohra: Understood, understood. Thank you, and all the best for the upcoming year. Thank you.

Moderator: Thank you. The next question is from the line of Hetanshi Agarwal from SKB Capital. Please go ahead.

Hetanshi Agarwal: Hi, thank you for the opportunity. So, my question is, what are your capital expenditure plans for the upcoming year?

Dilip Panjwani: The good part of our business is that we don't need any significant capital expenditure. We are like a platform. If you want to give me today, like I have got 2 gigawatt, if you want to give me 3x business, I can deliver 3x business without adding any additional capital expenditure. We may need some bit of capital, little bit here and there for our working capital limits, but that we manage from our bank guarantees and letters of credits. So, for me to go up even, you know, 2 years from here, I don't need significant amount of capital expenditure to be spent.

Hetanshi Agarwal: Okay, okay, that's great. And so, my second question is, can you provide insight into your innovation pipeline and upcoming product launches?

Dilip Panjwani: We are not doing any product launches. We cater to EPC business where, customers want to install renewable energy projects, be it in solar space, hybrid space, RTC space, energy storage systems on both sides, you know, BESS and pump storage. We are in that segment right now. So, there's no innovative product launches that we get into. We cater to renewable energy space in India, which is growing at a next beat. Government's target is to put up 500 gigawatt of plants. That's enough of big market for us.

Hetanshi Agarwal: Okay, okay. So, my follow-up to this is, how do you see your business strategy and operations getting impacted by the current market trend?

Dilip Panjwani: Current market trend, if you can highlight what is the risk concern, I can address it. But I have been mentioning throughout my call that the government is committed to renewable energy space, which has been spelled out many a times. In fact, the latest that the government has come up was they wanted to do at least 50 gigawatt of renewable energy projects in India going forward.

And if you look at the last year's trajectory, they have come out with roughly 69 to 70 gigawatt of renewable energy tenders, and the installations in solar have crossed 85 gigawatt. So, if you can tell me, what would get impacted in the current market trend, then let me know, I can address it.

Hetanshi Agarwal: Okay, okay. So, that's enough. So, that's all from my side. Thank you.

Moderator: Thank you. The last question is from the line of Jay Shah from AIB Securities. Please go ahead.

Jay Shah: Yes. So, my first question is, what are the key risks that you foresee in the upcoming quarter? And how do you plan to like mitigate them?

Dilip Panjwani: See, in upcoming quarter, it's too short and, we have already surpassed one month in that. Except for monsoon rains, we don't see any significant risk in the upcoming quarter that we need to address. The macroeconomic environment still remains intact. India increased spending on renewable energy projects. So long as government policy remains effective, and they continue to remain on their commitment of 50 gigawatt of annual renewable energy, we expect even that to surpass, but it remains at 50 gigawatt. So, there's plenty of room for growth, both this quarter and subsequent quarters as well.

Jay Shah: Okay, thank you for that detailed answer. My next question is, are there any plans for geographic expansion, either within India or like internationally?

Dilip Panjwani: So, as far as India is concerned, we undertake projects pan India. There's no question of, you know, any expanding new territory. We try to do projects in every nook and corner, though we are dominant in a few states, as projects are available.

As far as international market is concerned, I have addressed it in the beginning that, the domestic market is a very compelling opportunity for players like us. We will address the international market space, as and when there's an update. We are on lookout, and we remain on lookout, but the plan, etc., as and when we venture out, we will definitely inform our stakeholders.

Jay Shah: Okay. One last question from my side would be, how has the customer base evolved, and what are the steps that the company is taking to expand it further?

Dilip Panjwani: So, customer base involvement has happened, you know, we used to significantly undertake projects from utility scale IPPs. Now, there's a government business which is increasing. So, that's an evolution that has happened, because government is spending a lot on renewable energy space through NTPC, SEKI, SJVN, NHPC, etc. So, that's the evolution that has happened in this sector.

Jay Shah: Okay. Thank you. That was it from my side.

Moderator: Thank you. The last question is from the line of Shubham Shetty from Jefferies India. Please go ahead.

Shubham Shetty: Hi, I just have a question on module pricing. Like, does the lowering of the prices impact your margin? If yes, then how do you procure your modules? And what contract do you have? Is that the long-term contract or how do you procure that?

Dilip Panjwani: See, you know, we don't get into, first of all, long-term contracts on module because we, unless there's a firm order, we don't get into procurement. So, as soon as we get an order and our margins are visible there, we immediately lock in prices for modules. And it's back to back.

So, that doesn't impact us on either side, either on the positive side or on the negative side. We want to protect our margins and therefore we don't get into any speculative arrangement because modules remain the significant part of the procurement if the project is along with modules. So, I hope that makes you understand that, the margins are actually not impacted through module procurement and it's because it's back to back and locked in, we don't get into those things.

Shubham Shetty: Understood. And this last question, I just want to get your view on the landscape of the module prices that's happening. Is it at the bottom end of the curve or is it still?

Dilip Panjwani: If I could predict, I would have already bet, I would have put my bet on those prices and made money. I don't think anybody can guess those prices of any commodity, significant commodity play. Prices have been coming down. But there has been, you know, a pause in how much they are coming down now. But for me to predict where they are headed, extremely difficult. They are a function of many factors.

Shubham Shetty: Do we see stability in, at least in India market? I mean, the modules which are procured on BCRs?

Dilip Panjwani: Look, you know, India market is also impacted with Chinese production capacity at the end of the day. The one good thing that has happened in India now is, there's an ALMM in place now. So, whenever there's a government involvement in terms of grid or money, you need to put only approved list of module manufacturers. But some part of raw material gets imported in India as well. So, it's very difficult to say, even in Indian market, where they are headed.

Shubham Shetty: Sure, sure. That sounds obvious. Sure. Thanks a lot.

Moderator: Thank you very much. I would now like to hand the conference over to Mr. Viral Sanklecha for closing comments.

Viral Sanklecha: Thank you. I would like to thank the management for taking out the time for this conference call today and also thanks to all the participants. If you have any queries, please feel free to contact us. We are Orient Capital, Investor Relations Advisors to Waaree Renewable Technologies Limited. Thank you and have a great day.

Moderator: Thank you. On behalf of Waaree Renewable Technologies Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.