AUSTRALIAN PREMIUM SOLAR

Australian Premium Solar (India) Ltd.
(Formerly Kmown as, Australian Premium Solar (India) Pvt. Ltd.)
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Date: August 04, 2025

To,
National Stock Exchange of India Limited
Exchange plaza,
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400051

Dear Sir/Madam,

Subject: Transcript of the Earning Conference Call with Investors/ Analysts for financial results and operations for the quarter ended on June 30, 2025.

REF: TRADING SYMBOL: APS; ISIN: INE0P0001010

Pursuant to the Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find enclosed the Transcript of the Earning Conference Call held on July 31, 2025 with Investors/ Analysts for financial results and operations for the quarter ended on June 30, 2025.

Kindly take the same on your records.

Thanking you,

Yours faithfully,

For Australian Premium Solar (India) Limited (Formerly Known as Australian Premium Solar (India) Private Limited)

HITESH NAGDEV
Digitally signed by HITESH NAGDEV
Date: 2025.08.04 15:48:56 +05'30'

Hitesh Nagdev
Company Secretary & Compliance Officer

Encl: A/a

Australian Premium Solar (India) Limited

Q1 FY '26, Results Conference Call

Event Date / Time: 31/07/2025, 14:00 Hrs.

Event Duration: 01 hr. 08 mins 12 secs

CORPORATE PARTICIPANTS:

Mr. Nikunj Patel
Chairman & Executive Director

Mr. Kalpesh Vakharia
Chief Financial Officer

Mr. Parth Raorane
Confideleap Partners

Q & A Participants list:

1	Raman KV	: Sequent Investments
2	Pranav Jain	: Individual Investor
3	Rahul Singaniya	: TCL
4	Achuth Pabbath	: Individual Investor
5	Rithesh	: Alpha Capitals
6	Saumil Shah	: Paras Investments
7	Jenil	: Individual Investor
8	Majid	: Pinpoint Capitals
9	Krunal	: HNI Investors
10	Soham	: RV Investments

Moderator :

Ladies and gentlemen, good day, and welcome to Australian Premium Solar India Limited Q1 FY26 Results Conference Call hosted by Ventura Securities Limited. As a reminder, all participant lines will be in the listen only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing * and then 0 on your touch-tone phone.

Please note that this conference is being recorded. Before we begin, I would like to point out that this conference call may contain forward looking statements about the company, which are based on the beliefs, opinions and expectations of the company as of the date of this call. These statements do not guarantee the future performance of the company, and it may involve risks and uncertainties that are difficult to predict. I would now like to hand over the floor to Mr. Parth from Confideleap Partner. Thank you, and over to you, sir.

Parth Raorane:

Good afternoon, ladies and gentlemen. I am Parth Raorane from Confideleap Partners. We represent the investor relations and PR for Australian Premium Solar India Limited. On behalf of Ventura Securities and Confideleap Partners, I will warmly welcome you all to Australian Premium Solar India Limited Q1 FY26 earnings call. The company is today represented by Mr. Nikunj Patel who's the Chairman and Executive Director and Mr. Kalpesh Vakharia who is the Chief Financial Officer of the company. Now I would like over the call to Mr. Nikunj Patel for his opening remarks. Thank you, and over to you, Nikunj, sir.

Nikunj Patel:

Thank you. Thank you, Parth. Good afternoon, ladies and gentlemen, for our first earning call for this financial year. Just for your APS is in India since FY23 working as one of the pioneer solar panel manufacturers. I'm very pleased to inform our first phase of 400-megawatt Topcon line is set for production by early October 2025.

Our second phase for 400-megawatt expansion also will be expected to run by first quarter of FY2627. This additional new capacity will help us to serve our growing market needs for our wholesale demand, our residential customer demand, our commercial customer demand, our solar pump business and upcoming ground mounting project supply as well. I'm also pleased to inform initial groundwork for our one-gigawatt solar cell line with two-gigawatt utility near Ahmedabad is also progressing very well, which is expected to, start within 18 to 24 months, which will help to make our vertical integration very strong. Currently, our EPC vertical is growing to next level. Our pump segment, we already qualified in nine states, and we are also, expected to bid in another two to three states in coming months.

Our wholesale division, they have worked excellently in last quarter, and they have very good target for upcoming quarters as well. Our retail business also achieving the target we have set for them. Our C and I segment, which we started before three two, four months ago, which is growing very well as well. Currently, we are utilizing full capacity of our production line. And now for the result for these recent results, I will pass it to our CFO, Mr. Kalpesh Vakharia, to explain more in detail. Kalpesh, to you. Thank you very much everyone.

Kalpesh Vakharia:

Thank you so much, Nikunj bhai for handing over the call to me. Good afternoon, everyone. We are very pleased to report a strong performance in Q1FY26 marked by Robust growth across key financial metrics. I would also like to add here that our performance in Q1FY26 which is almost at par with our last quarter result of Q1FY25, which was the best quarter till date at that time still since we have started working. Before just briefing you about the figures for this quarter, I would like to add, usually, in solar industry, H1 is always slow due to monsoon and during this time, most of the tender bid are in process for solar pump and other bidding.

We are on road of achieving the expected turnover and profit for the financial year as previously informed during our earlier investor call. Now I would like to brief you about the Q1FY26 figures. Total income for the quarter stood at 153.23 crore, reflecting a significant YoY increase of 86.60% compared to 82.12 crore in Q1FY25. EBITDA also grew by 118.60% to 21.32 crore, with an improved margin of 13.91, which was what we were expecting. In our last call also, we said that we are expecting to achieve this margin and we achieved this margin, which is up to 0.204 basis points YoY. Net profit also more than doubled to 14.70 crore, that is PAT. PAT growing 124.75% over Q1FY25.

PET margin also improved by 163 basis points to 9.59%. So we have registered a strong growth over all across our all departments that is firm, wholesale, and retail. So now I would like to one more thing I would like to add here that as Nikunj Bhai said, that our top line is already in water and probably it is expected the commissioning and target for completion is expected to be done by September 2025. And from first week of October, commercial production is expected to commence. So, which will add to our, existing turnover and everything.
So as per this, we expect our turnover and profit for this year to be achieved as we had spoken earlier. So I'm very happy with the overall result. And now I would like anyone of you have any questions, then probably you can, send us the question. You can ask us the question, and we will reply you back. Thank you so much.

Question and Answer

Moderator:

Ladies and gentlemen, we will now begin the question-and-answer session. If you have a question, please press * and 1 on your telephone keypad and wait for your turn to ask the question. If you would like to withdraw your request, you may do so by pressing * and 1 again. First question comes from Raman KV from Sequin Investment. Please go ahead, sir.

Raman KV:

Hello, sir. Can you hear me? Yes.

Kalpesh Vakharia :

Yes.

Raman KV:

sir, I just wanted to clarify our current monthly manufacturing capacity is one gigawatt. Right? And 400 megawatts will be added from October.

Kalpesh Vakharia :

No. It is 600 megawatts till now, and another 800 megawatt we are adding. So that 400 megawatts would be added in August, as I said, and it would be operational by October. So that will make us one gigawatt factory, and another 400 megawatts will be added probably in the last Q1FY26.

Raman KV:

sir, and what is the current capacity utilization of the 600 megawatts? Mean, I just wanted to understand historically, like, within the industry, it's like 50 to 60% is the apply optimum utilization for the module manufacturer. So is it same for us?

Kalpesh Vakharia :

We are actually utilizing currently, I mean, we are utilizing about 70%. Nikunj will answer this.

Nikunj Patel:

Raman, this is Nikunj this side. So, we have the 600-megawatt line, 400 megawatt Monopark line, 200-megawatt poly line, but now from last, this quarter, we have isolated that 200-megawatt line. So, currently, 400 means last three to four months, 400 megawatt Monopark line is up and running, which is we are utilizing almost 80 to 85% of this line.

The new top line will be up and running from the next month. So, overall, I mean, from 600, it will be one, but 200 will be isolated, which is already isolated now. So, we can say currently we have 400-megawatt line, 400, which will be phase one for Topcon, and then it will be 400 again. So, it will be 1.2-gigawatt total.

Raman KV:

Sir my next question is, like, are you planning to upgrade these 400 megawatts, Monopark into Topcon?

Nikunj Patel:

Not at the moment because we have so many orders which are in domestic content requirement, because we are in business since last 10-12 years. So we have so many customers also in wholesale division and our own retail customer and our own pump division where the Monopark demand is solid because currently, other than Adani, there is nobody is producing Topcon solar cell in India. So there is a demand for Monopark solar cell. So we have a plan to continue that line for another one or at least two more years. And our existing line is fully capable to upgrade in a Topcon line, but we will keep that running as a Monopark because we believe the DCR solar cell will be for Monopark will be a little bit cheaper as the Topcon will start coming in the market. And still, there will be a good demand for Monopark in pump segment and some rooftop segment as well.

Raman KV:

What is our current realization of the solar modules?

Nikunj Patel:

Can you repeat the question. I couldn't catch up, brother.

Raman KV:

What is the current realization of our solar modules like, how much are we selling one giga of one megawatt modules for?

Nikunj Patel:

So as you may already heard before, there are two types of modules available in a market. One is DCR content. DCR means which we must have to utilize the solar cell, which are manufactured in India. The non-DCR means the manufacturing overseas solar cell we can utilize. There is almost 10 to 11 rupees difference. So, if the non-DCR is currently 1250 to 1350 up to 14, then the DCR is INR 24 to 25 rupees per watt. So, one megawatt is 2.4 to 2.5 crores per DCR. If it is a non-DCR, it's 1.3, 1.2 to 1, means 1.25 to 1.4 crores.

Rama KV:

It's like almost 2x, right?

Nikunj Patel:

Yes, say 80 percent.

Raman KV:

Sir my next question

Nikunj Patel:

Yes, brother.

Raman Patel:

So my next question with respect to pumps division. We have a emission target of 30 percent of the FY2670 to be from solar pumps. So, I just wanted to understand this process. Do we do only EPC of Pumps or do we manufacture solar Pumps?

Nikunj Patel:

We don't manufacture solar pump. We just do EPC.

Raman KV:

This is, what sort of margin?

Nikunj Patel:

We are approximately 15%.

Raman KV:

Sir are we planning to, for a, like, vertically, own integrated into solar pump manufacturing?

Nikunj Patel:

Not in near future because currently, we are getting good rate for the pump. And we currently, we are focusing on solar cell first, then we will see that what will be our overall say, like, if we do the for example, 400 crores turnover in a pump, then the pumps demand will be maybe, say, altogether, the pump purchase will be only 25 to 30 crores. You know like, around 10% maximum. So it won't be breakeven for us. Just for our own needs, we do the pump and also in there are so many suppliers who are already in context with us since long time, and we are getting better rates. So we don't have any short-term planning to go in a pump manufacturing.

Moderator:

The next question comes from Pranav Goel, an investment investor.

Nikunj Patel:

Hello?

Pranav Jain:

Am I audible?

Nikunj Patel:

Arun Jay?

Kalpesh Vakharia:

Pranav Jain

Pranav Jain:

First of all, congratulations for a good set of number. I had few questions for you. So if you can elaborate on the time line and the funding structure of the, you know, on the 800-900 crore phase one solar cell plant.

Nikunj Patel:

Kalpesh Vakharia may you like to answer?

Kalpesh Vakharia:

For solar cell. So, solar cell the capacity as you said, 800-900 crore. Out of it, say, for example, I mean the capacity is INR 900 crores, out of which 30%, that is around INR 250-300 crore would be funded by the promoter, APS, and some fund raising too and the rest will come from that.

Pranav jain:

So this would be a preferential issue or a right issue?

Kalpesh Vakharia:

Prefer preferential issue.

Pranav Jain:

And, sir, on the metrics like IRR payback period and breakeven for the new one gigawatt solar cell would be?

Kalpesh Vakharia:

Probably, max, it will be 2-2.5 years.

Pranav Jain:

And what would be the IRR for it?

Kalpesh Vakharia:

IRR would be probably 30-35%.

Pranav Jain:

And this how will the vertical integration into the solar cell manufacturing improve the cost efficiency and also the margin for the module business?

Kalpesh Vakharia:

So I would like to add here that as Nikunj Bhai said that right now, we are paying about you know, the cost of DCR per watt is about INR 24-25 rupees per watt. And the same cost for non DCR is about INR 12-14 rupees. So you can understand the difference of profit that probably the local manufacturer, the domestic manufacturers are making. So once our own right now, we have got more demand for the DCR panels. But since the supply is short, I mean, we are not being able to cater to that demand. So once we will have our own manufacturing of solar cell, we will be able to supply to APS for its own project as well as to the other people as well. So when it is supplying to our own APS, then, obviously, we are going to they will have some cost benefit, and that will improve our margin. So right now, for example, if we are getting the sales set at INR 24 rupees or something like that, then we can give it to INR 20-19 rupees depending on what how our relationship is. And because, anyway, 51% percent stake is owned by ABS in a plus solar cell. They will definitely have a upper hand in that.

Pranav Jain:

So, in a quantified term, how would you quantify, like, in terms of margin. What kind of margin would it be.

Kalpesh Vakharia:

It may increase the margin by probably another percent or so. I mean, probably from a 100-basis point to 200 basis point. It will add to the EPS margin.

Pranav Jain:

And this solar cell, what proportion will be consumed by EPS only, like, captively consumption?

Kalpesh Vakharia:

So initially, it looks like I mean, Nikunj bhai if you want to answer this, I mean, because we will have a better idea about this.

Nikunj Patel:

Say one gigawatt solar cell can produce, say, 800–900-megawatt capacity, and 1.2-gigawatt solar panel manufacturing required roughly 700- 800-megawatt solar cell. But from 1st of the June 2026, central government is expecting most of the solar cell to be made from India. So, I am hoping 1st phase of the solar cell, we will use 70, at least 60 to 70 percent, and remaining we have to sell to other party. But we will have the utility for 2 gigawatts. Very soon, we will have a additional one gigawatt capacity as well, which will be and also on demand, we will increase the APS capacity as well. So, our goal is to cater 50% to APS and 50% to external market for solar cell.

Pranav Jain:

Got it, sir. I have few more questions, but, like, if I have time, then I'll ask or should I come back in a queue?

Nikunj Patel:

Sure, Pranav. Thank you.

Pranav Jain:

Thank you.

Moderator:

The next question comes from Rahul Singaniya from TCL.

Rahul Singaniya:

Congratulations on the great set of numbers. What is the current split between Monopark line and Topcon module?

Kalpesh Vakharia:

Your voice is quite low, Rahul. Sorry to interrupt. Your voice is quite low also. Yeah.

Rahul Singaniya:

What is the current split between low pitch line and top on module three?

Kalpesh Vakharia:

What is that?

Nikunj Patel:

Our current menu we are in last quarter, most of the production we have done is Monopark only. Popcorn, we have hardly sold the, 86000-10,000 Topcon panels because our machine have a ability to switch, mono and Topcon. But as we are very strong in the projects and our own requirement and our this Monopark demand was very high. We just changed once only for the Topcon line. Remaining days, we have worked on Monopark.

Kalpesh Vakharia:

Understood. Next

Nikunj Patel:

And that's why we are adding new line for Topcon, so we don't need to waste the time to switch the line.

Rahul Singaniya:

And next is that solar pumps, according to projections, are to contribute 30% of revenues by FY26. So, what is the current contribution and how do you plan to achieve this target?

Nikunj Patel:

Kalpesh do you like to answer?

Kalpesh Vakharia:

Yes, currently, I mean, as it has been predicted that we will be achieving probably INR 250-300 crore. Probably, we have that target of achieving 30% of the turnover from just solar pump. And right now, so in this quarter also, we have achieved a turnover of INR 43.61 out of 153 crores. So, which is approximately about the same that we are going to achieve. This is 27% or something like that. And usually, in the second half of the year, the majority of the installation and everything takes place. So, our target is to achieve 30% of the time.

Probably, it may have been more, but it should not be less. So, 30% is on course that we will be achieving because we already have the order book as well. We already have the order book. We are working in eight states for solar pump. And we have got the order book for about, say, INR 275 to 300 crores. We already have that order book, you know. And it continues to add on to that every quarter.

Rahul Singaniya:

Voice not clear(22:41)

Kalpesh Vakharia:

Rahul, sorry, I have not been able to hear you properly.

Moderator:

You can join back the queue.

Next question comes from Achuth Pabbath an individual investor please go ahead.

Achuth pabbath:

Hello. Am I audible?

Nikunj Patel:

Yes, Pabbath.

Achuth Pabbath:

In the presentation, I have read somewhere that we are planning to export to US. So is there any impact from that Trump tariff in the near future for us?

Nikunj Patel:

That is, we are see, like, currently, our first goal is to fulfill our in-house requirement, our existing distributor, and we are also coming with upcoming ground mounting project supply as well. So if we have additional capacity or spare capacity, then only we have a planning. But I don't think so in near future for 1.2-gigawatt solar panel sales, we need to go to overseas. Even in Australia also, we have very good connections, but I don't think we will be not in a position to export solar panel to overseas.

Achuth Pabbath:

Thank you for that. And next question is, currently, we are not manufacturing solar cell. Right. Like, from where they are importing solar cell currently?

Nikunj Patel:

So the for domestic requirement, we have signed up the agreement with Jupiter for 105 megawatts, and remaining, we are buying from overseas.

Achuth Pabbath:

I'm from country exactly?

Nikunj Patel:

China because the China have, like, a 90% overseas market share for production manufacturing.

Achuth Pabbath:

Correct. Thank you so much.

Moderator:

Thank you, sir. Next question comes from Rithesh from Alpha Capitals. Please go ahead, sir.

Rithesh:

Am I audible?

Kalpesh Vakharia:

Yes, very much.

Rithesh:

So first of all, congrats on a good set of numbers. So I just initially want to understand, you know, I believe you guys have business in Australia as well and pretty significant one. So I basically want to understand in India, how is this business operation handled considering, this diversity of geography present because you both are equally invested, you know, in terms of business. So how frequently either of you do travel to and fro, you know, to keep the business running smooth?

Nikunj Patel:

So, usually, Kalpesh is in India 6 to 8 months, and I, myself, Nikunj, travel every quarter for 15-20 days. We have our COO, Chief Operating Officer, NK Singh. He looks after our day-to-day requirement. We have a general manager and hold time director, Daval Suthar. He's with company since last 13 years. We have our sales director, Samir Patel, who have almost 30 years' experience, 25 years' experience in sales industry who look after our wholesale division sales. We have a Pankaj Kumar who we have more than, again, 20 years' experience. He's looking after our pump division. We have a Jignesh Patel, who is looking after our retail division. So we have a three different division head. We have a general manager on top of that. We have a COO on top of that, and we have a Darmendra Patel, who is our business unit head for factory, and he have another two and three people working for him in within a factory for dispatch and production and the production planning as a key people. And those, some of those staff are working with us since last eight to ten years. So operationally, we have no challenge to make the sales done, and we have no challenge to, make the, production on time.

Rahul Singaniya:

Production.

Nikunj Patel:

Basically, I'm a facilitator only to provide the facility to our staff. I'm not making any day-to-day decision also. Once in a quarter when we go, we make rigorous planning for a whole quarter, and all the decision just done within a week.

Rithesh:

Further on that, I mean, like, entering into new states, requires a huge amount of, you know, I think, the least connections or, you know, getting a good technical know how of the people local people over there. How confident we'll able to penetrate into newer states like, how do you find the confidence about first entering into the states and getting those standards. And what could be the winning ratio, considering we are entering two, three new states?

Nikunj Patel:

So, of course, our pump division have a three or four different staff who have so many, years experience. But how we do is we first find the local partners in any states where we are going to do the tender and even sometimes, they find us. You know it is a both ways. And then we make sure they also if we invested for solar panel, they invest for the remaining BOS system. So they have equally interest in the project.

Rithesh:

So they also invest or what exactly?

Nikunj Patel:

They want to invest, say, like, a BOS system and installation. And they get all the payment comes to our account. Once the payment comes, then only they get a payment.

Rithesh:

And lastly, on the cell manufacturing piece, I just don't know exactly, like, are we going produce, cell manufacturing for mono, or is it will be for Topcon panels?

Nikunj Patel:

It will be Topcon no mono anymore.

Rithesh:

Both stages are predominantly for Topcon, so two gigawatts.

Nikunj Patel:

Two-gigawatt utility, one gigawatt solar cell manufacturing.

Rithesh:

Thanks. And that's it from my side.

Nikunj Patel:

Welcome

Moderator:

Next question comes from Saumil Shah from Paras Investments. Please go ahead, sir.

Saumil Shah:

Hi, sir. Good afternoon. Sir, I just wanted to reiterate that we are guiding for a 75% CAGR growth for this year. Is my understanding correct?

Nikunj Patel:

Yes. That's probably the target.

Kalpesh Vakharia:

That's our conservative target, actually, to be precise.

Saumil Shah:

And at what EBITDA margin because if our revenues will grow, then we could have some positive movement in EBITDA.

Kalpesh Vakharia:

So EBITDA margin would remain around same, probably. We what we act we expect is 12-14% would be our EBITDA margin going forward for the financial year.

Saumil Shah:

So even if the revenue increasing, we are not seeing

Kalpesh Vakharia::

But capacity on top of revenue increases, the thing is that probably we have bought new building, and we had to do a lot of CapEx for that, which will go out of this. So, right now it is 13.91.

Nikunj Patel:

Also, we are running our lead line and everything at very optimum level. You know so we taking the margin above 13-14% is not possible. And in meantime, our margin will not drop as well because we are already but not are already spreading in retail, in pump, in C and I, and our own wholesale division. So it will be stable.

Saumil Shah:

So if I look at your annual numbers, so if we are doing a 75% revenue growth, can we expect similar PAT growth also compared to last year?

Kalpesh Vakharia:

Come back again. Sorry.

Nikunj Patel:

Definitely. So Can we expect similar PAT growth?

Saumil Shah:

So on a revenue of 433 crores, we did a PET of 39 crores for previous year.

Kalpesh Vakharia:

Yes.

Saumil Shah:

Same at a similar percentage, around 9% -10%.

Nikunj Patel:

If you see the recent result also, it reflects similar numbers.

Saumil Shah:

Okay. And what would be our current order book position right now?

Kalpesh Vakharia:

So the current order book position, I would like to explain here that, see, we have got three segments, like pump, wholesale, and retail. Retail is rooftop and commercial C&I sector. So in pump, we have got a book of value of 300 crore. For wholesale, we don't have much order book because of how it all represent that this is our cash and carry business. And most of our distributor, most of our customers are basically small retail players and, you know, a little bigger retail player. So they need panels almost an immediate business, but they are with us. Like, we have got about 75 distributors right now. Out of which, 30-35 are with us. We are buying from us since the last three to four years. So, they keep getting orders, and we keep supplying them.

Nikunj Patel:

And also, we don't recommend it to book wholesale orders in in advance because some time price get fluctuated, and then that can affect our margins as well. We have kept the strategy for the wholesale. We always want to keep the open order book.

Saumil Shah:

On the retail side?

Kalpesh Vakharia:

And retail side, every month, I mean, two to three megawatt keeps coming, retail, residential rooftop, C&I, and everything. So every month, three I mean, at any point of time, we will have a order book of about nine to ten megawatts because for retail customers, they want once they pay the deposit, they want the installation to be done as soon as possible you know. So that also we cannot have a larger order book just because they are all retail customers and C&I customer, then they don't wait for so long, for us to deliver

Nikunj Patel:

With in six to eight weeks, we must have to we must have to install.

Saumil Shah:

We don't do any tenders and all the government for this.

Kalpesh Vakharia:

So right now, the CapEx for ours. Nikunj ji, go ahead.

Nikunj Patel:

We have done behind tender for a rooftop as well, which is the approx. I think 12.5 megawatt, and still, it is in process finalization of the work order.

Saumil Shah:

Because we are not mentioning any of our client's name also. I mean, any particular reason in the presentation?

Kalpesh Vakharia:

We have mentioned about the state that we are working in for solar pumps, so that will, give you a brief idea about how we are operating and, which government we are working with. You know retail rooftop, obviously, because there are lot, I think they have installed more than 12,000 customers. So to share to share their name, that would be difficult.

Saumil Shah:

On the retail side, maybe on the, I mean, bigger players like Coal India and other players like

Kalpesh Vakharia:

So we are not being able to supply right now because our Capacity is not that big enough right now.

Nikunj Patel:

Our capacity is only 400 megawatts. So we do get a request, but, currently, we are not taking on that request at the moment.

Kalpesh Vakharia:

We just got NTPC degree request as well just for example. But they're the supply, they want this more than what our capacity is. So that is why probably we cannot either do that.

Nikunj Patel:

So, for three months, the 100 megawatts, then it can affect our existing business.

Saumil Shah:

Existing set of our customers yes. In terms of demand, you don't see any issues for next one, two years.

Kalpesh Vakharia:

Absolutely no.

Saumil Shah:

And what is your current what is your current debt on books and by end of this year, what will be our debt cushion?

Kalpesh Vakharia:

So if you see the debt side, I mean, we don't have much debt. I mean, we have got two limits. I mean, we have got some limit from banks, but that is in the form of fund based and non fund based. So fund based limit, if you see, that is just five CRTC that we have, and non-fund-based limit is in the form of bank guarantee and LC to improve our cash flow. So there is no fund based limited. If you see, we have not even utilized a single penny out of that 5 crore CC2 right now. So in effect, I can say that it is a debt free company. Only that we have is a term loan term loan of about right now at the end of the June, it will be about 20 crores because we are buying machinery, that CapEx for the machinery that new coming and the old one. And that is why that also we are taking just because we are getting subsidy from the government for this end. And that is why we are taking that type of loan. But we don't have any debt, apart from that, any other debt.

Saumil Shah:

And, by end of the year I mean, probably?

Kalpesh Vakharia:

By end of the year, probably, we are looking for because we are growing exponentially. We are looking to have some fund-based limit just to get the approval so that we are not in shortage of fund. Like INR 25 crores, probably, it will be there at the end of the year, but I'm not too sure that we are not going to use most of them. It will it will just be as a safety point that if we require cash, then probably, you know, we have that facility with us.

Saumil Shah:

Because I think you to previous parties, I think you said that we are doing 800-850 crore CapEx.

Kalpesh Vakharia:

So that is for Solar Cell you are talking about, not for APS. That is a different company altogether, a plus Solar Cell.

Saumil Shah:

It is not in this company, Solar Cell?

Kalpesh Vakharia:

No. That's a subsidiary of APS, 51%, in which 61% shares are being held by APS. So that is our company name is A plus Solar Cell.

Saumil Shah:

So there, we are going to have this 800?

Kalpesh Vakharia:

Correct.

Saumil Shah:

And for that also, I mean, on consult basis, we need to take that mo.?

Kalpesh Vakharia:

That will be required. That as I said, INR 70% of 900 crore, probably around 600 to 650 would be on that because that is a big CapEx plan.

Saumil Shah:

Okay. That's it from my side. Thank you and all the best.

Kalpash Vakharia:

Thank you.

Nikunj Patel:

Thank you.

Moderator:

Thank you, sir. The next question comes from Jenil, an individual investor. Please go ahead.

Jenil:

Hello, Am I audible?

Nikunj Patel:

Yes, Jenil.

Jenil:

So I actually want to emphasize more on the top line growth and margins for FY26.

Kalpesh Vakharia:

So as a whole, you are looking to okay. So probably, our expected that we are expecting is about probably 750 to 800 crores by the end of this FY26. And the margins, the EBITDA margin would be around in between probably 12.5 to 14& which will give a PAT of about 9-10% of them.

Jenil:

So you're expecting 75 to 80 crores of PAT budget here, right?

Kalpesh Vakharia:

Yes.

Jenil:

And so what about the next year. Is next year the operating level is going to kick in and the margins are going to increase

Kalpesh Vakharia:

So margins will not increase significantly. Probably, it may increase by 25-50% points, not more than that.

Jenil:

Okay. Because I think next year, the market

Kalpesh Vakharia:

But once the solar cell manufacturing comes in picture, then probably the margin may increase by, you know, 100 with this point or 200 with this point.

Nikunj Patel:

Also, it helps us in supply chain. When solar cell is Correct. It will help us in supply chain.

Kalpesh Vakharia:

Because right now, we are dependent on the supplier and for the solar cell, which is actually is where demand is quite high, and the supply is quite less.

Nikunj Patel:

But because of our contacts and relationship, we got 150-megawatt contract signed up. But for that also, we are in we required to pay handsome amount of deposit in advance for full year order.

Jenil:

What is the estimated CapEx which is required to do 800 megawatts of solar module manufacturing capacity, which is going to be done by ABS?

Kalpesh Vakharia:

So probably, the total CapEx for whole 400 megawatt would be, like, say, first half of 400 megawatt, we have already bought the land and building worth about two million dollars. Machinery would be about four million dollars and the working capital, if you notice, then the CapEx would be only six million, but the working capital for this would be required at about 3-4 million. And another phase of four hundred

megawatt, which is expected to be operational by early next financial year, which will cost us about 2-3 million of just machinery because our building and everything would be ready for all eight hundred megawatts. So that building and everything expenditure would not be required.

Jenil:

So if I'm hearing you right, 400 megawatt is the CapEx is going to be around 85 to 90 crores in INR term?

Kalpesh Vakharia:

Including the working capital.

Jenil:

Yes, including the working capital and including the machinery?

Kalpesh Vakharia:

Yes.

Jenil:

Okay. And has that CapEx been sorted by the company. Is the balance sheet, like, capable of taking that INR 8500 crores of CapEx?

Kalpesh Vakharia:

So out of which, I mean, the CapEx, I mean, land, it has bought with our own money and machinery, I mean, we have taken loan of about 30 crores out of it, about 12 to 15 crores have been disbursed. 30% has been contributed from internal accruals from our ABS. Okay. And working capital for this working capital, we have taken we have applied for our financing facility to be increased for LC and bank guarantee. That could only be got the news that probably we will get another 35 crores non-fund-based limit very soon, probably in next five to ten days.

Jenil:

That's great. Congratulations on that. Sir, I actually want to emphasize more on the cash conversion cycle because right now, cash conversion cycle is in negative days, if I'm not wrong.

Kalpesh Vakharia:

The cash flow, just because I would like to add here, if you see the last year cash flow, it is actually positive. And just this quarter, it has been negative. And Nikunj bhai just said that we had to pay a handsome amount of deposit for us securing this contract of hundred and fifty megawatt from Jupiter. We paid about 10 crores of deposit. Plus, we had to do our CapEx for our building, plus thirty percent contribution that we had to pay for machinery. So that is why our cash flow is negative. And we did have this facility earlier. Now for Jupiter also, we have started paying since last month in June.
We have this facility of paying them by LC two. So now our cash flow should be positive probably in coming quarters.

Jenil:

Okay. So I think this one is low cash flow season.

Kalpesh Vakharia:

That's right. It is going to be bad but it is going to be good.

Jenil:

Got it. Historically, also, is our business on a seasonality tone in H1, our revenues are less than H2?

Kalpesh Vakharia:

So usually like in solar cycle, H1 is always on the slower side, usually and H2 is always better than the first H1 because in during this h one is a monsoon and everything is there. So installation and everything is not possible, transportation is a problem because as if we are doing 30-40% of our turnover from solar pump, which is agriculture filled in the rural area. So the roads are not that good. That kind of problem arises. So that is why H1 is that is always on the slow side.

Nikunj Patel:

For APS because we are running at almost full capacity Full capacity. Even previous quarter and the last quarter, to achieve similar amount of number or even little bit higher number than the last quarter, we have to put 25-30% higher efforts you know. If the same efforts, we put it in January to March. Our turnover could be more but the problem is what problem is our we don't have many enough manufacturing capacities. Capacity exactly which is about to come. So we because being in being in the industry since last 10 years in India and overall, 15 years, we know what could affect and accordingly, plan in advance in team, in staff, in new location, in new business segment to, increase our turnover profitability, everything.

Jenil:

Got it. Thank you so much for answering all the questions, sir. And, sir, one last question I had about the, solar cell. So, for that solar cell manufacturing capacity, I'm pretty sure you must be needing a lot of CapEx. And, so are you, raising any fund from the open market, or are you doing any prep of UIP. Do you have anything in mind?

Kalpesh Vakharia:

We have got a couple of things in mind, but we cannot divulge it right now. Once the because for this solar cell thing, we need water approval, which is very crucial, and that application is already done. Once that approval comes, then probably we can share our plan because we don't want to say anything right now on that particular front because it is required price and that information. So we would like to.

Jenil:

Really get it, thank you so much for answering all the questions, and all the best to you.

Kalpesh Vakharia:

Thank you.

Moderator:

Thank you. The next question comes from Majid from Pinpoint Capital. Please go ahead.

Majid:

Sir. Am I audible, sir?

Nikunj Patel:

Yes, Majid.

Majid:

My first question that I have is in regards to the realization of solar panel manufacturing. Do you think that, just want to understand the industries and, how do you see that in coming eight to twelve quarters. Do you see any sort of pressure with lower capacity?

Nikunj Patel:

See, depending on who is doing what. Some solar panel manufacturer just doing ground mounting project supply. Like, they get 600-megawatt, 800-megawatt supply, and whole year, they are just making for one customer, two customers because in India, overall, we need a fifty gigawatt in one-year solar panels in coming period. So our solar panel manufacturing facility will be close to 125-150 gigawatt in coming period. Even at 70 or 60%, it will if we consider up and running, it will be ninety gigawatts. Some, companies who don't have enough experience, who don't have enough diversification, or who have a very high say, like, if their ability to sell only one gigawatt and they have three-gigawatt plan, they will suffer more. But with APS, we strategically working in, say, like, pump division, our retail segment, our wholesale segment, our C&I segment, and our ground mounting projects, we put it at the last, not at the first because it's very easy to get one or two big orders from just one of our ten mentioned, Soumil mentioned, like Coal India or somebody or NTPC, then it can straight away shoot up our revenue, but it may give us the bad time in when the, market will be very competitive. Here, we are doing the enough groundwork. So not after even 12 quarters. After that, for even upcoming years, APS can get no issue. And we know at one gigawatt; we can get a best breakeven point. Either somebody done the ten gigawatt or somebody done it one gigawatt. They will get a best breakeven point. So as soon as we will reach at that point, we will start investing our money in vertical integration. Say, like, in two gigawatts, we can get the best breakeven in solar cell, then we will have to start thinking something else. Say, like, battery energy storage or even in battery energy storage, there is a solar cell for battery. There is a battery cell as well so there is a huge requirement in terms of the paper if we say, what will be requirement of India within a renewable energy, then there is a huge requirement. For company like APS growing 75% CAGR in coming few years, I don't see any issue.

Majid:

So the reason why I'm asking this question is because you're looking for a 75% CAGR, and at times, it is correlated to your realization. Because if realization takes a hit, even though you may have a higher volume growth, if realization takes a hit, then your revenue growth also makes a big hit. So that that's why I want to ensure that if so that 75% growth, does it ensure increase in your realization, or are you expecting the realization to be stable for next year like 75% growth.

Nikunj Patel:

See, once again, I'm saying, like, our 30% growth is coming from the pump division. Our 20% growth is coming from retail division. So our 50% of overall realization coming from pump and retail division, where solar panel is not only making difference in the realization for the pump and retail. Say example, for INR

50 -60 rupees per watt, pump price or retail price, if solar panel reduced by INR two rupees, three rupees, four rupees, it will just 8% of their realization. So by adding a new area, by adding a new territory, we can easily cover it up.

Majid:

So the realization will be stable, and the revenue growth also will be achieved for that thing. There will be no issues going forward.

Nikunj Patel:

For next day, three years, say, that's what we have decided. And after three years, we will make another plan for another three years.

Majid:

So these were my doubts. All my questions are answered. Thank you, sir and all the very best.

Nikunj Patel:

Thank you, Majid.

Moderator:

Thank you, sir. We have a follow-up question from Raman KV from Sequent Investment. Please go ahead.

Raman KV:

Hello, sir. I just have two questions that is with respect to solar cell. Sir, you said 70% will be from debt. The CapEx for the solar cell will be 70% from debt and 50% from internal flows and funding. Can you give any amount with respect to the funding you're planning?

Kalpesh Vakharia:

So I would like to add here, like, it will be 900 CapEx. So it will be the fund request will be about 30%. It will be 250-275 crore. And that would be probably out of this, I said that I'm looking to cover this 275 from, know, Promotor will be going to contribute. APS is going to contribute.

And, we will be doing the preferential fund rating of about, say, probably 75 TO 100 crore and rest of 175 crore will be fully contributed by APS and promoter. That will be good one.

Raman KV:

75 from preferential and?

Kalpesh Vakharia::

75-100 from preferences, and 75 to 85 each from APS and Liquid ware

Raman KV:

And sir, with respect to the Solar, you said the first phase will be giving us a revenue of 800 crores, and you are expecting it to be operational by FY27 last quarter, Q4.

Kalpesh Vakharia:

So yes, we are expecting it. I mean, since it is a big project and approvals are quite lengthy, so probably two, three months here or there. But yes, we are expecting it to be approved, done by probably FY27.

Raman KV:

So my I just wanted to understand that if you started, like, the solar cell commercializes in last month of FY27, how long will it take for it to ramp up?

Kalpesh Vakhria:

How would how long would it take for?

Raman KV:

Ramp up to optimum limit.

Nikunj Patel:

Do the maximum limit. Yeah. It because we did not mean when we say 18 to 24 months on 24 months, it will start up and running almost 90% capacity.

Raman KV:

In within 24 months?

Nikunj Patel:

Raman KV:

Means once it started, it just started. In solar cell we cannot stop the facility. Well, we have to keep machine, on all 24-7. It's not like solar panel. For solar panel, if you want you can afford power cut and everything. The solar cell machinery is designed. They don't they should not have any power cut or anything.

Okay. Until last question is with respect to the tech part. I just wanted to understand that we won't be taking any additional debt in this year because right?

Kalpesh Vakharia:

So additional debt, no. No. We would be taking I mean, we would be having some facility for CC, as I said, but probably we may not use it depending on the requirement. If certain requirement comes up, then probably 25 crore CC, we have we have already applied, and it should be approved. But that is just for our safety purpose that if we required that one, then probably we can use it but if not, then we will try to not use it.

Nikunj Patel:

Are a fan of using LC mainly and we are also not a fan of we taking the loan for the land and building. For loan only for machinery.

Kalpesh Vakharia:

Because we get our subsidy for that that is what.

Raman KV:

And, sir, I just wanted to understand what is the difference between the retail and wholesale business?

Kalpesh Vakharia:

So the retail business is basically retail is like retail rooftop. It is like, if you are there and you want to install solar panels on your rooftop, that's why you are a retail customer. For wholesale, we have got there are many small companies who don't have their own manufacturing, who requires a panel for the mega project or something like that. Then they are our wholesale customers. Like, you have got your own business who actually takes order for installing solar panel on the rooftop. So you are one of our customers. So we, wholesale department, supplies to you, and you supply to the small retail customers. So that is how it is.

Nikunj Patel:

In in a retail in a retail business, we have a call center setup where the normal customer can call and book a system via APS rooftop solar, which is 100% subsidiary of Austrian Premium Solar that company take care of our retail business.

Raman KV:

I understood, sir. Thank you, sir.

Nikunj Patel:

Thank you.

Moderator:

Thank you, sir. We have a follow-up Rithesh from Alpha Capitals. Please go ahead, sir.

Rithesh:

Hi, again. Thanks a lot for this follow-up. Again, I know on cell manufacturing, I believe it's quite complex so I just wanted to understand, like, we done any tie up with any external technology partners, who will help in setting up the lines and help in running up for us or how is it, the cell manufacturing?

Nikunj Patel:

Yes, there are technical consultant available and which are already the type is in final stage. Other than, like, machinery, the people the companies who supply the machine, they make sure it they get up and running. And for utility, mainly, we need a consultant by designing stage and the final checking stage.

Rithesh:

So these are all, based out of China or how?

Nikunj Patel:

We are going to take for utility; we are going to take from India. And for overall designing for building a machinery, we are going to take it from China because utility requirements are very well matured, not in just solar cell, in other industry like pharma and other industry, pharma, even in the coal product, thermal power station. Over there also, we need a big utility. So the utility knowledge is already matured in India. We can get good people who can manage the utility.

Rithesh:

Right. So on this technical consultant part that we are talking about, are is it, like, very, commoditized already in China where, you know, you can get in touch with any technical consultants and get this, technical know-how or we have tied up with some one of the biggest, manufacturers or the consultant over there who, you know, will help us in getting things done?

Nikunj Patel:

See, like, we have a connection with many CTO. They call CTO in China. Say, like, for a Dass Solar, and because we have a very good relationship with their promoters by working in India working at Australia since last 15 years. Because 10-15 years ago, their company may be very maybe even smaller than APS, you know, when we started working together. So we have a good connection where we can get the information very easily.

Raman KV:

Okay. Thank you.

Moderator:

Thank you. Participants have requested to ask two questions in the initial round and may join the queue for more questions. The next question comes from Krunal from HNI Investors. Please go ahead.

Krunal:

Thank you, sir, for opportunity Sir, FY26, our revenue expectation is INR 800 crores.

Kalpesh Vakharia:

750 to 800?

Krunal:

INR 800 crores after one year, FY27, we are expecting INR 700 crore from our one-gigawatt solar cell capacity and total four gig gigawatt. By 2030, we will get INR 2,800 crores revenue from our solar cell manufacturing capacity. This 2800 crore revenue comes from solar cell manufacturing or combined revenue of all segment.

Kalpesh Vakharia:

Okay. So I would like to say that this year, it will be about INR 750 to 800 crores for APS. FY2627, the solar cell manufacturing would not I mean, it would be in process, but there we cannot expect any turnover in FY2627 from solar cell. So the turnover from 750 to 75%, so we expect about turnover of FY2627 I'm talking about. We expect turnover of 1,200 to 1,300 from APS then in 2027-2028, probably we expect standalone turnover of APS and its subsidiary like 100% subsidiary. It would be about in the range of 1,700 to 1,800 crore and there would be INR 600 to 700 crores of turnover from A plus solar cell in 2027-2028.

Krunal:

And 2030 till 2030?

Kalpesh Vakharia:

so that you can expect, I mean, from next year onwards you can expect 40% CAGR in APS and probably 60% CAGR in A plus solar cell.

Krunal:

Okay. As per data, in 2010, the land requirement of one megawatt is seven acres. Now it is 2.5 acres due to higher efficiency of our solar panel.

Kalpesh Vakharia:

Higher efficiency and higher sizes of panel available. Earlier, it 300-watt, 325-watt, 330 watts. Now Topcon line can produce about seven hundred watt that is why.

Pranav Jain:

Okay. And cost of that one megawatt was INR 17 crore and now it is INR 2.5 crore. So higher efficiency of solar panels will decrease cost in future. So what is the next upcoming efficiency based solar panel efficiency. Like, we are currently making Monopark, and now we are shifting to top Topcon.

Nikunj Patel:

There is a technology then the tech yeah you continue, brother.

Krunal:

Sir we are currently in Topcon cell manufacturing. Is there any upcoming technology in terms of percentage of efficiency will come in near future?

Nikunj Patel:

There are is the Pervelosky solar cell, which is none it's not in real manufacturing at the moment, but maybe it's in a lab-based technology, which is the expected to say it can give up to 29-30% efficiency. There is another called tandem solar cell. That one is also can give select sorry. Pervelosky, we give twenty up to 26-27, and tandem is again on theoretical side, which can give up to 30%. Currently, with the Topcon, we are working on 25-26%. And there is already that connect technology, which is up and running in, in overseas, which is giving 0.5% higher efficiency only, but that technology only good for, rooftop projects, not for ground mounting projects because that doesn't have a BI official effect.

Krunal:

Overall worldwide capacity is 1,800 in solar cell solar panel manufacturing or and 80% of supplier is China. So how many percentages of supplier of India worldwide?

Nikunj Patel:

I believe, say, if you are considering, say, like, 2000-gigawatt worldwide capacity, then India is roughly approximately currently on 100 gigawatts, we can say. So 5%.

Krunal:

So lot of upcoming manufacturing capacity coming from India?

Nikunj Patel:

But when we say 100 gigawatts, that's the nameplate capacity. In real production, some do 70%, some do 80%, some do 50%. You know? So overall, that can produce 50 to 60 gigawatts.

Krunal:

50% solar cell comes from China to India. Is that any commodity material will affect our backward integrator like, if China will stop sending the policy for ingots and wafer, then that our solar cell manufacturing problems will come in near future?

Nikunj Patel:

See, China currently, still, there's nothing wrong to say if China holds the market, it can affect in near future to India. But take, our government long term future, say, like, if we say from 1st June 2026, they want to bring the ALMC program as well. That means everybody must have to use the Indian made solar cell. That means we will come across in, in solar cell and then maybe they are thinking for wafer and then polysilicon as well down the track. So, from now onwards, next three years, it will take, maybe up to three years for India to be totally independent in solar.

Krunal:

Recently, you said

Nikunj Patel:

For silicon, again, the polysilicon raw material, mainly China has their raw material. Australia also has the raw material for polysilicon, and USA have some raw material. Sir, we said Hold

Moderator:

Please join back with you for more questions, sir.

Krunal:

Thank you, sir. Thank you for opportunity.

Nikunj Patel:

Thank you, Ashish.

Moderator:

Next question comes from Soham from RV Investments. Please go ahead.

Soham:

Thank you, sir. Am I audible?

Nikunj Patel:

Yes, Soham.

Soham:

What is the C plus service?

Nikunj Patel:

Soham, your voice is coming very, very low, brother.

Soham:

Is it fine now?

Nikunj Patel:

Just a little bit.

Moderator:

Soham, sir, your voice is not audible.

Soham:

I'm audible.

Nikunj Patel:

Yes, I will manage.

Soham:

What is our stake in, a plus private limited in which we are doing the cell manufacturing CapEx?

Nikunj Patel:

Can you repeat?

Kalpesh Vakharia:

He's asking for the stake in solar cell manufacturing. How much is the stake?

Nikunj Patel:

A plus sir?

Kalpesh Vakharia:

Yes. APS, also the premium solar has got 51% stake right now, and 49% is being held by, the promoter, Nikunj.

Soham:

Thanks.

Kalpesh Vakharia:

Thank you so much.

Moderator:

Dear participants, if you have any questions, please press * and 1 on the telephone keypad. I repeat, if you have any questions, please press *and 1 on a telephone keypad. That was the last question, sir. Now I hand over the floor to the management Nikunj Patel of closing remarks.

Nikunj Patel:

Once again, thank you very much, everyone, for your precious time. And then I would like to meet you guys personally, but, surely, we may arrange once, if time permits, to you and us. Thank you.

Kalpesh Vakharia:

Thank you so much, guys, for being, available during the market hours. I appreciate your time, and we hope that we have answered all of your questions, conclusively.

Moderator:

Thank you, sir. Ladies and gentlemen, this concludes your conference for today. Thank you for your participation and for using Door Sabha's conference call service. You may disconnect your lines now. Thank you, and have a pleasant day.

Note: 1. This document has been edited to improve readability

2. Blanks in this transcript represent inaudible or incomprehensible words.