

Date: May 27, 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 half year and year ended on March 31, 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 May 21, 2025 with Investors/ Analysts for financial results and operations for the half year and year ended on March 31, 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
Company Secretary & Compliance Officer

Encl: A/a



Australian Premium Solar (India) Limited H2 FY '25, Results Conference Call

Event Date / Time: 21/05/2025, 13:30 Hrs.

Event Duration: 01 hr. 04 mins 08 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 | Agastya Dave | : CAO Capital |
| 2 | Pranav Goel | : Individual Investor |
| 3 | Pranav Shrimal | : Pinc Wealth Advisory |
| 4 | Amit Agicha | : HG Hawa |
| 5 | Tanisha Khandelwal | : Individual Investor |
| 6 | Jayaraj Jai | : HNI |
| 7 | Kajal Shah | : Arora Fincap |
| 8 | Yogesh Zambare | : Individual Investor |
| 9 | Krunal Prabhubhai Patel | : Individual Investor |
| 10 | Haru Punjabi | : Individual Investor |

Moderator

Ladies and gentlemen, good day and welcome to Australian Premium Solar India Limited H2 FY '25, Results Conference Call, hosted by Ventura Securities Limited. As a reminder all participants 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 touchtone 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 on 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 Partners. Thank you, and over to you, sir.

Parth Raorane

Yeah. Thank you, and good day, ladies and gentlemen. This is Parth Raorane from Confideleap Partners. We represent the Investor Relations for Australian Premium Solar India Limited. On behalf of Ventura Securities and Confideleap Partners, I warmly welcome you all for Australian Premium Solar India Limited, H2 and financial year ended '25 earnings conference call. From the company, we have with us Mr. Nikunj Patel, who is the Chairman and the Executive Director of, Australian Premium Solar India Limited. And, along with him, we have Mr. Kalpesh Vakharia, who is the Chief Financial Officer of Australian Premium Solar Limited.

So I would now like to hand over the call to Mr. Nikunj Patel for his opening remarks. Thank you, and over to you, Nikunj, sir.

Nikunj Patel

Thank you, Parth. Good day, ladies and gentlemen. Warm welcome to our earnings call for year 2025 and half year result. As an Australian Premium Solar, we started at India in 2013 as one of the pioneer solar panel manufacturers currently we have 600-megawatt client and procurement from 400-megawatt Topcon line is already done. We are expecting that up and running by month of August, which is further expandable up to 800-megawatt Topcon machinery.

Groundwork for 4-gigawatt land acquisition for solar cell is almost done. We are expecting 2-gigawatt utility and 1 gigawatt machinery as a first page and expected revenue will be up to INR 800 crores with EBITDA of 20% to 30%.

For APS growth, currently, we have a main three segments. First one is the distribution, which we are quickly and Fastly expanding. Earlier, we were just working in Gujarat and Rajasthan mainly. Currently, our distribution segment is looking after 8 states. For pump division, again, last year, we were only in two states. Currently, we have a tender up to 8 different states.

For retail and C&I segment, again, we are one of the largest solar retailers as a manufacturer in Gujarat, and we have expanded to Maharashtra and Rajasthan. For future expansion, we are planning for the ground mounting project supply and export division sooner.

In long term growth for next two years, we are looking up to 75%, CAGR. Our result for '25 for year 2025 and for last 6 months result and for 2025 update, I will ask our CFO, Kalpesh Vakharia, to present more. Thank you, Kalpesh.

Kalpesh Vakharia

Hi. Good afternoon, guys. Thank you so much, and I warmly welcome you for the Australian Premium Solar investor call. I would like to brief you the result for half to 2025.

The turnover is INR 275 crores with profit before tax of INR 36.13 crore and PAT of INR 26.71 crore, which is 870% growth 170% growth from the H2 '24, which is absolutely magnificent. We at the start of the year, we had thought that we will double the turnover, but as you can see, we have more than we have almost tripled our turnover to INR 438.87 crore in FY 2025 with a very good margin. And we expect this growth to continue in the coming financial year and the next financial year too.

So if you have any questions regarding the financials or any other thing, then probably you can definitely let us know and we will be happy to answer your questions.

Questions & Answers

Moderator

Thank you, sir. 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 name to be announced. If you would like to withdraw your request, you may do so by pressing * and 1 again.

The first question comes from Agastya Dave from CAO Capital. Please go ahead.

Agastya Dave

Sir, congratulations on truly very nice numbers. I was very pleasantly surprised with the execution. I thought my numbers -- my estimates were going to be aggressive, but you guys have beaten that quite soundly. So congratulations on that, sir. My first question, sir, is -- so first is a request, sir. Now that we are an INR 400 crore turnover plus company, can you start giving quarterly numbers, sir? There's a lot happening in the company and six months gap, it becomes very difficult to track the step-by-step progress that you are making across various projects. So it would be really appreciated if you can start giving quarterly results. And if not results, at least some sort of just like a rough set of numbers on where the company is going and how much progress has been made.

So my first question is on the volumes. So can you share the volumes that we did during the entire year FY '25?

Kalpesh Vakharia

Okay. Agastya, this is Kalpesh here. So I would like to give answer to your question. The turnover for the 6 months, because I don't have quarterly for the first two quarters, but I have got for the first half year that 163.75 was there for the first 6 months, okay? And quarter ending December, INR 163.75 crores. That was for September 2024.

Then December 2024, it was INR 121 crore.

Agastya Dave

So this you are giving me revenue numbers. Right?

Nikunj Patel

Oh, you need a like a volume for solar panel manufacturing.

Agastya Dave

Yes sir yes.

Nikunj Patel

We see between, -- we have produces roughly just say 20 yesterday. From January to May we have done 360, no, sorry, it's from December. So roughly around 30,000, so 180,000 modules in 5 months. 4.5 months.

Agastya Dave

So can you give me for the entire FY 2025, so not May, not May, but starting from March to this March? Starting last April, last April, first of April last year for the financial year.

Nikunj Patel

Okay. The way I have I remember is little bit different, but usually I do January to December. But just give me two minutes. I have to just little bit recalculate in my mind.

Agastya Dave

Sir if you can post it on the exchanges, that would be very good or include in your presentation.

Nikunj Patel

It will be exactly 320,000. It's 320,000.

Agastya Dave

320,000. So what's the unit here? This is number of panels?

Nikunj Patel

No, 270,000, 50,000 extras. So 270,000 solar panel for because we expanded our capacity. We were in learning to expand from July. So from September, it picked up. And on from December, it picked up 100%. So from December, we are not 100%, but 80%. So we will give it to you in Excel format, but it is 270 is roughly 150 megawatts.

Agastya Dave

150 megawatts, great, sir. Sir, the next question is for next year...

Nikunj Patel

150.

Agastya Dave

Right, sir. Right, sir. Sir, for next year, what would be the effective capacity in place? So by effective capacity, I mean the existing capacity will be available fully, right? And the new expansion that you will bring online, that will be available for, my guess is some eight months. I don't know how long it will take you to ramp that up. But effectively, what kind of capacity will be available?

Nikunj Patel

In say month of August to September, October. From October, it will be that new mining will be 50%, 60% no, it won't it will run 50%, 60% first and then after two months, it goes for highly, it goes higher. So by December, it goes higher. But our planning to produce around 900,000 solar panel for this year with the existing machinery and new machinery.

Agastya Dave

Understood, sir. Sir, in megawatts...

Nikunj Patel

Because this would be Yes, yes, yes.

Agastya Dave

In megawatts, sir, this would be almost three times, right, sir?

Nikunj Patel

Yes. Somewhere close to 400 to 450 megawatts?

Agastya Dave

Yes, yes, yes. And sir, the cell capacity, when will we see substantial commercial production happening? Which month of which year?

Nikunj Patel

In cell, there are so many steps. One is like land selection and then approval for water and electricity and the Pollution Board approval. So that's also very, very critical. Once you select the land, then you will know whether all those three will be applied and approved. Once that's applied and approved, then in parallel, once you are like your due diligence is done, then you have to start looking for the machinery for solar cell and then utility machine. Because machinery for solar cell for 1 gigawatt, you are expecting roughly 250 crores to 300 crores. And then utilities, say example, if you are looking for 2 gigawatts, you are looking for 400 crores to 450 crores. And land and building is extra. So that overall, so it takes 18 to 24 months.

Agastya Dave

Understood, sir.

Nikunj Patel

From 0 to 8.

Agastya Dave

From 0 to 8. Understood, sir. Sir, final question from my side. In terms of CapEx for next two years, for FY twenty-six and FY twenty-seven, for the panel facilities and for the cell facility, what will be the total combined CapEx for the company for the next two years?

Nikunj Patel

For next two years, if we divide year by year, say like to run the new machinery is coming with 800 megawatts, the first one is we are starting with 400 megawatts. So maybe December to March, we will take another 400 to up to 400 megawatts. So when and then our existing line is the 200-megawatt poly will be isolated. So 400 megawatt monopark will up and running. So overall, there will be 1.2 gigawatt, at even 80% if you are doing at peak capacity, you will do 800 megawatts. And at current value, this will be around so you need around roughly 350 to 400 cr CapEx to run fully just a solar panel manufacturing facility.

Agastya Dave

So this entire 450 crores will happen this year, right, sir?

Nikunj Patel

No, no, no. This is, I told you, next two years. Including working capital.

Agastya Dave

So 50% Can you give me just the CapEx number for two years split properly next? So what is the FY '26 number, and what is the FY '27 numbers? And include everything, sir. Include your panel plus cell, but only the CapEx number.

Nikunj Patel

CapEx for panel only. Cell will be the different story. Cell for 1 gigawatt, you are extending up to, like say, 2-gigawatt utility, 1 gigawatt machinery will be 1,000 crores for solar cells. For a 1.2 gigawatt, including some existing machinery and the new machinery coming, the machine for the top online will be 110 crores roughly because the existing will be and then utility some utility also acquire. So 100 crores in hundreds...

Agastya Dave

Should I take roughly, let's say, INR 300 crores for this year and then remaining INR 800 crores for the next year? Is that a good CapEx, right?

Nikunj Patel

You are considering with solar sales?

Agastya Dave

Sir, I'm considering the entire CapEx, the total CapEx.

Nikunj Patel

Okay. So the first year will be INR 150 cr until this for FY 2026. And then from FY '26 to '27, there will be another INR 850 cr.

Moderator

Thank you. I request the participants to restrict with 3 questions in the initial round, and join back the queue for more questions.

The next question comes from Pranav Goel an Individual Investor. Please go ahead.

Pranav Goel

My first question is, what's your order book at the end of 31st March 2025?

Nikunj Patel

Order book for 2020 see, as I said, we have three segments. One is our pump segment, where we have a government tender. In some state, we have a market mode and some states, we already they are in process of allocation of the orders. In distribution, which we are taking care of 50% of our business, over there, we are around 75 plus dealer and distributor. They give us monthly orders, because it's very hard in APS just to maintain our profit and margin. We don't take future long term orders because there are so many factors in solar panel and the cost and everything is very, very variable.

Within, like say, in last three years, if we see the price effective, example, some company take 12 months order and if their procurement pricing has changed, they may could lose so much profit. So the way we have developed and established our network, we take the monthly order.

But if they are regular orders, because they are our regular dealer distributor, they have annual target and everything, and they have some incentive structures annually as well. So they have to do certain targets to achieve their incentive at the end of the year. So that's our 50% business.

Our retail business comes every day, which is giving around 10% to 15% of our business, which is around 15% to 20%. Now it will go up as well around 25 plus megawatts. That's our daily business. And for our long-term order business, that's our tender business, which is a pump business. How much we have?

Kalpesh Vakharia

300 tons.

Nikunj Patel

So as per Kalpesh, currently, we have around INR 300 crores for pump retail.

Pranav Goel

Probably I would reiterate my question in that case. What have you executed in the month of, let's say, April and probably in the mid-May, if you can guide give a bit of guidance on that? And also, what is your expectation till the end of '26, FY '26?

Kalpesh Vakharia

We can't say much on the current figures because that is not -- we are not allowed to say.

Nikunj Patel

As I said, it's a 75% plus CAGR, earlier in previous calls also, we were saying 75% CAGR. But example, if we see example, last year, we had our turn -- last year, our turnover was INR 149 crore, and we have achieved INR 430 plus cr. So it is not good for us to tell what is already happened. Maybe...

Kalpesh Vakharia

And our figure would be like 75% CAGR for the next couple of years from year.

Nikunj Patel

That's what we are expecting.

Kalpesh Vakharia

Conservatively, that is what we will have.

Nikunj Patel

And we can extend our margin also. We want to keep our margin intact.

Pranav Goel

That's very clear. And do you think I mean, I've seen the guidance is for next two years, 78%. Do you think it's sustainable after that as well? Or at this moment, you don't have anything to say?

Kalpesh Vakharia

It can be touchable, but we don't see that much...

Nikunj Patel

After 75% two years goal, our goal will be in third year, our goal will be to be most of the debt free, because as we see, like this year, maybe we have very little debt. Even by end of this financial year, we have some debt. But the next year, we will have a very high debt. Because of the large CapEx. But our goal for '27 and '28 will be we come out of debt. And then we may increase as and whatever the situation will be. And by that time, our turnover will be very high. So even we grow at 40%, 50% still it will be very good number.

Pranav Goel

That's clear. And related to my last question is how do you plan to raise this debt?

Kalpesh Vakharia

How do you plan to...?

Nikunj Patel

Raise the debt.

Pranav Goel

Raise the debt.

Kalpesh Vakharia

So we are going to do the I mean, fundraising would be in the form of equity as well as debt funding. Like we are -- if you have seen that we have already raising funds of about INR 18 crores right now in APS. And there is also -- we have also applied for some loan with the bank, Banking system, which is in the final stages of approval. So probably in the next couple of months, we will be having debt approval too. So and then how we require, we are going to apply -- we will raise the fund, plus we will also raise the fund through debt as well. So both ways we are going to.

Nikunj Patel

Three ways like profit, debt and the profit, debt and the fund raising, equity -- through equity. So we will and we will make sure the profitability with turnover will be maintained.

Moderator

Thank you. The next question comes from Pranav Shrimal from Pinc Wealth Advisory. Please go ahead.

Pranav Shrimal

Most of my questions have been answered. Just a couple of more questions, sir. The debt interest, what would be the interest cost on the debt that we are trying to raise? And how much debt will we raise exactly?

Nikunj Patel

It's like bank like HDFC and BOB, so it should be below 10%.

Pranav Shrimal

Below 10%. And do we get any government benefits, PLI benefits?

Nikunj Patel

Yes. Not PLI benefit, but for solar panel further expansion, there will be a government benefit.

Kalpesh Vakharia

As well as for solar cell too.

Nikunj Patel

Yes, for solar cell as well.

Kalpesh Vakharia

As well. It's 25%.

Pranav Shrimal

It's not PLI, but it will come under electronics policy and Aatmanirbhar Gujarat policy, either or. So this will be in terms of refunding the GST amount or reduced cost in CapEx or interest?

Nikunj Patel

Yes. That's either or. Either you go for GST or either you go for CapEx.

Pranav Shrimal

Okay. Got it. And, sir, secondly...

Nikunj Patel

For solar sales...

Kalpesh Vakharia

Not for the solar sales.

Pranav Shrimal

Okay. For panel it's different. Okay. And sir going forward, what do we expect on sales split?

Kalpesh Vakharia

Sales, can you repeat the question please?

Pranav Shrimal

The sales split, the category, product category going forward?

Nikunj Patel

Okay. Yes, if we see the retail category, in retail business, we are expecting 10% to 15%. Like in pump segment, we are expecting 35% to 40%. And the remaining, we are expecting from distribution business. So the pump business, we are in terms of turnover, if we see, we are expecting 300 plus in pump, 400 plus in wholesale and remaining retail and C&I.

Pranav Shrimal

Wholesale 400, pump 300 and remaining?

Nikunj Patel

Retail and C&I segment.

Kalpesh Vakharia

Retail rooftop and C&I segment, commercial.

Pranav Shrimal

Okay, got it, sir. And the solar cell plant that we're coming up with picture, what will be the end date when we can start commercial production?

Nikunj Patel

As we discussed before, it will be 18....

Kalpesh Vakharia

It will be end of March 2027 probably because it takes at least 18 to 24 months. So we expect it to be by end of FY '27.

Pranav Shrimal

So next two years growth, we will not include the solar cells. This is only solar panels and pump and the other business.

Kalpesh Vakharia

Yes. After two years.

Moderator

Thank you. The next question comes from Amit Agicha from HG Hawa. Please go ahead.

Amit Agicha

So my question was connected to like what are the timelines for initiating exports to the U.S. and other countries?

Nikunj Patel

See, currently, the Indian policy are very, very favorable, especially with DCR and the profitability also very good. Compared to the USA, they are just planning some tax. There is no clear policy for USA at the moment. And all our existing ability is getting already occupied and it's already each like our cash flow is getting utilized, our machinery getting utilized, the time for our staff is getting utilized, our infrastructure getting utilized. So I think until it will be when we will start seeing some extra gap or we see, okay, maybe three months, six months later, we will have some extra gap. But that time, we will start because it only takes three months for us to set up the export because it needs two, three stops and we know how the market works because we have very good exposure working in overseas country as well, how the rules regulation, how the distribution work, how we can tap into people. So that's not a big deal for us, but big deal is to utilize extra opportunity, extra availability within organization, then only we will start looking the export.

Amit Agicha

And sir, have you received the global certification required for exporting?

Nikunj Patel

We do have a IEC certification. For the further IEC certificate, it takes three to six months to get it for USA, which once our Topcon line will come, then we will start applying because mainly in USA, the Topcon orders are more. So like in Europe, Australia, in USA, the market is not for Monopark, it's mainly on Topcon. So once our line will be there, then we will be eligible to apply those certificates.

Amit Agicha

And sir, as a company poly --, have you planned any targets like when, what are the timelines like when you'll be doing it?

Kalpesh Vakharia

What are the timelines for?

Nikunj Patel

See, getting certification will cost only INR 60 lakhs, INR 70 lakhs. So as soon as the machinery will be there, we will apply for those certificates and keep it ready. When we have extra availability for sale, we can start selling. But see, I don't think so in near future, we require to sell it in overseas, at least 5 to 15 months.

Moderator

Thank you. The next question comes from Tanisha Khandelwal an Individual Investor. Please go ahead.

Tanisha Khandelwal

Okay, so my first question would be given the big CapEx, what is your target for the debt equity ratio and how will you maintain the low debt profile?

Nikunj Patel

See, for as I said, for the year 2020 up to year 2026, we need INR 150 cr as Kalpesh our CFO already told, we have a loan application already done and the fundraising is already also in process of last stage of approval maybe. So we are doing the fundraising of INR 18 crores. And as per my memory, the loan will be around INR 25 to INR 30 crores. So that will add INR 53. Also, the internal accrual by next 9 to 10 months, I'm expecting good result out of that as well. So I'm sure for 150 cr, and we do have some other bank like IRIDA and some other government agency bank loan application as well. But those one, we will keep it in our side when we need, we can utilize quickly for projects.

So for now, we will mainly depend on the bank loan and the internal accrual. But when we need a big CapEx, maybe from after next year, we will do the aggressive wave fundraising.

Tanisha Khandelwal

Yes. Okay, sir. And my next question would be, so are there any concerns about working capital cycles or receivables that funded sales?

Nikunj Patel

Not at the moment, not at the moment, because our segment is divided in three ways. One is like, say, if I say for distribution, we have cash and carry business. For retail also, we have 70%, 80% cash and carry, and payment comes within two, three days of this page.

And for retail pump, pump is where we there are 60 to 90 days cycle, but that segment comes with so much volume and the good margin and also that segment helps to the farmers. So we like to be in that segment for long term. So our 60% to 70% business is cash and carry, and only a few % of the business is holding some money. So currently, in short term, I don't see any liquidity issue currently.

Moderator

The next question comes from Jayaraj Jai from HNI. Please go ahead.

Jayaraj Jai

So my first question is, like I assume your PAT margin has doubled more in FY '25. So can you share what were the key drivers for this margin expansion?

Nikunj Patel

One is our turnover itself say, we've gone from 150 crores to 430 plus. So and earlier year, because we were planning to expand, we had, say example, more staff, even we had the bigger infrastructure and everything. And that's why most of our profit was going to as expenses. But this year, because of those expenses we have done last year, we could achieve better result this year. Again, sooner we will be in that cycle where we have to increase some of more staff, increase our infrastructure for one quarter or something.

But the good thing is now our turnover is at a reasonable level where we can easily contribute from there. And it won't be much a percentage of the profit reduction in coming year compared to the last year.

So the main reason is the turnover expansion itself. And the overall wholesale price and the margin all slightly increased. That was the second reason EPS profit gone up. But the main is our turnover versus our expense.

Jayaraj Jai

Oh, the fixed CapEx, that is. Yes. The turnover, I think that solar has like your turnover has jumped in a very drastic way and that's a very positive sign. So sir, is there any government incentives or any prioritized for your sector? Like you are in the solar sector and government is giving much more support. So have you benefited from such supports?

Nikunj Patel

Yes. Like the retail segment, government is giving 1 crore plus rooftop for next three years. The pump also up to 2020, 2030, they have a clear policy. Overall, government have up to 500-megawatt, renewable energy planning up to 2030. Even government is focused to make that happen in terms of infrastructure wise, in terms of the policy wise, in terms of the grid network as well.

So we can see also very good opportunity for ground mounting projects in coming period as well as our capacity are going to go in a big jump. So those also, we are also targeting that segment as well. So overall government, not only in India, overall, all over the world, government policies help the industry rigorously.

Jayaraj Jai

Okay. So that's a very good news. Like if we are getting much support from the government, then we can push forward. So I'll say, so like sorry?

Nikunj Patel

Yes, you continue.

Jayaraj Jai

Yes, sorry. My next question is like, as I know that the solar industry is getting a bit competitive, So who are your key competitors and particularly like from Chinese or other domestic players?

Nikunj Patel

See, as an FPS, we are little bit different. We are our manufacturing speed is not like large like -- or Adani, but our growth rate percentage of the growth rate, if you compare, you will get a much better because at a smaller level, we have like we are doing our own retail segment as well, our own distribution segment as well, also our pump segment as well. So we are diverse, very well diversified solar panel manufacturer, which keep us at very unique position compared to many other solar panel manufacturers.

In terms of, say, what we like to be in coming future, then there are various companies at various segment, say like a good day OEM manufacturer only, then we can see like INA. Then in terms of the fast growth in just to manufacturing, then we can see maybe Alpex. In terms of, say, like ground mounting projects to do better, maybe we can see the category. But all those three or other companies, they are individually good for their own segment, while APS have an ability to grow in each and every segment because all of their segments are almost fully -- they have a fully trained people.

We have fully trained people and long-term experience in each and every segment. So from now onwards to expanding each and every department like expanding in manufacturing or expanding in ground mounting or expanding in distribution or expanding in your pump industry from two states, we are in 10 states, or expanding in retail and C&I segment, we are almost fully occupied.

Jayaraj Jai

Okay. Great, sir. So as you mentioned about expanding, so can you tell me like how do you manage to expand from boots states to 10 states? Like it is a big number and a big jump. So what are your strategies for helping me to achieve like growing from two states to 10 states?

Nikunj Patel

Okay. See, like we do have a JV partner for a, say, like pump segment, where we are the lead bidder, and we have the JV partner for the secondary bidder. So all the money from the government comes to our account. And then based on their work portfolio and their investment portfolio, we share their margin to them. So basically, their job is to find the local customers, live in with the government and doing all the installations, sales and like their service as well.

Our job is like procurement, managing the tenders, supply, showing the experience, making sure the products come with a very good quality and making sure the after sales support is there. And all the necessary paperwork's from the back office for all state happened from our end, but not like physical work and everything. Same thing with distribution, we have the distributor, they look after the warehousing facility and they have their own people. For expanding our retail also, we depend on their stock. So we can so -- they can be more strengthened in that territory. So we keep our operations simple.

Jayaraj Jai

Okay. Great, sir. And sir, I have seen that your revenue has jumped. So is there any reason, like, due to your client retention ratio, due to your new customer base, what were the reason behind the...?

Nikunj Patel

New territory, new -- the big penetration on existing territory and also the expansion to new territory. Those two are the key points for the additional turnover, yes.

Jayaraj Jai

Okay. And sir, can you give me a bit of glimpse of your revenue distribution from your geographical lines like how much Gujarat has given you revenue for this year as well as Madhya Pradesh and Rajasthan. So we will be getting to know like more about the customer base, like where you have a bit more control of your customer base. Can you share some insight of it?

Nikunj Patel

Say, overall, from Gujarat, we got around 40% this year and 20% from Rajasthan, 10% to 15% from Maharashtra and remaining from the retail operation from pump and the other state of distribution. If you want a detail, just if you pass your email address for information to our manager, we will send you in detail explanation.

Jayaraj Jai

Okay. Great, sir. And as of my last question is there, as I have seen that South Side like Karnataka, Andhra Pradesh and all are in the developing phase like more IT companies and all are coming up and they have more like housing facilities, room for house facilities. So is there any plan you can track those markets so that you can get more of retail sales from those regions. Is there any strategic plan?

Nikunj Patel

Yes. We see in last six months; we have got our targeted numbers from South India as well. It was the first time we worked in that territory, but we have achieved our targeted numbers in that territory. And we have a good expectation, as you said, we have good expectations from those territories this year.

Jayaraj Jai

Okay. Thank you, sir. And I hope we see the same number of growths in the next half year of this year.

Nikunj Patel

We will come and we will work hard.

Moderator

Thank you. The next question comes from Kajal Shah from Arora Fincap. Please go ahead.

Kajal Shah

My first question is, what was the average plant utilization in FY '25? And how do you expect this to change with the upcoming capacity addition?

Nikunj Patel

Voice is little bit echoing, can just getting echo. So can you repeat the question again? Sorry.

Kajal Shah

Yes, sure. I repeat the question. Am I audible now?

Kalpesh Vakharia

Still, it is echoing. Your voice is echoing, so not being able to hear you clearly.

Kajal Shah

Am I audible now?

Kalpesh Vakharia

Yes, much better. Much better.

Kajal Shah

Okay. Sorry for the inconvenience. I'll repeat my question. So what was the average plant utilization in FY '25? And how do you expect this to change with the upcoming capacity additions?

Nikunj Patel

Okay. The existing capacity is with the Mono PERC KW facility, and the new one will be with the Topcon facility. So the existing, see, the setup we started in July, August, September, October, it's got ready from December. It started at a full function. So see, last five months, if we see in terms of the capacity utilization, we are close to 70% to 80%, 75% to 80% utilization, which will continue. Even we are planning to make some improvements within production facility, we may go up 5% to 10% higher this quarter in terms of the utilization compared to

the last quarter. And that we keep continue because that technology is different compared to the new technology coming. And new technology also, we are expanding in a new state where there is a demand of Topcon technology along with the Mono PERC technology, because Mono PERC mainly the use is DCR and then Topcon is mainly the non DCR utilization.

So 400-megawatt new capacity, which will be up and running from, say example, September, October, so means from October, November, December, that capacity utilization first maybe 50% and the next quarter, it will be 70%.

Kajal Shah

Okay. And can you share any challenges faced in supply chain, procurement or logistics during the FY 2025? And how those were managed?

Nikunj Patel

So the main supply chain issue in last three to six months was the domestic content required solar cell, which is called DCR solar cell because the government wherever the government projects start, we must have to use the DCR solar cell. And because of our long-term relationship with some suppliers, especially Jupiter, we are working with along with them last ten years, we got a long-term contract to get the 350, 140-megawatt supply from them. Also because of our relationship with the other supplier, because currently only two to three manufacturer who supply the solar cell, which we are expecting to be open more in the next quarter, next one or two quarters, particularly in the Mono PERC segment.

So lucky because we have a good relationship and we are in business for 10 years, we already got a long-term agreement with Jupiter, so which we have secured. But still, sometime, we need if we have additional supply, we could maybe sell more. But luckily, we have enough what we need for now. And also, the example, the recent changes on the duty for the glass and the frame, which again make some short supply to India. But we do have the very good suppliers or stakeholders in overseas and locally as we are working, we are in business since last 10 years. So we haven't seen the direct effect in our production or turnover, but we have to plan well because of those changes.

Moderator

Thank you. The next question comes from Yogesh Zambare an Individual Investor. Please go ahead.

Yogesh Zambare

So I was comparing your first half results with second half results. So you have grown well in pump business and wholesale business almost more than 80%. But the retail business in first half it was to be INR 31 crores, now it is slightly lower INR 30.67. So any reason for that?

Nikunj Patel

Because retail, we haven't focused to expand in last six months, because the DCR requirement are limited. And all the retail business where we are, we must have to use the domestic content solar cell. So we just make that segment intentionally stagnant because the DCR, as we were discussing DCR solar cell, it was the same supply, it was limited by supply. So we make that segment limited by purchase. So we haven't intentionally grown in retail. But for retail growth, we are now from this quarter, we are expanding our C&I segment. C&I segment is where we like commercial rooftop and mainly the industrial rooftop. So that we are expanding from now because the last call lasted to at least four to six months. All our capacity, we are also restricted by our capacity as well, capacity of panel supply.

So that segment, we can grow when we want because retail is something we have already good name and when we want to expand, we can expand. But first, we call Lakeside Pump. We it's not our choice; it's a government tender. Once we get the tenders, we must have to do that. Same in wholesale, it's easy to expand. And also, we can get both categories over there, DCR and non-DCR cell. So if we sell the DCR panels, we also put non-DCR and our inverter as well there. And that's why we expanded to wholesale. We focus wholesale business intentionally. You have done good research on our balance sheet, brother.

Yogesh Zambare

Yes.

Nikunj Patel

Thank you.

Yogesh Zambare

Yeah. One more question.

Nikunj Patel

It is part of our policy, you know, means it was part of situation.

Yogesh Zambare

Okay. So that is just a backup. I mean, if you don't have orders in pump or wholesale, you can always cater to retail business. Capital retail business.

Nikunj Patel

Yes. And that solar cell supply for local manufacturer also is limited. So we must be 100% required, local solar cell to expand the retail business. Yes, that was the main reason.

Yogesh Zambare

Okay. Now in pump business, I think you said your current order booking hand is around INR 300 crores. So what is the execution time line for that?

Nikunj Patel

Usually, 12 to 15 months, and that's the tender guidelines as well. So we have to follow based on tender guidelines for that segment. But it's like -- it's coming. It's not like all comes in one minute or one way, one go. It comes in like every fortnightly, every month, every full month. But they already allocated, okay, like you can select 10 companies allocated for a, say, like 50 megawatt orders. So based on that, we know this will be our target.

Moderator

Thank you. Next question comes from Krunal Prabhubhai Patel an Individual Investor. Please go ahead.

Krunal Prabhubhai

My name is Kunal. Sir, we are enjoying PM Suryoday Yojana and PM Kusum Yojana. Sir, is there any incoming policy for battery energy storage system or any related like battery energy storage system compulsory rule for EPC players and manufacturers players?

Nikunj Patel

Not the I mean, we are not in policy make -- we are not in policy -- we are not a policy maker, but I will love to have those policy coming in our country. But as I'm seeing the developed way developing country, usually the first thing is the grid connected system.

Once grid connected systems comes with 30%, 25%, 30% penetration, then the battery start comes in a picture. That's how all the developing countries grown their grid system and the battery system. But with our government, we already gone at even bigger level, higher level. We got 1 megawatt plus size battery at DISCOM levels, all those substations.

So they are planning to put the big batteries at substation level very soon. Maybe you have heard those policy or you may see those policy will come in a picture very soon. Not the small level, but the big large level.

Krunal Prabhubhai

Okay. But is there any incoming, future planning for our company to become a battery energy storage system manufacturer? Like, we are producing, like, module cell and panels.

Nikunj Patel

We love to do each and every thing, but we are limited by cash flow and people. So and policies, so our first step restraint is not our people, like we are already a 400, 500 people, and some of them are working with us long time. So getting new staff trained is not a very big constraint, but managing cash flow and having right policy, long term policy in a country, those two things are very, very important. But for now, short term, we definitely expanding our solar panel at fast level and also, we will make sure we will come step three sooner as well.

For a solar cell, it is definitely any solar panel manufacturer in long term, they must have to they should consider to come in solar cell, if we -- because that's how the China and other country develop the companies who will develop their full ecosystem, there are high chance they grow the balance sheet quicker than other company. So as I said.

Krunal Prabhubhai

Sir, last question, sir. No question, but just I'm telling in Ahmedabad and in Kolol and Mhaismal, I'm enjoying the all advertise poster and regularly feeling proud to your companies to achieve that.

Nikunj Patel

Thank you very much, Kunal. It is just a start, I believe. Yeah. Because last week, one of our staff meetings, one girl just said similar thing. You know, she joined with APS maybe 12 months or 14 months. She said, sir, whenever we tell other people, you know, in Neighbors or in our society, I'm working for APS, then everybody's, oh, that is very nice company, you know. And I said it's our 500 plus staff and our customers, they are making us nice. So we have to keep working hard to be nice.

And then her second question was like, say, my background is from Maharashtra. When people in Maharashtra will start knowing us in same level as Gujarat, and they I say we are on it.

Moderator

We have a follow-up question from Amit Agicha from HG Hawa. Please go ahead.

Amit Agicha

Sir, can you sir give any one key insight which you must have discovered in past three to five years, like which is where you need to understand your business?

Nikunj Patel

The insight which is unique. Say like we follow strongly our C1S strategy, say like our staff, our structure, our sustainability, service to our customer, our stakeholder, our share values. That's not from last 3 to 5 years, from right to first day, I mean, of business, we keep all those 75 starting from our staff. Staff is our assets, and we consider them our assets. We make sure they are rightly trained. They know what they are doing. They get enough support. We make sure their personal problems get covered by the managers so they can focus more on our work.

In terms of the structure, we make sure as per our cash flow, we increase slowly and gradually our structure. In strategy wise, we don't just see the long short-term strategy. Say, just current example, if I give for India market, I can easily expand from maybe, say, 400 megawatts to 4-gigawatt line and I can do so much OEM orders. OEM orders may be just for the other people who are listening. That's just making payments for others. That's very easy to expand, but maybe for long term, that's very hard to sustain. So as per our strategy, we like to grow as each and every individual department grows.

I know it's little bit additional efforts to grow, to make the growth in each and every department, but that will be the long-term strategy for APS, which make us protected from the coming competition. So that's our strategy of the business.

In terms of the share value, we as a staff and we as a company, and we try to do what we say. That's our share value. In terms of the sustainability, we make sure if we have INR 1 in account,

we may maximum take less than INR 1 in a debt, whenever and we try that for our growth. So that's not only in that way in terms of the policy, in terms of the regulation, in terms of the supply chain, we make the sustainable decisions. So those strategy helping to build FPS as a different company than the other company. In terms of the making decision, like what the best decision I took in last five years, it's not just in five years I took the decision before 10 years ago.

When India doesn't have any policy for making solar panel, even there wasn't any green policy for many people knowing about solar. And since that day, we were working in India as a solar panel manufacturer. So even five years ago, six years ago, people were saying why we are wasting your efforts there. But now then, people are seeing the different pictures. It's not about why, it's about what you want to achieve and what is the good for company or staff and for long term growth and for country, society and just actually making people's life better. Money will come if we are doing right things, so it has to come. Not from this business, then any other business it has to come. But doing right things and creating the value within company, within our organization, within a society is very important.

Moderator

The next question comes from Haru Punjabi an Individual Investor. Please go ahead.

Haru Punjabi

Yes. So I want to ask you, are you also in talks with any institutional investors to sell any kind of stake because their performance has been phenomenal? So I believe that there would be many institutional investors who would be interested in buying substantial stake. So are there any such talks going on?

Nikunj Patel

Not at the moment, Haru. But maybe once the time will come, we will definitely let the people know as well. But maybe not in next, at least four to not 8 to 12 weeks at least, but maybe after that, we will review our applications and our requirement, and then we will go ahead. But not in short.

Haru Punjabi

Yes. Because what I understand is after the recent result, your company has become very attractive. The valuations are really impressive. So I believe that since individual investors are really interested in investing, so institutional investors might show some interest. And since you have a huge CapEx plan, so yes, I believe you might attract institutional investors as well.

Nikunj Patel

Yes. We are not looking in short term because our CapEx requirement is not even short term as well. We long term perspective we need. But if we get the right person or right institution investor who can add the value within a company and add the value for our investors, maybe we will look we are not just close blindly not saying we don't need. We will keep our eyes and mind open for the right institution investor or right investor interest.

Haru Punjabi

Okay. One more question. Can you just guide us as to what kind of order in terms of value are you expecting for solar pump this year? Like currently, your order book is 300 crores, right? And if you were to estimate like what is the kind of order that you're expecting?

Nikunj Patel

Because most of the that one also, we do have a certain ability to execute the orders, because so 300 crores order is almost, we are maximum if we stretch, we can do up to 350 for this year. Because it also needs so much efforts and the cash flow and the they can work as well. Main constraint will be the cash flow for the that division, because it takes 8 to 12 weeks to get money back. That's not our cash and carry business in our basket.

Haru Punjabi

Okay. Fine. I understand. And is it like higher margin business than this current business that you have, solar panels and all that?

Nikunj Patel

Yes, it is. And that's why we keep that and also, it's for long term strategy because not in to come in this type of tenders, you must have to have certain amount of experience and the years as well. So that's why we consider that portfolio.

Moderator

Thank you. There are no further questions. Now I hand over the floor to management for closing remarks.

Nikunj Patel

Thank you very much, everyone, for your time and the efforts to ask question. I hope I have tried my best to answer each and everyone's questions. If anyone needs any further information, please contact our investor relationship, and we will love to answer more in a detail as well. Once again, thank you very much for your time.

Moderator

Thank you, sir. Ladies and gentlemen, this concludes the conference call for today. Thank you for your participation. You may now disconnect your lines. Thank you, and have a good day.

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- Note:**
1. This document has been edited to improve readability
 2. Blanks in this transcript represent inaudible or incomprehensible words.