



## SOLARIUM GREEN ENERGY LIMITED

(FORMERLY KNOWN AS SOLARIUM GREEN ENERGY PRIVATE LIMITED)

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Date: November 22, 2025

To,  
**The Manager-Listing**  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400001

Dear Sir/Ma'am,

**Sub: Transcript of the Earnings Conference Call with Investors/Analysts- pertaining to the Financial Results and operations of the company for the half-year ended September 30, 2025.**

**Ref: Solarium Green Energy Limited (Security Id.: SOLARIUM, Security Code: 544354, ISIN: INE0W0H01017)**

Pursuant to Regulation 30 and 46 (2) of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of Earnings Conference Call held on Monday, November 17, 2025, to discuss the Financial Results and operations of the company for the half-year ended September 30, 2025.

The same can also be viewed at [https://solariumenergy.in/wp-content/uploads/2025/11/Earnings-call-Transcript\\_30.09.2025.pdf](https://solariumenergy.in/wp-content/uploads/2025/11/Earnings-call-Transcript_30.09.2025.pdf)

We request you to take this on record and to treat the same as compliance with the applicable provisions of the Listing Regulations.

Thanking You.

Yours faithfully,

**For, Solarium Green Energy Limited**

**Ankit Garg**  
**Chairman & Managing Director**  
**DIN: 08027760**

**Place: Ahmedabad**

**Encl.: as above**



Solarium Green Energy Limited  
H1 FY '26 Earnings Conference Call  
November 17, 2025

**MANAGEMENT:** **MR. ANKIT GARG – CHAIRMAN AND MANAGING  
DIRECTOR – SOLARIUM GREEN ENERGY LIMITED  
MR. PANKAJ GOTHİ – WHOLE TIME DIRECTOR –  
SOLARIUM GREEN ENERGY LIMITED  
MR. HIMANSHU GARG – CHIEF FINANCIAL OFFICER –  
SOLARIUM GREEN ENERGY LIMITED  
MR. ROHIT JINDAL – VICE PRESIDENT, FINANCE AND  
ACCOUNTS – SOLARIUM GREEN ENERGY LIMITED**

**MODERATOR:** **MS. KRISHNA PATEL – E&Y LLP**

**Moderator:** Ladies and gentlemen, good day and welcome to Solarium Green Energy Limited H1 FY26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Krishna Patel from Investor Relations Team, EY. Thank you and over to you, ma'am.

**Krishna Patel:** Thank you. Welcome to Solarium Green Energy Limited H1 FY26 earnings conference call. To take us through the results and to answer your questions, we have with us the top management of Solarium, represented by Mr. Ankit Garg, Chairman and Managing Director; Mr. Pankaj Gothi, the Whole-Time Director; Mr. Himanshu Garg, Chief Financial Officer; and Mr. Rohit Jindal, Vice President, Finance and Accounts.

The discussion that we may have today may contain certain forward-looking statements relating to future events and performance, numerous factors that could cause actual results to differ materially from those in the forward-looking statements. New factors emerge from time to time and it's not possible for the management to predict all the factors, as is the extent to which any combination of factors may impact Solarium's business or cause results to differ materially from those contained in any forward-looking statement.

With this, I may now hand over the floor to Mr. Ankit Garg for his initial remarks.

**Ankit Garg:** Thank you, Krishna, for the introduction. Good morning, everyone. Today, I will be sharing few insights from our H1 FY26 earnings conference. We concluded our Board meeting on 14th November. I will start with a brief overview of half year, which will give you a broad highlight of the business. Post that, we will open up for a Q&A session.

The first half of FY26 has been a period of strong growth for the solar sector, supported by robust government initiatives, rising residential adoption, and accelerating policy interventions like PM Surya Ghar Yojana, GST 2.0 implementation, and continued momentum in the renewable infrastructure. These developments have translated into a healthy demand environment for the distributed solar solutions, an area where Solarium has built a strong foundation over the last five years.

Moving to the financial performance of H1 FY26, Solarium delivered robust results with a 43% year-on-year increase in revenue, a 65% rise in gross margins, and 36% improvement in EBITDA, while profit after tax expanded by 22%. Although the revenue growth remained strong, it was moderated by prolonged and excessive monsoon conditions across India, as well as demand/supply postponement caused due to rollout of GST 2.0 in September 2025.

Despite this temporary slowdown, the reduction in GST rate on modules and inverters from 12.5% to 5%, effectively reducing the composite GST rates by 5% approximate is anticipated to accelerate solar adoption and enhance market adaptability in subsequent quarters. The company continues to observe healthy demand and increased traction for solar installations nationwide.

Regarding our workforce, we have experienced an increase in employee count driven by our foray into manufacturing. We have proactively invested in our people to strengthen our sales and execution team. Finance cost remains elevated due to increased working capital requirements, primarily driven by delayed government receivables, particularly in defense link projects. This has impacted short-term liquidity and contributed to higher interest expenses.

In terms of business segments, residential and government projects remain our core contributors and our primary revenue driven drivers for Solarium, contributing 32% and 36%, respectively of H1 FY26 revenue.

During this period, the residential footprint expanded to additional 25 cities, facilitated by franchisee growth through the Solarium Saarthi Initiative, wherein we onboarded approximately 450 new channel partners, significantly strengthening our reach and customer access. Government orders also remain robust, backed by strong execution track records across multiple states.

Order visibility continues to be a key strength for Solarium. As for H1, we have an unexecuted order book of INR229 crores; INR209 crores in L1 orders and a bidding pipeline of over INR900 crores. Together, this provides clear visibility for growth over the next several quarters.

Operationally, H1FY26 was a milestone for us, supporting our backward integration efforts which commissioned our 1200 MTPA structure manufacturing facility in July 2025, which is expected to generate an estimated 5% cost advantage. Our focus now shifts to the next major milestone, the commissioning of our 1000 megawatt automated solar module manufacturing plant in Ahmedabad. This is a strategic step that will position Solarium as a vertically integrated player and strengthen our long-term competitiveness.

We are also aggressively investing in digital initiatives, including a B2C application for residential segments, which is designed to enhance user experience by providing real-time order tracking, payment updates and related functionalities. This is an important step towards creating a superior and seamless customer experience.

Looking ahead, our priorities for H2FY26 remain clear. Successful commissioning of our module manufacturing plant, the strengthening our residential franchisee network, scaling execution in government and turnkey segments, and driving cost efficiencies for integration and operational disciplines. With strong industry tailwinds, a healthy pipeline, and a clear strategic roadmap, we remain confident about sustaining our growth trajectory and delivering long-term values to all our stakeholders.

We can now move to Q&A session.

**Moderator:**

Thank you very much. We will now begin the question and answer session. The first question is from the line of Maitri Shah from Sapphire Capital. Please go ahead.

**Maitri Shah:**

Firstly, on the solar manufacturing that we are starting the module manufacturing. When do we expect this to commission, Q4 or Q1 of FY27?

**Ankit Garg:** Yes. So we are expecting to get it commissioned by mid-January

**Maitri Shah:** And are we also planning to get into cell manufacturing maybe in FY27 or we are sticking with the module manufacturing for now?

**Ankit Garg:** It is actually a very forward-looking statement for us to update on this right now. But on a short-term basis, we are planning to first get our plant commissioned by January and then we will update on the cell manufacturing part.

**Maitri Shah:** Okay. And when do we expect this to reach the 85% utilization?

**Ankit Garg:** So, ma'am, we have our own cell consumption orders lined up already. And in the recent REI, we have already received some orders for supply of 80 megawatts of panel supply orders in REI already. So, the main target is to reach the maximum capacity at earliest.

**Maitri Shah:** Okay. And once we have this plant commissioned and we also have the solar structure manufacturing, what sort of cost benefit do we expect and how do we expect our margins to play out in especially in the fourth quarter of FY 2026 and for the entirety of FY 2027?

**Ankit Garg:** So, with structure manufacturing, we are estimating a cost advantage of around 5%. With module manufacturing in place, certainly the cost advantage and the supply advantage will be there. But still, we have not estimated the cost advantage till now. But the supply advantage will be very big for us. Himanshu, can you take over?

**Himanshu Garg:** Yes, so I think I'll just start from the beginning. Thanks for the question. So, on the first part, as I was mentioning, I am not too sure if Ankit has answered it or not, but I'll just maybe in the interest of telling everyone, I'll just repeat also.

So, we expect the module manufacturing to go live by mid-January somewhere. I am expecting the shipment to go out from China later this week and expected to get received in India by mid-December and another 15 to 20 days for its trial runs. And by the mid-January to end of January, we expect it to be fully operational. That is on the first part.

On the second part of your question, I think that is around the margins, if I heard it right?

**Maitri Shah:** Yes.

**Himanshu Garg:** So, there are two parts to this question. I'll rather try to answer it in two parts. One, obviously, with the stuff which has already been done around the module mounting structure, though it's a lower cost portion for the overall solar plant, which contributes about 10%, right, in the overall solar plant. We are seeing a cost benefit of about 4% to 5%, which actually entails margin benefit at an overall, only on the EPC segment part, to about 0.3% to 0.5%, effectively.

On the second part, for our module manufacturing portion, there are two ways to look at it. First, how the plant will operate on its own, though it will be a captive unit going forward but how the plant will be operational on its own, as a standalone unit. So, as a standalone unit, plant will be able to generate anywhere about INR1,000 crores plus revenue, if we'll be able to operate it at 85%.

I think you have a question around how do we expect the capacity utilization? I think in the initial period, for about first couple of months, we expect the utilization should be anywhere about 40% to 50% for first couple of months, and slowly, gradually, over the next couple of quarters, it should reach anywhere between 75% to 80%. And the target for that is before Q2 end. So, internally, we are targeting to utilize 75% within first quarter FY 2027. On the margin side for the plant itself, I think on the EBITDA level, if we see that plant standalone, that should be able to operate at 12% to 13% margin.

Now, how will that translate to our EPC segment? Fundamentally, EPC, as we don't want to probably waste or not utilize the plant fully, so there will be a mixture of some bit of external sales and some bit of captive consumption and as we grow our segments, as the acceptance of the module goes up, I think that is the time when the full margin will be able to capture within that. Otherwise, it's a standalone. We want to see it as a standalone unit, which will be actively used, so as to make it more sensible.

**Maitri Shah:** Okay. Thank you for that detailed answer. Secondly, this module manufacturing that we are setting up, will it be capable of using the DCR cells that will probably be a compulsion from June 2026 going forward?

**Himanshu Garg:** Yes. So the unit we are installing is with the latest technology, which is the TOPCon technology, and which can also be upgraded to the next generation technology, which is expected to go live in the next three year to four years, which is HJT [Heterojunction Technology]. And in terms of utilization of DCR and non-DCR cells, it is capable of using both the cells.

**Maitri Shah:** Both the cells. Okay. Just last question on the guidance, if you could talk about the seasonality, because the first half, because of the rains and also there was a delay due to the GST regulation changes, what do you expect from the second half, growth-wise? And also in FY 2027, what sort of growth are you expecting over FY 2026? And even if you can give some color on the EBITDA margins going forward.

**Himanshu Garg:** So, I think, again, we continue to refrain from any sort of guidance, given we are still very, very young in terms of organization. So we're not saying much on that side. But in all transparency, we are still targeting the growth, which we have experienced in the past couple of years, more specifically around EPC.

So if we go deeper into the numbers, say for FY 2023 to FY 2025, our EPC segment has grown by 4x over two years. We have doubled it every year. So we continue to see that traction, not only from, say, what we are targeting, but also the numbers can be visible from our order pipeline, which is, say, in terms of what is the unexecuted order book, which itself is about 230 odd crores, another 210 odd crores pending for LOA, means we are already L1 in those orders.

So we don't see any challenge in terms of not hitting those numbers, in terms of growth percentage, which we have experienced in the past. That's a straight answer to that. On the second part, how FY 2027 looks like, FY 2027 will be in addition to this. We also kind of foresee once our module manufacturing plant goes fully operational, when I say fully operational, that means capacity utilization upward of about 75%-80%.

So there will be additional revenue, which will also start flowing in from the module sales, which obviously, over and above it, is not going to get consumed even in the first couple of quarters or so. We want to achieve our operational efficiency as quickly as possible.

**Maitri Shah:** I have a few more questions. But I'll join back in the queue.

**Himanshu Garg:** Sure.

**Maitri Shah:** Thank you so much.

**Moderator:** Thank you. Before we take the next question, a reminder to all, you may press star and one to ask a question. The next question is from the line of Ansh Singh from AG Investments. Please go ahead.

**Ansh Singh:** Thanks for the opportunity. So I just wanted to understand, your H1 revenue grew 43% Y-O-Y and EBITDA approximately 37% as per your given investor presentation. So what were the key drivers of this margin expansion and how sustainable are they going forward?

**Himanshu Garg:** So thank you for the question, Ansh. So on the margin expansion side, we have actually initiated one very, very recent initiative, which is Solarium Saarthi, wherein we started onboarding franchisee partners who are getting the orders for us. So that is one of the, wherein we have seen a great traction not only in terms of numbers, but also in terms of margins, which also entails a higher expense side for us. But as we scale this up, this initiative gets scaled up, we foresee that the commission outgo will stabilize, and the margins will be able to sustain.

**Ansh Singh:** Understood, sir. So my second question is on the plant that you are planning to set up of 1,000 megawatts solar module manufacturing. So just wanted to get some current status of this project, example, land, machinery and what are the approvals that are still pending?

**Himanshu Garg:** Sure. So, I tried and answered that in the last question being asked, but I'll just repeat that. So the machines are expected to get shipped from China later this week. And expected to reach India port by mid-December or say third week of December. The overall installation time is about a couple of weeks from there, and then about two weeks to three weeks for the trial runs. That's how at the latest, fully operational plant will be end of January. The target is somewhere between mid-January to end of January. That's how we see in terms of the current status of the plant.

**Ansh Singh:** Understood. That's helpful, sir. Sir one more question if I squeeze in. So your working capital appears to be stretched, for example, trade receivables up significantly. So how are you managing receivables and payables and inventory as you scale the business?

**Himanshu Garg:** So, I think, we tried because we expected this question, and thanks for asking this for everyone's clarity. Also, we tried and answered this within the presentation itself. So, obviously, and Ankit also tried and captured this during his speech. So we experienced some, sort of, delays more specifically in the trade receivables from the government-linked projects. And within the government-linked projects also it was a delay from a defense-linked project specifically. I can put it very, very transparently that because most of our trade receivables were from defense-

linked projects from BSF and MES, which is Border Security Force and Military Engineering Services. And both the agencies were stuck from somewhere about May to almost like August because of Operation Sindoor. We experienced the India-Pakistan war there. So most of the people were not reachable during that time. So it is more specific one off reason, I would say, which has been there. If you further break it up again with a very, very transparent structure, there were no delays from the other government projects or say residential. So residential business, we have reduced our working capital cycle. But specifically this, as we have experienced some sort of delays or say the other projects from NTPC or other places, we have not experienced any such delays. So it is more of one-off kind of thing which has happened because of something beyond anyone's control.

**Ansh Singh:** Understood, sir.

**Himanshu Garg:** So almost like four months or five months, there was no one. And we now started receiving those money back from between August and September itself. We have received almost about INR20 crores -INR25 crores between October. And so, we expect to clear that off by December itself.

**Ansh Singh:** Sir, one more question, if I may. Sir, basically, employee cost rose approximately 80% year-on-year, according to the presentation. So how do you expect employee cost growth to behave in H2 FY 2026 and FY 2027 as you scale?

**Himanshu Garg:** So, thank you again. I think we expected this call. Thank you for asking this. We tried to capture that as well in my presentation. So if we further break this up, the employee cost, you are absolutely right, the employee cost has gone up almost like 80% year-on-year between H1 to H1. But, if you see this number from a different lens, that the employee cost being a constant from H2 to H1. So there has not been any sort of increase which has happened from last year H2 to this H1, which is half-to-half.

So we are not seeing any further increase there, rather, more specifically around the main part of the business. But as we add up our manufacturing facility, which we tried to capture it in the last question also being asked, that it will be a standalone unit, which will generate its own sort of contribution to the business. But if we see the business which is going on, we do not foresee any sort of increments, rather some sort of efficiency will start coming in into the employee cost.

**Ansh Singh:** Understood, sir. That is helpful. Thank you, sir. That's from my side. All the very best.

**Himanshu Garg:** Thank you very much.

**Moderator:** Thank you. Ladies and gentlemen, if you wish to ask a question, please press star and one.

The next question is from the line of Vinay Lakhera from RatnaTraya Capital. Please go ahead.

**Vinay Lakhera:** Hi, sir. I just had a quick question on the payment cycle. So, for example, you mentioned about the government projects. So there was a delay in the receivable part. So on the residential and the commercial side, how does the payment happen? Like, what is the cycle for that?

**Himanshu Garg:** From the payment as in to our vendors or receivables from the customers?

**Vinay Lakhera:** From the customer, actually.

**Himanshu Garg:** So, in terms of residential, there is hardly any sort of credit which we offer to the customers. So if we see practically in actual numbers also, the overall AR will not be even less than 10 days. It's anywhere between 7 days to 10 days.

More specifically in terms of payment terms to your question so, we received the money from the customer in tranches. And how those tranches are being bifurcated is - first amount we receive from the customer as a token amount anywhere between INR10,000 to INR20,000. Say, as an example, we have approached the customer at, say, 1.5 lakhs for maybe 3.2 kilowatt customer. So, we kind of receive anywhere between INR10,000 to INR20,000 as advance. Then before dispatch, he has to pay almost 100%.

There are certain points when we offer the customer the credit, which are majorly towards the finance cases, when we are bound to receive the money from say various financial institutions. When effectively there is no credit risk, but the money is due from the financial institutions. Or some places we receive, say, multiple bulk files, bulk number of customers from a specific location. And that gets guaranteed by a specific RWA or someone else. And we offer them credit only for the portion of the money which is to be received from the government.

**Vinay Lakhera:** Okay, got it. So, like, according to my understanding, this subsidy disbursement happens at the end, right? When everything is complete?

**Himanshu Garg:** Yes. Correct. So until and unless we don't approve the file at the portal of government, the subsidy will not be received by the customer. So that is where we get covered ourselves as well. So until and unless we don't approve the file, the subsidy can't be received by the customer.

**Vinay Lakhera:** Okay, got it. So, one more question, like, in terms of involvement of Solarium. So, for example, when the customer needs the solar panel installed, from which point the involvement of Solarium happens? Like, with the customer, when are you in contact with the customer? Is it from the start itself?

**Himanshu Garg:** From the start itself. So we are offering an end-to-end solution to the customer, wherein, let's say, you intend to get a solar system installed. So from the first step itself to finally getting the subsidy disbursed, we are helping you end-to-end. From getting the system installed, doing the drawing, doing all the sort of engineering then getting the financial thing also sorted.

We have tie-ups with various financial institutions, as well as, say, the scheme being offered by the government of India, wherein the PSU Bank has been mandated to offer a loan at a very, very subsidized rate of less than 7% to the customer side. So, there also we ensure that you don't have to visit the bank. Our employees will go on your behalf, and you only visit once when the final signing has to happen. So we kind of handhold complete consumer journey for the customer.

- Vinay Lakhera:** Okay, Got it. So one last question on the competitive intensity side. So, like, as you mentioned, it is a customer-facing kind of thing, like you have to reach out to the customer and come in contact with them. So is it geography-specific, the kind of competition you face? Because, like, maybe in one particular geography, one player has a strong foothold over there. So something like that, is my understanding correct in terms of competitive intensity?
- Himanshu Garg:** Yes. So your understanding is absolutely correct, Vinay. To add on to that, more specifically, how the things happen around the competition? So we have to also kind of decipher it in two different perspectives. That our major competition is the local installers. When I say local installers, there are people like electricians.
- So, nowadays, a lot of local people are coming up and becoming installers, which are not being able to kind of serve the customer like what we offer on the table, in terms of execution timelines or turning the things at a faster pace. So, that is also a very, very strong competitive edge, given still, like, today, more than 96%-97% of the business is unorganized.
- Vinay Lakhera:** Okay. Sorry, like, one last question, if there is time. Can I ask?
- Himanshu Garg:** Go ahead, please.
- Vinay Lakhera:** So, in terms of competition only, like, we saw a lot of solar players and a lot of other players, maybe in the pump industry, etc., are also getting into rooftop due to the market size and the growth over here. So, in terms of competition, do you feel that the size of the player and the kind of capacity they have, that will matter or the kind of execution in terms of customer-facing department, will that matter more? Because, for example, if a big player enters, then the landscape will be completely different for the smaller ones.
- Himanshu Garg:** Correct. So, but I think you answered it in your question itself. Given most of the bigger players don't want to get into this very, very execution-heavy business. So, there are two parts to it. A lot of people get confused in terms of, okay, Adani is doing the rooftop and Waaree is doing rooftop. But in actual, nobody is doing the rooftop, including Tata. So, they are only supplying the products. Nobody is there in terms of executing. There are very, very few organized players who are there doing the execution part.
- So, if I talk about, say, Tata, right? Tata is only supplying the kits. They are not there doing the execution, or say, Waaree. So, everyone has their own sort of specific goals of doing a specific part of the business. So, in case of Waaree, it is to sell modules. In case of Adani, it is to sell modules. In case of Tata, it is to sell the kits.
- But for us, the main part of the business is to execute. We are going ahead with our manufacturing facility, going backward integration. Not to avoid any sort of forward reach, which we have already created.
- Vinay Lakhera:** Okay. Got it. Thanks a lot, sir, for answering the question. I'll wait in the queue.
- Himanshu Garg:** Thank you Vinay.

- Moderator:** Thank you. The next question is from the line of Shruti Malpani from Aarth AIF. Please go ahead.
- Shruti Malpani:** Hello, sir. Congratulations on the great results. I have a few questions. For the module manufacturing facility that we are setting up, where would we be sourcing the cells from? Would it be from Chinese manufacturers or domestically? How would that work out? And this would be an assembly only, right, for the modules?
- Himanshu Garg:** Yes. So, I'll answer your second question first. I don't know how to put it, what do you mean by assembly. But this is what the module manufacturing process is, whether you want to call it assembly or integration or whatever.
- But the machines which we are importing are the latest machines available worldwide, with one of the most reputed suppliers, which is Jinchen, which is among the top two, top three machine manufacturers for modules. So it is fully automated. You can call it as assembly, given the manufacturing process of module as such, which can be called as assembly. But yes, this is what the only process available is.
- On the first part of your question, initially, our plan is to obviously manufacture non-DCR. As we all know that over the next couple of years, non-DCR will go away. And by that time, the DCR capacity will also be sufficiently placed in India. So then we start sourcing the DCR as well.
- But given at least what we foresee, the kind of order books at an India level we have for non-DCR, given the DCR mandate is only for the projects or the vice versa, we are allowed in India to use non-DCR cells for all the projects which are being bidded before 31st of August.
- And if we realistically see, there is enough and enough pipeline, which in terms of execution timeline, will be able to complete over the next one and a half to two years. So we don't foresee non-DCR going away over the next one and a half, two years.
- Shruti Malpani:** Okay. So in your order that will be bidded after 31st, you will have to use DCR components completely, like is that correct?
- Himanshu Garg:** After 31st of August, correct. Correct.
- Shruti Malpani:** This 2026? It's 2025, I am sorry.
- Himanshu Garg:** Yes, this year. So effectively that 30th June timeline, which was earlier there, that nobody will be able to use anything after 30th of June, goes away. Now, as per the latest guidelines, the 30th June can also be deferred. How it will get deferred that all the projects, which have already been bidded for.
- So I'll put it this way, we have an order pipeline wherein we have bidded for more than INR900 crores worth of orders. Now those all are eligible for using non-DCR, because most of them were being bidded before 31st of August.
- Shruti Malpani:** Okay. Got it.

- Himanshu Garg:** At India level, there are like more than 100 gigawatt of order pipeline which is there. And if you also see the data, there were bunches and bunches of the tenders which are being floated in the month of August because of this.
- Shruti Malpani:** Okay. Got it. Sir, from an industry point of view, like what do you foresee for your rooftop segment? Like currently, I think China is placing some restrictions on cells, but that's for like more than 300 WH per kg, right? So how do we foresee the scenario for where Solarium is placed in the supply chain?
- Himanshu Garg:** I don't think there is any sort of difference that will get created for any sort of changes. We have experienced some sort of softening of the pricing rather in terms of non-DCR sales or modules itself. So fundamentally, we don't foresee any sort of difference at least for the next one and a half, two years.
- Shruti Malpani:** Okay. So the next question I have, like recently, congratulations on the orders for the panels, I think for companies. So since the facility will be operational by mid-January, so can we expect those to add up in our Q4 revenues, like for B2B, it's much faster than B2G, right? Or will it be a spill-off in Q1 FY 2027?
- Himanshu Garg:** Correct. So I'll try and amplify this for everyone's clarity as well. Thanks for asking this, Shruti. So, we have already hired our sales team. So as you know, that the product or the industry, solar, is more of a relationship industry. So we have hired our sales team who is going to sell the modules. And when I say going to sell the modules, which is the additional capacity over and over the capital consumption.
- So we have already hired. Why we hired them a couple of months before? Because it is going to be a cross-sell for them. So we already had a person named Sandeep Banodiya, who was part of Krannich Global leading the Germany business.
- Then we also hired a couple of more people from the industry who are industry veterans, who will be able to sell any sort of additional capacities, so as to make sure that the machine or the overall plant will be able to scale up at the maximum level of capacity utilization as quickly as possible. So that is the intent here.
- And to answer your specific question, we expect revenue to start flowing in from Q4.
- Shruti Malpani:** Okay, sir. From the IPO proceeds, we have quite a lot which we haven't used for working capital. So like, why are we not using that currently or what are the plans for using those proceeds?
- Himanshu Garg:** So more specifically, why we haven't used it, it is more to create a credit history. We have been able to secure a decent level of credit lines from our lenders. So that is the major reason we have not used, honestly. And plus there is no additional cost on the company for using those additional credit lines. So that is why we continue to kind of explore the credit opportunity and basically to create a balanced capital allocation for the business.
- Shruti Malpani:** Sir, so like that working capital, so that will be like kind of being saved up for the manufacturing facility to be functional or nothing like that?

**Himanshu Garg:** No, no. So automatically, as we move forward, the money available or money to be required for our manufacturing facility will also get covered.

**Shruti Malpani:** Okay.

**Himanshu Garg:** So we need about INR80 odd crores of working capital, INR80 odd crores to INR100 odd crores of working capital, specifically for our manufacturing plant, which we have already available on the balance sheet. That is more like creating a buffer and having a right mix of capital in terms of debt to equity.

**Shruti Malpani:** Sir then, I am just still curious, when will we be actually deploying the IT proceeds for working capital? Will it not be in FY 2026?

**Himanshu Garg:** No, no. As soon as the plant gets operational, we expect this to get utilized, Q4. As I said, there is a huge amount of working capital which is going to get required for our operations of the manufacturing plant which is, if we operate at 85 odd percent of the manufacturing capacity, the maximum amount we need will be about INR100 crores.

So in Q4, we expect anywhere between INR60 crores to INR70 odd crores worth of working capital required for the operations, wherein we expect to use this. And it is more of creating a pool of capital for the future operations, instead of going ahead and buying everything and not being sure, if we get the support from the bankers or not, so creating a right pool of the capital when it is required.

**Shruti Malpani:** Okay sir, understood. So recently, the short-term provisions increased from INR4 CR to INR10 CR. So, like any specific attributes for this?

**Himanshu Garg:** I don't have that number handy. Rohit, do you have something around that? I am not too sure.

**Shruti Malpani:** Yes.

**Rohit Jindal:** Short-term provisions, around I think. Or maybe Shruti, we can answer it separately, if you are okay.

**Shruti Malpani:** Sure, sure.

**Rohit Jindal:** Because, I don't have that number handy.

**Shruti Malpani:** Yes, yes sir no worries.

**Rohit Jindal:** Thanks.

**Shruti Malpani:** And this is the last one. So, the distribution sales segment that we have in our revenue split, that is for, what exactly? Like The Saarthi program or like what?

**Himanshu Garg:** No, no, no. That is a pure trading sales segment which is about 70-odd percent.

**Shruti Malpani:** Okay sir.

- Himanshu Garg:** I think 70-odd percent which we continue to do in terms of we are importing certain modules from the companies like Trina. It is more of a negative working capital business for us and making some money out of it.
- Shruti Malpani:** Okay. Thank you so much. That's it.
- Moderator:** Thank you. The next question is from the line of Shikhar Gupta, an Individual Investor. Please go ahead.
- Shikhar Gupta:** Hi, congratulations on the great results. My question is regarding the structure manufacturing facility where you mentioned that it has an estimated 5% cost advantage. Can you help in estimating what is the final impact on EBITDA?
- Himanshu Garg:** Thanks, Shikhar. I think I answered that in my first response. So, it basically gets covered as what portion of the Solar plant constitutes a module mounting structure, which is anywhere about 8%-10%. On that 8%-10%, we expect a cost advantage of 3%-5%. So, effectively, it will be able to add about 0.3%-0.5% on the EPC business.
- Shikhar Gupta:** Understood. And similarly, about the solar module manufacturing, that would also be intended towards improving the margin. So, do you see the margins improving straight forward or are there any other factors?
- Himanshu Garg:** Yes. So, I tried to answer it in the first couple of questions as well. So, module manufacturing, in terms of how it will impact the margins, the margins will be improvised only to an extent we are being able to captively consume those modules.
- Obviously, we are confident that we will be able to captively consume anywhere between 40%-50% in very, very initial period, say 6-9 months time. But at the same point in time, we want to see our module manufacturing unit as a standalone.
- So, at a standalone level, how it performs, what is the ROCE of that standalone unit, what is the payback period of that standalone unit. So, that is what I tried to capture. But if we want to drastically amplify what sort of margins, it will be able to improve. So, any module which is captively consumed will be able to add. So, given the module constitute almost like 50% of the overall Solar plant and will be able to add anywhere between 10%-12% of the margins at a EBITDA level right. So, we foresee 5%-7% of the improvement in the gross margins from the module manufacturing if anything gets consumed in-house. So, it will be a composition of multiple things. That is why I tried to amplify the answer in my earlier responses as well.
- Shikhar Gupta:** Thanks.
- Moderator:** Thank you. The next question is from the line of Maitri Shah from Sapphire Capital. Please go ahead.
- Maitri Shah:** Firstly, on the finance cost, since this has doubled and probably because of the increase in working capital from the Defense projects, how do we expect this to normalize over the next two quarters going forward?

- Himanshu Garg:** So, thanks for asking this question. Again, somebody else as well asked this question. So, that was the reason we actually captured this response in the speech as well as in our presentation that this is one-off. So, as we have already started receiving the money due from the Defense projects, this will be a bit on the bloated side on Q3 specifically.
- Q4 onwards, this will get normalized. But we also are going to experience a significant growth Q4 onwards. So, at an overall level, maybe in absolute terms, it will remain at the similar level, but with quite a higher portion of the business coming in. You're getting my point?
- Maitri Shah:** Yes. Okay. Thank you. Also, for the manufacturing, we are taking a bit of debt.
- Himanshu Garg:** Correct.
- Maitri Shah:** So, maybe in absolute terms.
- Himanshu Garg:** Absolutely.
- Maitri Shah:** Yes.
- Himanshu Garg:** So, maybe in absolute terms, it might be similar or somewhat of a higher side, but if we say the one-off thing is going to get settled or normalized within this quarter or so.
- Maitri Shah:** Also, going forward, how do we expect our split from the government coming in, because we have a bit of a pressure on the receivables from that side. So, do we expect to kind of lower the contribution going forward or do we expect it to stay in the same level of 40%?
- Himanshu Garg:** Not really, Maitri. So, again, I'll repeat what I have said for the receivable as well, right? So, it is not we have experienced this across or we have experienced this in the past. We have experienced this as one-off situation, more specifically with the defense projects.
- When it's a defense project, more specifically with BSF and all that and more specific during a specific period that I think we all know that.
- Maitri Shah:** Okay.
- Himanshu Garg:** So, it is not something which is a normalized situation. We have not experienced anything with the other projects, whether it's NTPC or Vyapar. So, there are multiple other projects which we are doing. So, we have not experienced that. The answer to your first question is that.
- And on the second part, as you have seen the presentation as well as the speech, we have a very, very robust pipeline in terms of the unexecuted order book or say L1 or say the tenders and the bidding. So, we don't expect the contribution to go down. Either it will remain there or increase.
- Maitri Shah:** Okay.
- Himanshu Garg:** So, all the orders are pretty much intact and we want to kind of execute them quickly.
- Maitri Shah:** Okay, that's great. Could you also expand on those?

**Himanshu Garg:** Most of those, sorry. Most of those are with the other than Defense. So, the majority of the orders are from NTPC and HPPL and the other entities.

**Maitri Shah:** Oh Yes. Could you expand on the IT that we are spending on for the B2C application that we are developing? Is this going to be a new source of revenue for us? Or is it going to be something that we're going to give to the clients as an additional sort of benefit ?

**Himanshu Garg:** Which IP? Which IP? Sorry.

**Maitri Shah:** The IP, the app that we are making for B2C.

**Himanshu Garg:** It is more of a customer experience, yes.

**Maitri Shah:** Okay.

**Himanshu Garg:** To improvise the customer experience. It is more of that. Yes. Obviously, all these steps have been taken to improve the customer experience and then in turn improve your retention rates and conversion rates. But yes, it is more of those things.

**Maitri Shah:** Okay. And do we expect ourselves going into the BESS battery storage system going forward with the EPC because we are seeing more contracts being given.

**Himanshu Garg:** So we have already done energy storage contracts and quite difficult ones, way down in Leh Ladakh or Northeast or some sort of air force stations. So we have done those, and we, again, continue to bid for those projects. If the question is around EPC, yes, we have the capability, and we will continue to bid for them and continue to go ahead in that direction given the market is moving into that direction.

If the question is around the manufacturing side of BESS, the answer is no at this point in time because our focus is to get vertically integrated in the direction we are moving at this point in time, and this will be a bit off track for us at this point in time. So in terms of manufacturing, we are not.

**Maitri Shah:** Yes. So in the current bid pipeline of close to INR900 crores, what sort of, I would say, like value it pertains to the BESS, if you could say?

**Himanshu Garg:** Difficult to answer at this point in time, but there are a bunch of orders bid here with some sort of BESS as well, but I don't have a number handy in terms of what percentage of it will be. But at the same point in time, there are latest technologies of the moving module kind of orders. So there are multiple latest technology being there in those tenders. But yes, I do not have the number handy for this percentage in those pipeline we have.

**Maitri Shah:** Yes. That make sense. Okay. Just a last question on the unexecuted order book we have of INR229 crores and the L1 of INR209 crores. What sort of time line do you expect for the unexecuted order book to be?

**Himanshu Garg:** So the target to execute them is, so in terms of unexecuted order book is something, I'd say, not later than Q1 next year. Most of it will get executed within this year. In terms of L1, it will all

be dependent upon LOAs. But hypothetically, from the time we receive the LOAs, our expectation to execute them is anywhere between 9 to 12 months from the time we receive the LOAs.

**Maitri Shah:**

And what sort of win ratio do we have on our bidding pipeline?

**Himanshu Garg:**

So the win ratio, it's a different way to look at it. So if we see in terms of a single order win and that order is like, say, INR100 crores, right, can significantly change the ratio. So if we simply take this number instead of, say, the value of orders and say the number of orders we bid for either for INR1 crore or INR10 crores or INR100 crores, the ratio is anywhere about 25% to 30%.

But in terms of value, it is very, very skewed because one single order, we bid, say, for INR1,000 crores, and we lose that or we win that, it significantly moves the ratio. So it doesn't make sense to see it at the value level because of the skewness or the movement or the volatility because we have bid for orders as low as like INR5 crores and we have bid for the orders as high as like INR1,000 crores in the past. So we don't want to probably get into the win ratio at the value level because it will not give the right picture, honestly.

**Maitri Shah:**

So the competition is increasing in the module manufacturing and we see the realizations trending downwards quarter-on-quarter. Do we see that as an issue with like a new plant coming in?

**Himanshu Garg:**

So thanks for asking this, Maitri. I think it is a good question and would want to answer it in more detail. So this is not the first time when the solar industry has seen such sort of volatility in terms of the module pricing. So if I want to probably answer it in one line, the answer is this is not the first time the module industry is seeing such sort of volatility.

But to go more deeper into the details, how the things are happening at this point in time, right? So the module capacities, which people are talking about, say, 100 gigawatt, 130 gigawatt, X, Y Z, but still, the module supply time lines remain challenging. Still, we have experienced and not we, industry has experienced the same sort of shortages of the modules.

Or the reason is very simple that a lot of manufacturing facilities were either old or the new technologies are coming up with the latest technology, TOPCon peers, while mono will go off or that 130 gigawatt of the capacity we talked about or say, 100 gigawatt of capacity, we talk about, we all know that the utilization is anywhere between 70% to 75% automatically that goes down by 20-30 gigawatt at the start of it.

And on top of it, the demand side continues to go aggressively and go up aggressively and create a very, very strong foundation to grow next year more than what it has grown last year, not only in absolute terms, but also in percentage terms. If the industry adoption or say, the installation has gone up by 25% last year, this year it is going up by almost 40%. So that is on the demand side. So we don't foresee that, okay, is this because of this? We are unnecessarily trying to link it up with multiple things that because of the additional capacity, the module prices are going down. But the real answer is not that, right?

So it is not the first time the industry has seen some sort of volatility. At the same point in time, if you see the margins, it is because on the supply side itself the raw material prices are going down. It is not something else.

**Maitri Shah:** Okay. That was very informative. Thank you so much for answering all the questions. And all the best.

**Himanshu Garg:** Thank you very much.

**Ankit Garg:** Thank you.

**Moderator:** Thank you. The next question is from the line of Shruti Malpani from Aarth AIF. Please go ahead.

**Shruti Malpani:** Hi, sir. I just have a follow-up question. So what kind of agreement do we have with the Chinese suppliers for the cells? Are there some long-term agreements or just order by order-based or something?

**Himanshu Garg:** So Shruti, the relationship which we are now using are the old ones which were there in the past time when we were operating our earlier facility. So it is not the first time we are going ahead with manufacturing. We started this company as a manufacturing unit with the erstwhile technology.

So we are kind of going back to those relationships. And once our factory goes live, those relationships will automatically get into the long-term agreements. At this point in time when we are talking, obviously, because we do not want to kind of bind ourselves and there are multiple manufacturers supplying those cells.

But what we foresee is by the end of Q4, we'll have long-term agreements with most of our suppliers with the cost being left, again, because of the volatility we have experienced. So we don't want to probably bind ourselves in terms of cost. But at the same point in time, we don't foresee any sort of challenges in terms of supply.

**Shruti Malpani:** Okay. Thank you.

**Moderator:** Thank you. Ladies and gentlemen, as there are no questions from the participants, I now hand the conference over to the management for closing comments.

**Himanshu Garg:** Thank you very much, everyone. Go ahead, Ankit.

**Ankit Garg:** Thank you, everyone. On behalf of the management of Solarium, we thank you all for joining us on our post-earnings call today. We hope we have been able to address the majority of your queries. You may reach out to me or our Investor Relations partner, EY, for any further queries that you may have. And then they will connect with you offline. Moderator, we can now close the call. Thank you all.

**Moderator:** Thank you, sir. On behalf of Solarium Green Energy Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.