ganesh Green Bharat Limited
(Formerly known as Ganesh Electricals Private Limited)
CIN: U31900GJ2019PLC108417

To,

Date: 19/11/2024

Listing Department
National Stock Exchange of India Limited,
Exchange Plaza, C-1,Block G,
Bandra Kurla Complex,
Bandra(East),
Mumbai-400051.

NSE SME EMERGE Symbol: GGBL **ISIN: INE0R8C01018**

Subject: Submission of Transcript of the Earnings Conference call held on Wednesday, November 13, 2024 at 03:30pm.

Dear Sir /Ma'am,

In continuation of our earlier letter dated November 14, 2024 informing about the audio link of the Earnings Conference Call and Pursuant to Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is hereby submitting transcripts of Earnings Conference call of the analyst/investor conference call which was held on Wednesday, November 13, 2024 at 03:30 P.M. to discussed the Un-Audited Financial Results (Standalone and Consolidated) of the Company for the Half Year ended 30th September, 2024.

We request you to kindly take the same on your records.

Thanking you.
Yours faithfully,

For Ganesh Green Bharat Limited
(formerly Known as Ganesh Electricals Private Limited)

Patel Ketanbhai Narsinhbhai

Digitally signed by Patel Ketanbhai Narsinhbhai
Date: 2024.11.19 17:55:41 +05'30'

GANESH GREEN BHARAT LIMITED

KETANBHAI NARSINHBHAI PATEL
Managing Director
DIN: 07499411

G-201 & F-202 S.G. Business Hub, Near Gota Flyover, S.G. Highway, Gota Ahmedabad-382470
ganeshgreenbharat@gmail.com, accounts@ghgroup.co.in
www.ghgroup.co.in +91 7096110099 079-29703080

"Ganesh Green Bharat Limited
H1 FY25 Earnings Conference Call"
November 13, 2024

MANAGEMENT: **MR. KETAN PATEL -- CHAIRMAN AND MANAGING DIRECTOR**
MR. KRUNAL SHAH – CHIEF FINANCIAL OFFICER

MODERATOR: **MR. AKHILESH GANDHI -- STELLAR INVESTOR RELATIONS**

Moderator: Ladies and gentlemen, good day and welcome to the Ganesh Green Bharat Limited's H1 FY25 Earnings Conference Call. As a reminder, all participants' lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need any assistance during this conference call, please signal for an operator by pressing star followed by zero on your touchtone telephones.

I now hand the conference over to Mr. Akhilesh Gandhi from Stellar Investor Relations. Thank you and over to you, sir.

Akhilesh Gandhi: Thank you. Good afternoon, everyone and thank you for joining us today. We have with us today the management of Ganesh Green Bharat Limited. We have Mr. Ketan Patel he is the Chairman and Managing Director. And we also have Mr. Krunal Shah he is the CFO. And they will be representing the Ganesh Green Bharat Limited on the call. The management will be sharing the key operating and financial highlights for the half year ended on September 30th, followed by a Q&A session.

Please note that this call may contain some of the forward-looking statements which are completely based upon our beliefs, opinions and expectations as of today. These statements are not a guarantee of our future performance and involve unforeseen risks and uncertainties. The company also undertakes no obligation to update any forward-looking statement to reflect development that occurs after a statement is made.

I now hand over the conference to Mr. Ketan. Thank you and over to you, sir.

Ketan Patel: Hello. My name is Ketan Patel, Ganesh Green Bharat Limited, CMD. I would like to thank everyone who has participated in this conference and those who have joined us. There will be many people looking at the company for the first time. I would like to thank everyone who has invested in the company. We started the company in 2016. We started with a partnership. Then in 2019, we converted to a private limited company. After that, in 2023, was changed to Ganesh Green Bharat Private Limited.

In the company, when we first started, we used to work for EPC. In EPC, we used to work for the solar home lighting system in the tribal and rural areas of India. Then in Chhattisgarh states, Jharkhand, Rajasthan, Gujarat, we have worked on solar home lighting and pumping systems in 12 to 14 states. After that, in 2020, we planned to start solar module manufacturing. We started with Polycrystalline, the old technology. After that, the technology kept changing. According to the latest technology like HJT and Topcon, we did a 250 MW plan with a fully robotic machine.

After that, we have ordered 750 MW machinery. It will be on the port around 21st and our commercial production will start around 10th December. Our more than 80% of the customers work for the PSU company and the central government. Most of the work orders are from the PSU company. Most of the orders are from the state government, PSU company, and central government.

Currently, 70% of the revenue is generated from Solar and its related EPC. And remaining 30% is generated from the rest, out of which 20% is generated by doing utility shifting work.

for example, we make power substations for COAL, India. After that, we are also working with the central government. under Har Ghar Jal Jeevan Mission in MP, Rajasthan, Bihar, and now we are starting in Chhattisgarh.

We have created JV with KSB, its German company, for working with the SECI PSU company of the central government of India. We have put a tender in 16 states in India. The tender is very big. It is worth INR16,000 crores. We are working with a target of INR300-INR350 crores. We have completed the work of INR100 crores. The tender was for 3 years. Now it has been 1 year. We will work for 2 more years.

The tender is in market mode. A farmer makes the selection—choosing whose pump to take, from whom to purchase the motor, and whose components to use for the electronic tie-up. Companies like Shakti Pump, Rotomac, and us are actively participating, along with around 18 to 20 other companies working on this tender.

We use machinery with robotic systems supported by Topcon and HJT, which only 4 or 5 companies in India have. In that, according to me, the first B.I.S. technology that came was Topcon. In that, we had the first B.I.S. to make the module according to the latest technology. Now in the company, 75% of the work is module and 50% of the work is supply. Now the company's capacity is increasing by 750 megawatts. If the capacity increases by 750 megawatts, then the work of module supply will go above 65%. The rest will be in EPC.

Mr. Krunal, you can now go ahead with financial highlights

Krunal Shah: Yes, thank you and good afternoon, everyone. I will start by saying the key financial highlights for the first six month ended on September 30th, 2024. Now for FY, H1 FY25, total income reached around INR130 crores, up by 136% year over the year. EBITDA was INR23 crores, up 78% year over the year, with a margin of 16.3%.

Now PAT came in at INR13 crores, up 95%, with a margin of 9.5%. Our margin slightly declined in the first half due to the lower EPC contract and higher proportion of solar fuel module sales, which generally have lower margins. Our ROE and ROCE stood at 21% and 19% respectively. Our debt-to-equity ratio improved to 0.70x.

Thank you. We can now open for the floor of Q&A.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Paras Chheda from Purple One. Please go ahead.

Paras Chheda: Yes. Good afternoon, Ketan bhai and Krunal bhai. This is Paras. Thank you and this was a decent set of results. Congratulations to you both. Thank you. I had some queries. I would like to talk about them. First of all, is it true that capex will be completed from 10th December and will be in the commencement production? Is what I understood and heard true?

Ketan Patel: It will be 110%. Our line already has some machinery installed, and we are upgrading it, so it won't take much time. As you know, in India, there is a shortage of commutes. We have to start after the 15th of January, but our target is to begin on the 10th or 12th of December. This is confirmed.

Paras Chheda: So, it will start from there. Correct. Secondly, our order book stands at INR 295 crores, down from INR 313 crores in July. It has decreased slightly, whereas I felt it should have increased. Additionally, the orders we are receiving are smaller, around INR 3 crores to INR 4-5 crores. When do you think this order book will start increasing? My understanding is that it should pick up from November or December onwards. Could you comment on this?

Ketan Patel: The government normally operates within an 11-month time limit. To manage this, the tendering process is often reduced during the rainy season. However, they typically start issuing orders in November or December. Contractors may then raise concerns, asking how they can work during the rainy season, leaving it to the central government to provide a response.

Paras Chheda: Let's say that it is November, December. So, at this point, what will be the total bid order? What is the expectation that we will get the order?

Ketan Patel: . We have participated in a tender worth INR 2400-2500 crore. Our target is to secure a minimum of INR 500 crores and a maximum of INR 600-650 crores. The reason for bidding on a tender of INR 2500 crores is our 5 years of experience in tendering. Raw material costs fluctuate, so we account for this by maintaining a margin. This is why we choose tenders that offer a good margin, aiming for INR 500-600 crores. While the total tender value may be INR 2500 crores, we do not have the capacity to handle the entire amount.

Paras Chheda: So, this INR500-600 crores. So, till when can we get the majority order book?

Ketan Patel: Many tenders have been opened.

Paras Chheda: So, in the next 2 months, what is the expectation?

Ketan Patel: The order will start in 15-20 days.

Paras Chheda: So, in the next 2 months, we will see some activity.

Ketan Patel: All those orders are of the government. In 1 or 2 months, maximum all the orders will come.

Krunal Shalh: You will keep getting updates and you will be able to see. In the next 2 months.

Ketan Patel: Now, the order. After that, the private order. That means to supply the module. Yes. In that, we will work with the government 70% and 30% of the work will be done by the local EPC contractor. Yes. So, till the EPC line does not start, we are ready to give the order. But we did not take the order from the front. In this, there is a fixed rate. The government keeps a marking there. If the price goes up or down, there is no problem. Normally, after the line starts, we have to stock the material first. After that, we see what the price is. We take the average and take the work order from the front.

Paras Chheda: So, in the next 2 months, we will see some good ordering.

Ketan Patel: There are very few people working in the solar industry right now. According to the government's latest figures, India has only achieved about 14-15 gigawatts of solar capacity, while the minimum target set by the Indian government is 75 gigawatts. This means there is a significant amount of work ahead. However, there is a shortage of skilled workers to meet this demand. Additionally, the Indian government has imposed duties on solar imports from China, and with the introduction of the ALM (anti-dumping duty), only Indian manufacturers can supply models under any government scheme, restricting non-Indian manufacturers from participating.

Paras Chheda: Right. Okay. I had another query, which he told you partially, that our EBITDA margin has come down from 21% to 16% because the dream of our module was more and the work of EPC was less. So, now, the expansion of our module is increasing, the capacity is increasing. So, will we be able to catch EBITDA margin in the range of 16% in the future? I mean, because now we will not be able to touch 21% or 20% more or less.

Ketan Patel: . No, no. It will be in the range of 16% to 20%. The reason for this is that the module supply ratio has increased due to the work we've done so far. In module supply, there's typically a margin of 7% to 8%. However, there is currently a lack of work. As soon as the EPC work begins, the margin will immediately increase

Paras Chheda: So, our sustainable average margin will be in the range of 16% to 20%. But will it be more towards 16% because the work of the module will increase for this?

Ketan Patel: . My EBITDA is currently down to 16% and my PAT is also lower. However, when the EPC work comes in, both EBITDA and PAT will increase significantly. There will be a variation of 4% to 5%. As the EPC work increases, my EBITDA will improve, and my PAT will follow the same trend. In the solar module segment, the lower margin is causing a correction in my EBITDA and PAT. But as soon as the EPC work picks up, my EBITDA and PAT will return to a range of 10%. Therefore, we expect to maintain an average range of 16% to 20%

Paras Chheda: So, the average of the whole year can be like 18%-19%?

Ketan Patel: Yes, 18%-19% because it will remain in that range. It will not come lower than this.

Paras Chheda: Okay. I had a small question. In the balance sheet, we have some non-current assets of INR72 crores and current assets of INR60 crores. So, basically, this increase has increased. So, what are those items?

Ketan Patel: This is our IPO fund. We have made a fixed deposit for it.

Paras Chheda: That is in current assets?

Ketan Patel: Yes. And secondly, our inventory. As we know our order. As soon as my machine starts, we have started buying raw material. Due to the price and for delivery. Because delivery takes time in raw material. If I order from China, it takes 45 days. So, we have already planned that we will start taking inventory from there.

As soon as my plant starts from 10th or 12th December, I will start the production of my pipeline order. And we have already manufactured a lot of raw material for the order. Which is going on in my routine. Small and medium-sized projects.

Paras Chheda: Okay. But it is reflecting in the inventory. The inventory of INR40 crores is now of INR46 crores. But the other non-current assets, INR12.5 crores and INR72 crores. What will happen in that?

Ketan Patel: In that, my IPO money, my FDR is there. So, the FDR is above 12 months. No, it is above 6 months. It is above 181 days. Because our IPO came on 12th July.

Paras Chheda: Okay. So, in non-current assets, you have shown the item above 6 months. So, both these other current assets and non-current assets have the money of IPO. Means? Means in FD?

Ketan Patel: . Yes, it is a fixed deposit. What is happening now is that we have a margin in front of the bank guarantee (BG). Currently, we have participated in many government tenders. For these tenders, we will need to provide a fixed deposit of INR 10 crores or more. This is required by the bank in exchange for the bank guarantee, which we then submit to the government department or tendering authority

Paras Chheda: Understood. Correct. So, the capex that will come in December. So, somewhere the capital work in progress should have come. I didn't understand that.

Ketan Patel: No. Capital work in progress. My machine is on the way. So, it will come. So, the capital that will come will come around 21st or 22nd. It will come on the port. So, we have not done any capital work in progress.

Paras Chheda: So, when machinery comes, straight payment will be done, so in March, directly the block, property plant equipment will be increased. So, any under progress?

Ketan Patel: Yes. My payment is in advance now, because I will not be able to do anything until the common B comes. Normally, in the rainy season, raw material is given down.

Paras Chheda: Okay. So, it is good to pick up at that time.

Ketan Patel: So, we have taken this target and made a lot of advance payments.

Paras Chheda: Very good. One last question. Trump’s selection in the recently conducted in US elections. Going forward, because you can see Trump's anti-clean energy view. So, in India, do you think there is any problem in your space?

Ketan Patel: That's a great question. First of all, we are connected to the government, and our target is to work with government. In the government sector, quality is the priority. Those who focus on quality don’t face any issues. Now, the second point is that the government itself needs 75 gigawatts. If all the manufacturers in India join together, even today, when they present their capacity, people typically show a line of so many gigawatts, a line of this much gigawatts, and so on

When they utilize it, like I said, the last time it was 13 to 15 gigawatts in India.

Paras Chheda: So, do you think the target of the government can be changed? Because Trump is not even here…

Ketan Patel: The Indian government cannot make drastic changes in this regard because, even today, agricultural connections are still providing electricity for only 8 hours. With the increasing number of industries, the demand for power continues to rise. Despite this, powerhouses are still operating with quality. It's not the case that everything is running smoothly. From November to April, things go well, but after April, electricity supply becomes inconsistent. Power cuts happen, and the government can only provide 4 to 5 hours of electricity. In many states, there is a problem where electricity is available for just 6 hours.

Paras Chheda: So, you don't think there is much demand issue?

Ketan Patel: No, no. There is nothing for 5 years. Look, we can tell you 4 years 110%. We don't know what will happen after 4 years but for 4 years, there is a lot of work.

Paras Chheda: Right. One last question from me and that's it.

Moderator: Could you just return to the question queue?

Paras Chheda: I'll come back. I'll come back.

Moderator: Thank you. The next question is from the line of Akhil Kumar, an Individual Investor. Please go ahead.

Akhil Kumar: I have two questions. One, your guidance is still 100% growth. Is it in the top line and in the bottom line? Or will it be a little less in the bottom line because the margins will be compressed a little due to the increase in the work of the panels?

Ketan Patel: No, the top line is going in my growth and the bottom line will also come in my growth. The reason for the decline in the margin is that there is only supply of solar PV modules now. And in the EPC project, the tender that we have done, there is also an ETC project in it. So, as soon as it starts, it will come close to my old margins. So, my margin will improve from here.

And the second thing is that it is only 6 months from here to March, which is the proper time to do business.

Akhil Kumar: Okay. That's why there is a lot of growth…

Ketan Patel: We have made a target, and according to that target, we will have a turnover. And in the first half, you will see less solar project. After that, in the second half, there is a jump from 1.5x to 2x. You can see any solar industry. Because in the first half, which lasts for 2-3 months, a lot of projects are affected due to weather or rainy season. Electric or any solar. So, after that, the second half is a little double. 1.5x to 2x is more.

Akhil Kumar: So, generally, in the second quarter of July-August-September, it is a little weak due to the rain.

Ketan Patel: Yes, yes. In that, the EPC work is not done quickly. Electric or solar. Because of the rain.

Akhil Kumar: Okay. And in your new capacity, what will be the monthly run rate?

Ketan Patel: If we hold the module, then normally what happens is that 600-watt modules will be made. Average. So, 2,500 to 3,000 per day modules will be made here. And according to me, the price of one module is INR6,500 to INR7,000. Around INR2 crores per day.

And around INR50 -60 crores per month. But we count the capacity of 85% to 90%.

Akhil Kumar: Utilization. Okay. So, your run rate will be INR50 crores.

Ketan Patel: Normally, what happens is, as I told you, people show the capacity 24 hours and 7 days. We show the practical capacity. Is the ratio achievable? Actually, we have not held it for 300 days. We have held it for 26 days per month. So, according to this, our capacity is 6,50 megawatts.

Akhil Kumar: And if we take your number, then your guidance is INR500 to INR600 crores of FY 26. So, if we take this number, it should come above that, right? Yes.

Ketan Patel: You have kept the calculator. This is a recorded call, but what you said will be very good.

Akhil Kumar: Okay. Perfect. And what you just said, your added news expansion is coming. In that, almost 85% utilization will be given. So, after that, do you have any plans to expand the capacity? And will there be fundraising for that?

Ketan Patel: See, in this, our target is that in the future we will plan for 2 to 3 gigawatts. But there is only one thing that as and when orders come, first we will put our fund. When it is necessary, we will also raise the fund. We have 99% planning to increase the capacity. Okay. So, we will do fundraising.

We believe in steady expansion and proceed accordingly. Unlike setting up a 2-gigawatt plant and seeing utilization drop to 40%-50%, our approach is to first fully utilize the 750. After that, we plan based on how the system evolves, the flow of government orders, and market demand. This strategy ensures that our expansion aligns with both market needs and government requirements

Akhil Kumar: Got it. Perfect. Thank you. And my final question is that do you have any plans to expand the solar inverter or any other part of this supply chain? Or do you have any plans to do a little more vertical or horizontal expansion?

Ketan Patel: No, your voice was breaking. Say it again.

Akhil Kumar: Yes, I was asking if you have any plans to expand into other products within the solar sector or not?

Ketan Patel: We are planning to enter two areas. First, we are moving into cell manufacturing for solar. Second, apart from solar, we are focusing on lithium batteries. In 2019, we generated revenue of approximately INR 150 crores from lithium battery production. These batteries are primarily used as backup systems in power plants supplied by the government, and we are planning to expand further in this area

So, we will work on lithium battery too. So, that is what we are doing. And the third thing is, we cannot tell you, but we are thinking, it is not confirmed yet. We are also going into roboting. But that is not so perfect, the roboting one. Yes. In that, I mean, we will do a PhD first, we will see, but we will definitely move forward in lithium.

Akhil Kumar: Got it. Okay. Okay. Thank you for the color. Thank you. And the capacity addition of 500 megawatts, how much time does it take to finish it from the start? I am asking because you have a plan to expand to 3 gigawatts after that. So, I am asking how much time will it take to add 500 megawatts?

Ketan Patel: Normally, what happens is that once your infrastructure is ready, you can place an order. From there, it takes about 4 months for machinery to arrive in India after manufacturing. Their manufacturing target is typically 3 months, and shipping adds another month. After that, installation usually takes around 1.5 months. So, in total, the process is completed in about 5 to 5.5 months. Meanwhile, constructing the shade, building, and infrastructure also takes about 5 to 6 months. This timeline ensures that by the time the machinery arrives, the building and infrastructure are ready, allowing the process to move smoothly.

Akhil Kumar: Perfect. Thank you very much for answering and all the best. Thank you very much.

Moderator: Thank you. The next question is from the line of Deepika Shah, an individual investor. Please go ahead.

Deepika Shah: Hello, sir. Congratulations. Your numbers are very good. Thank you. So, my question was related to margins. So, now your revenue comes from 72% to 73% solar PV module. So, how much margin is made on that and how much is made in the remaining 27%-28%?

Management: The PAT margin in my solar PV module segment is 7% to 8%, with an EBITDA of 15% to 16%. In the EPC segment, the PAT margin is 14% to 15%, while the EBITDA ranges from 20% to 22%**.**

Deepika Shah: So, if it is this much in the other segment, then will its revenue mix change in the future? Will there be a little more allocation or will it be similar?

Management: No, this average will not remain constant. Our goal is to work within a fixed margin range. Typically, in any order, the margin fluctuates by 1% to 2%. Since we work on government tenders, it often depends on market conditions. Over the past five years, our turnover was slightly impacted due to COVID-19. However, we aim to maintain a target PAT margin between 9% and 12%

Deepika Shah: Okay. And, sir, the margins of our peers are comparatively very low. So, what are we doing separately, which is increasing our margins?

Management: Normally, madam, we work with a government PSU company, and the quality of products expected from a PSU is generally high. Based on these quality standards, if higher quality is required, we are able to charge a slightly higher rate. In terms of the supply module, we operate directly, while others typically work through a local dealer network, which results in a lower margin ratio. At present, we are focusing on expanding our capacity to meet the growing demand for our products.

Now, what we do is maintain a fixed margin. Whether you pick up any tender at any rate or hand it over to any dealer or EPC contractor, based on the turnover you provided, we do not engage in such work if the margin does not meet our fixed requirements. We only operate based on a fixed margin.

Deepika Shah: Got it. And sir, what can be the lowest prices of the solar module and how much margin can be made minimum on that?

Management: Look, what is in this, if you do according to the lower price, then according to me, it will be a minimum of 12.5 to 12. Maximum of 13 to 14 will be there. Modules will be in that range.

Deepika Shah: Okay. Got it. And sir, one last question that. Where will be the solar module price will stabilize because last year it was at INR21-INR22. And now I think it is at INR13-INR14. So, can you tell us something about that?

Management: What happens here is that manufacturing doesn't play a significant role in this. On top of that, there is a benefit because the price of raw materials has decreased considerably. The cell price is now very low. For example, two years ago, a cell was priced at INR 100, but today, it's between INR 32 and INR 33. This means the price has dropped by 33%. As a result, even though the price of raw materials has gone down, there is no significant change in the profit margin

One benefit is that earlier, the work used to be done with subsidies. People thought that solar would only be installed if there was a subsidy. However, we believe that solar will still be installed even without subsidies. Earlier, the price of raw materials was INR 28 per watt, but today, it has dropped to INR 13. This represents a significant decrease in cost. Despite this, many people still think that solar can only be installed if there is a subsidy.

Another thing is that if there is a factory unit and it is getting a lot of light bill, then people think that they will spend so much that they will get more money in their working business. Now, it is the opposite. People think that if the light bill is reduced, then they will get more profit. They can also do it through rental loans.

Deepika Shah: Okay, sir. Thank you so much. And congratulations once again.

Management: Thank you.

Moderator: Thank you. The next question is from the line of Pawan Kumar, Shade Capital. Please go ahead.

Pawar Kumar: Yes. Sir, I would like to know that in your initial commentary, you mentioned that you have a joint venture with a German company. Can you tell us in detail about this joint venture and since when have you been working in this direction?

Management: In 2023, we entered into a joint venture with KSBV, a German-based company with a network spanning 180 countries. KSBV is the world's leading company in pump manufacturing, with a manufacturing plant in Maharashtra, near Nashik, and plants in at least 15 to 16 other countries. SECI had a tender worth INR 16,000 to INR 17,000 crores. They were looking for a company experienced in EPC, and since we specialize in solar pumps and solar home lighting, we believed we could collaborate with them. The pumps would be supplied by KSB, and the module supply would be our responsibility. As an international company, KSB wanted a reliable local partner for the EPC work, and we thought this would be a good opportunity to work together. With that in mind, we jointly submitted a tender.

Pawar Kumar: What is the order size?

Management: The order we recently completed was with a Central Government PSU company, valued at INR 56 crores, including GST, which we finalized 2-3 months ago. Following that, we received an order with KSB in Maharashtra for INR 140 crores for solar pumps. We are also working with Coal India in Jharkhand and have ongoing projects in Dhule. Additionally, we have another project in Maharashtra for 500 solar pumps. We are collaborating with Power Grid on a project worth INR 5 to INR 6 crores. In total, our current order book stands at INR 296 crores.

Pawar Kumar: How much share do you have in JV?

Management: In the joint venture, our share includes the module supply, while their part includes the pump. In my view, 75%-80% of the turnover is ours. We only pay them for the pump, while we handle the entire module bill. We receive the pump bill from them. For example, the system is priced at INR 2 lakhs, with the pump costing INR 50,000, which is their portion.

Pawar Kumar: How far do you want to take this tie-up? What is your future plan with them?

Management: They are looking for a strong company in India to collaborate with. If we are qualified, then why work in a joint venture (JV)? The JV has its limitations, such as sometimes being required to source pumps exclusively from KSB. However, if we work independently, we can source pumps from multiple suppliers like KSB, CGRP, and other reputable companies, which would allow us to expand our operations and increase our margins. This is a clear advantage. If I tell you that this opportunity won't last, that it will only last for five years, that would be incorrect. It will continue as long as we can secure good sources, and that's the key. For instance, in India, taking tenders worth INR 2000 crores from an INR 16,000 crore tender is relatively easy.
However, we cannot purchase such a large volume of pumps from KSB alone. So, if we partner with one or two other suppliers, we can scale up our work. As long as we remain tied

to KSB, we're committed for the next three years, as the current tender lasts until March 2026.
.

Pawar Kumar: Are you considering taking on the manufacturing of solar pumps yourself, or are you thinking of partnering with someone else and leaving the manufacturing to them? ?

Management: We can't approach anyone until 2026, but after 2026, we will assess whether we want to participate completely on our own and will work with 2 or 3 suppliers for the supply. These could include KSB, CRI, and Lubi Pumps. We will focus on working with these suppliers and will not be involved in manufacturing.

Moderator: Thank you. The next question is from the line of Abhijit from PI Asset Management. Please go ahead.

Abhijit: Good evening sir, sir, I have a question. You have told that your tender is of INR2,400 crores to INR2,500 crores, out of which the target is of INR500 crores to INR600 crores. So, can you tell me about its timeline?

Management: Normally, for the regular government tenders and the part-time tenders we have worked on, the maximum deadline for these tenders to be opened is by December 1st week

Abhijit: What is the general execution timeline?

Management: Normally it is 11 months.

Abhijit: Okay, so it will be realized till FY '26. Can you tell us about the margin profile? Can you tell us about the margin profile? What type of margin are you expecting?

Management: Our target margin is around 9% to 12%, and we plan to maintain this margin even as our turnover grows. Normally, this isn't the case, but if we are bringing in an IPO, we expect our margin to increase. We have managed to maintain this margin for the last 5 years, from 9% to 12%. If an investor comes on board, we anticipate significant funding. We don't strictly go by the target; instead, if the other party trusts us and invests, we also want them to benefit, as they become our partners. Therefore, we will continue to strive to maintain our margin between 9% and 12%.

Abhijit: Sir, this is my last question. Can you share something about the competitive intensity? What type of competition are you facing? Who are your competitors?

Management: Currently, in India, the competition is minimal for the work we're doing. It's such a large market, and we have entered Tier 1, where we plan to remain. If the government wants to procure a module from a PSU company, they will be satisfied if we take it. Others have also received tenders, but I can't share the full details right now. Many have already taken up tenders, and the general expectation is that they will source the module from us. The government prefers this because if they procure the module from us, there will be no issues..

Abhijit: Okay. Thank you, sir.

Moderator: Thank you. The next question is from the line of Sahil Jain from Next Alpha Investments. Please go ahead.

Sahil Jain: Hello. Good evening, sir. First of all, congratulations for the good set of numbers. Sir, as you said, your new module line, given that it gets commissioned in December, and according to the run rate of INR50 crores per month, if you do it in January, February, March, then how much topline are you expecting in H2? What is your target for that?

Management: The target we had was around INR350 crores this year. From INR300 crores to INR350 crores. That will be achieved.

Sahil Jain: Including the EPC work that is pending. Adding that together.

Management: Whatever the target is, it will be around INR350 crores. Minimum. It can go further. We cannot say, but we are trying to get a good result and turnover.

Sahil Jain: Okay. One more question, sir. Sir, what is the current module that you are manufacturing? What is its efficiency? And what is your new line?

Management: Normally, our module line will have a 24% efficiency module.

Sahil Jain: Okay. And currently, sir, the operating line?

Management: We can manufacture it on the current production line as well. While its capacity is lower, we can still produce a 24% efficiency module on this line. The current line is fully automated, meaning that even if we want to produce modules of A grade, B grade, or C grade, the machine will automatically select the grade based on its capabilities. The entire process is managed by an AI system. After Reliance, the latest technology line, ordered about a year ago, includes machinery from companies like Vari and Vikram. The plant is equipped with the latest machinery and fully operational.

Moderator: Thank you. We will take the next question from the line of Amit Bhatt from Mit engineers.

Amit Bhatt: Ketan Bhai, congratulations for the good set of numbers. In our segment-wise revenue mix, our solar PV modules are contributing 73%. And our solar system and additive services are contributing 16%. Alright? There are two types of companies in solar. One is that solar PV modules do backward integration, manufacture cells, and go to the wafer.

And in that, it is like a manufacturing company. The other company is an EPC contractor. And we are a mix of both. That is, we make our PV modules and we also provide EPC solar allied services. That is our plus point. And because of this, we have a margin.

So, sir, my first question is why are we thinking of going into cell manufacturing? Because the problem will be that you will invest in cell manufacturing. In front of that, when your capacity will be 750 MW, then if you take an EPC contract using your own panel, an allied one, then it will require working capital.

So, on one hand, to do cell manufacturing, you need capital expenditure. On the other hand, you need working capital. You have to double this if you have a turnover. So, why are we doing both these things together? And the second question in my hand is that after 3 or 5 years, how do we see our company?

A solar PV module player who does backward integration in it and makes the whole chain passive. Or a company that makes a solar PV module for its own use and becomes a big EPC player. So, what do we want to become, sir?

Management: We haven't started cell manufacturing yet, but the company is considering it. This manufacturing line operates as a royalty business, and it will continue in that capacity. The second aspect is that if we want to source cells for DCR (Domestic Content Requirement) sales, we need to comply with government policies. The Indian government is 110% certain about the need for DCR sales, so we must utilize them. To obtain DCR cells, we would need to work with cell manufacturers. Initially, we didn't plan to enter manufacturing, but we faced challenges in the EPC sector, particularly with government projects. There were significant delays in module delivery, leading to penalties and quality control issues, which prompted us to consider entering module manufacturing. Once we began module manufacturing, we encountered government subsidy projects that required DCR. This led us to consider cell manufacturing as well. If we have our own cells, we can save INR 2 per unit and ensure timely delivery, which is critical for our projects

Amit Bhatt: Sir, the second question is about our solar systems and allied lighting services. As you mentioned, our 750 megawatts will start in December, and by FY26, we will have our full capacity. With this increased capacity, we will need to take on more EPC projects and secure more orders to utilize our full capacity effectively. However, in the past 3-4 months, we've noticed that very small EPC contracts are coming in. So, in the coming year, given that we've increased our manufacturing capacity, will your focus still be on EPC contracts, or are you planning to shift away from them?

Management: We have received small contracts, and that's 110% correct. However, we've advised you to wait for 2 months. In the next 2 months, the orders will come in, and you will see how many orders come together

Pawar Kumar: And, sir, when our 750 MW capacity will be completed in FY '26, then the percentage of our revenue mix, 73% and 16%, will it change?

Management: I mean, the module manufacturing will increase a little.

Pawar Kumar: Okay. That is, 80%-85% of the module will be done…

Management: We will take up to 75% of the work for module manufacturing and leave 25% for EPC. The risk in working in EPC is that, whenever raw material prices fluctuate, your margin is affected. It's true that you can adjust your pricing to account for these changes. However, the module manufacturing line operates as a royalty business, and while it comes with some risk, it is more stable. Take companies like IRB and L&T, for example—they work in EPC, and their business can fluctuate, sometimes going up, sometimes down. But with my factory, it's different. It's fixed, with an 8%-10% margin. While there may be some variability in the market, it's 100% certain that the balance will remain stable.

Pawar Kumar: So, sir, your final statement is that after a year, we will keep 70%. It will not increase more than 70%. This is coming from the PV module. Right, sir?

Management: Even today, we work in EPC. Even today. So, 70% of EPC still takes a 60% margin of the module. Even today. 60% margin is 60%-65% of the module.

Pawar Kumar: So, Ketan bhai, my final question is that 9.5% or 9% margin which is our PAT margin which we have to do in maintain FY'26. According to that, you will set both the businesses in your way, right?

Management: Yes, we will set.

Pawar Kumar: The margin will not go down. This will be our priority.

Management: The target is to maintain profits like a Tier 1 company, as we are already in the Tier 1 category.

Pawar Kumar: Yes, because, Ketan bhai, if the company only focuses on solar PV manufacturing and the business operates at a 6%-7% margin, then when we go to raise funds, we won't get a valuation of 30-35 times. The valuation will be much lower.

Management: This is according to our time. I can't say much, but you can write that this ratio will remain.

Pawar Kumar: Ketan bhai, all the best. Thank you, sir and happy new year.

Moderator: Thank you, sir. The next question is from Nitin Kapoor, an individual investor. Please go ahead.

Nitin Kapoor: Hi, congratulations, sir. Your numbers came out very well. I just have a few questions. As you said that you have already bid around INR2,500 crores, and you are expecting around INR500 crores, INR600 crores. So, you are expecting all this in the next 2 months. Is this the right estimate that it will be in the next 2 months, roughly?

Management: What, sir? I am a little network…

Nitin Kapoor: Can you hear me, sir?

Management: Yes, sir, I can hear you.

Nitin Kapoor: Great, great. So, my question was that you said that you have already bid around INR2,500 crores. Do you think that all the orders that you were saying will come in the next 2 months roughly, which you are expecting around INR500 crores-INR600 crores?

Management: Yes, 99% will come, but the amount that we told you, the amount that we told you of INR 500-550 Crs, all of them will come. Great, great.

Nitin Kapoor: Sir, you said that you will bid up to 750 MW, and you also said that you will expand up to 3 GW. My question was that your full capacity will be live by December, so after that, in the next 6-7 months or 9 months, do you have any plan to add 500 or 250? I was just asking about the next 6 months, after that?

Management: Hello, sir? I cannot hear you.

Nitin Kapoor: Can you hear me

Management: Yes, I can hear you.

Nitin Kapoor: Yes, I was saying that the 750 MW that you will install, after that, in the next 6-9 months, will you also think of increasing it? So, let's say 1.25 GW or 1.5 GW?

Management: We are planning it immediately. We will give you a message in a short time.

Nitin Kapoor: Okay, so in the next 3-6 months, you will increase it further.

Management: You already have it. Yes, we are planning it. Little by little, but step by step. It is not that if we say 2 GW, it will be 2 GW.

Nitin Kapoor: Okay. So, you will be planning up to 250MW-500MW in the next 6 months.

Management: Yes, it is going on.

Nitin Kapoor: Okay, sir. Thank you. Thank you so much.

Moderator: The next question is from the line of Paras Chheda from Purple One. Please go ahead.

Paras Chheda: Sir, for 2 GW and 3 GW is place available in current factory setup?

Management: Sir we have our own land and we have setup over there.

Paras Chheda: What is your vision? Next year, we will reach around INR600 crores. So, in 4-5 years, what is your vision, turnover-wise? What level are you looking at? It is possible. It is a general effort?

Management: We have a target of INR 3,500-4,000 crores. Whatever happens, we will adapt, but this is our target for the next 4-5 years. We are committed to showing growth. If you look at the last 5 years, only one year saw a decline, but for the last 3 years, our growth has doubled every year. For example, in 2023, we achieved INR 85 crores. In 2024, it was INR 170 crores. In 2025, we are targeting INR 300-350 crores, and after that, we aim for INR 550-600 crores. You can see the pattern—we are doubling every year. Over the next 3 years, we expect even greater growth. The vision is big, and we need support. We want strong partners who will stay with us in the long term because that will benefit the company in the long run

Paras Chheda: If you deliver this result, then even after 4-5 years, you will see our name in your list.

Management: Thank you, sir. You have trusted us so much. We are 100% sure that we will never break anyone's trust. We will never break anyone's trust.

Paras Chheda: I have a last question. I want to know when is your lithium battery for 2 wheelers or for industrial use?

Management: Our power systems serve as a backup solution. The government is now considering backup systems for the power plants being installed, particularly the 2 MW plants. The main concern is that when there is a power outage, the electricity generated doesn't reach the grid, leading to losses. To mitigate this, the government is exploring the idea of having a 2-hour backup, ensuring that unit generation continues even during power outages. This backup will prevent losses and allow electricity to flow to the grid, even if there's a temporary power failure

Paras Chheda: This will be a very big market for lithium batteries in the future, right?

Management: It is a very big market. 2-wheeler is a small application. More than this, there is a single container of 4 MW. There is a storage of 4 MW in it. So, the government is thinking of installing a hybrid. You will get to see a lot of tenders for that.

Paras Chheda: So, are you confident that you will be able to manufacture in the future?

Management: Yes, we have done it in 2019. We have all the experience. We had a complete set-up. The first lithium battery in India was ours. Just like the solar model came in Topcon. Similarly, our battery was ours.

Paras Chheda: Very good. This is a very big market. If it continues.

Management: Secondly, regarding lithium, we have participated in a tender in Bihar for a World Bank grant, which has a total value of INR 3,500 crores. A total of 14 participants have qualified, and the L1 rate has been finalized. These 14 companies will be awarded the order. This project involves solar street lights powered by lithium, which will be installed across entire villages. The World Bank is providing the grant for this project, and several large companies, including Polycab and Syska, have also participated

Paras Chheda: As long as your growth is going on, you will have a working capital requirement. But at some point, there will be a thought of dividends. I guess you will consider it yourself when the situation comes. I think you will not leave it?

Management: We will have to give dividends, but before that, our focus will be on maximizing working capital over the next 6 to 9 months. Our immediate target is to strengthen our working capital. Once that's in place, we will plan the next steps. The primary focus for now will be achieving this goal

Paras Chheda: You have a very good plan. Congratulations once again. Thank you so much for your time.

Management: Thank you.

Moderator: Thank you. The next question is from Amit Bhatt from MIT Engineers. Please go ahead.

Amit Bhatt: Ketan bhai, when the capacity of 750 megawatt will be done in 2026. If the rate of our solar PV modules is almost stagnant. Then how much revenue will these 750 megawatts give us?

Ketan Patel: You can get 80% of our plant. You can get the rate of INR6500 to INR7000 without GST. And you can get the capacity of 3000 modules. Monthly it is around 40-50 crores

Management: INR50 crores. When this whole capacity is stimulated, then INR50 crores per month.

Amit Bhatt: INR40 crores to INR50 crores. Thank you, sir.

Moderator: Thank you. The next question is from Rajesh S, an Individual Investor. Please go ahead.

Rajesh S: Firstly, congratulations on a good set of numbers. I had a question. You are expecting so much growth so soon. To manage all this growth, how are you developing your next level of management and team? You have some additions in the team. You are developing the next level of management and leadership. To do all this, you will need an engineering team, production team, technical team or sales team. All well need expansion?

Management: Sir, the team that we have, we have so many family members in the company. And secondly, we have a good production manager in our team. We have six managers, production heads and technicians in China. Eight of them are in China. To understand the manufacturing process of the latest technology, we have sent them to China.

Rajesh S: They are still in China?

Management: So, they have been there for 10 days and will stay there for 15 days.

Management: They will do training and R&D there. They will explore China's market with technology. So, our entire team is still in China. So, our question is about the technical team. Do you think that whatever we take for technical or management, we take it according to the technical sound of the person who has the capacity?

Management: They will handle training and R&D while exploring the Chinese market with technology. Our entire team is currently in China. Our main concern is with the technical team. We focus on hiring people based on their technical expertise and capacity. When we send them to China, we ensure that we have trusted individuals back home. What happens sometimes is that people get trained and then leave for other companies. We have a strong selection process to ensure we hire family members and trusted individuals. This is our approach. We have a dedicated team in place, and as we continue to expand, we maintain the existing capacity. If a new tender arises, we immediately increase the staff as needed

Rajesh S: Okay. Thank you.

Operator: Thank you. The next question is from Vatsal Shah from Kingston Capital. Please go ahead.

Vatsal Shah: My question is that what is the capex in the capacity that you have installed?

Management: According to my estimates, the total cost of our plant, including machinery and building, is around INR 56 crores.

Vatsal Shah: INR56 crores. Okay. And now you are going to go into cell manufacturing. I mean, it takes twice as much capex

Management: INR400 crores will go to the processing unit and infrastructure.

Vatsal Shah: No, I didn't understand. What will 400 crores go to?

Management: If we set up 500 megawatts of cell manufacturing, the cost for machinery and infrastructure (including the building) will be around INR 400 crores. This amount will cover both the machinery and the infrastructure, along with the raw material costs. .

Vatsal Shah: I understood. So how will you fund it? I mean, are you going to take debt or just internal equity?

Management: No, we will take equity. Equity.

Management: We will try both, bank and equity.

Vatsal Shah: And how long is your plan to install this cell?

Management: This planning is going on around 2026.

Vatsal Shah: And my last question is…

Management: We have a reason for this approach. Initially, people started with Poly lines, but that technology has become outdated. Then came Mono, but that is also being phased out. Now, Topcon technology is being used, but it too could become obsolete. The future is in HJT (Heterojunction Technology), and there's a very low chance of it being replaced anytime soon, as cell efficiency is expected to increase significantly with it. If we invest in this technology now, it will take at least 1.5 years to start manufacturing the cells, with one year being the minimum. Once the technology is in place and the machinery is installed, any newer technology could potentially cause issues. In 6 to 8 months, the entire investment could be recouped, but there is also a risk involved in moving forward with this technology, as it could be impacted by future developments in the solar industry

Vatsal Shah: I understood. And my last question was that lithium battery. You told me that you manufactured everything in 2019. So what happened in the middle? Did you stop it or what happened?

Management: We have not stopped our focus on lithium; we've just adjusted our strategy based on market conditions. In 2019, we needed INR 200 crores' worth of lithium batteries for Captive use, which we procured because it was a new technology at the time and there were quality concerns. After that, government projects involving lithium did not materialize. Regarding the Electric Vehicle (EV) market, the volume of vehicles isn't large enough yet to fully drive the lithium battery demand. Initially, when new EVs are purchased, the first 3 years are covered under warranty, so the market remains small. However, as the EV market grows, we plan to increase our involvement in it. We anticipate that lithium work will comprise about 20% to

25% of our efforts, with the remaining focus on other projects. But it is certain that we will continue to expand in the lithium space as the market matures

Vatsal Shah: Understood. And how much turnover do you see from lithium in the next 2-3 years, if you catch it?

Management: See, if you work in lithium, then minimum INR300 - 350 crores. So the turnover is easy.

Vatsal Shah: And how much is the margin in this?

Management: The margin is the same. The cost is the same for us. From 9 to 12.

Vatsal Shah: Okay. Means the same.

Management: If you get more, then I don't know. But our target will be same.

Vatsal Shah: Okay. Thank you so much, sir.

Moderator: Thank you. We'll take the next question from the line of Amit Bhatt from MIT Engineers. Please go ahead.

Amit Bhatt: Ketan Bhai as you have said that we will do the manufacturing in 2026 in that INR500 crores to INR600 crores capex will be required?

Ketan Patel: Yes.

Amit Bhatt: Sir you consider of 2026 and this year also we have also earned INR50 crores to INR60 crores that we can use that is one of them which can be done through internal accrual. Second is that in today's date our market is around Rs 950 - 100 Crs that is our value of our company. If you dilute also, you can INR200 crores from it so then it becomes INR200 crores apart from that also you can take INR350 crores in that interest will come around INR35 crores, so in 2026 how will be company be profit unless the plant is made and production will not happen?

Ketan Patel: As you mentioned, our target is to double every year. If we look at the recent trends, even just two or three days ago, we saw that solar manufacturing and EPC companies have a PE ratio of over 100, regardless of which company you choose. In contrast, our PE ratio is currently around 25. Once the results are announced, it is expected to drop to 20. Our share will be maintained based on that PE ratio.

Amit Bhatt: In today's date the share market is valuing. You have done a right thing that you can told the people about the company. Before this mathematics was not matching, what we are afraid that sometimes companies are very aggressive, promoter is very good we have seen in our lives, but the problem is that business cycle the investment is so huge that though the company intention is good then also if they have made a mistake or the government policy changed then the whole company becomes very difficult to survive. That's why we are worried because we are a long-term investor and we have picked up large quantity?

Ketan Patel: In 2016, the government introduced the 'Har Ghar Bijli' scheme, and we started the first pilot project for solar home lighting. Later, when the government introduced the 'Har Ghar Jal Nal' scheme, we saw it as an opportunity and jumped in. The third initiative introduced was the power plant scheme. What we do is closely monitor the budget to see which sectors the government is focusing on, how much investment is being made, and what subsidies are being provided. This is our approach—we focus on business during the day and think about growth opportunities at night. You mentioned that the management is good. However, even a 1% wrong decision can become a significant mistake. As we aim to maintain a PAT (Profit After Tax) of 9%-12%, we are cautious. Our sector carries no more than a 10% risk. We've also seen that when a company takes money from the bank, even if it's 60% of the total, it can still become very difficult to survive if things go wrong. If the bank or those associated with it, especially those with fixed deposits, face difficulties, the bank's position can become tight as well. Therefore, we are willing to take risks, but only up to 10%

Amit Bhatt: Ketan bhai one last question as you have said a very good thing that 100 PE solar company gets and the associated company like Zodiac all are getting. Now I am saying that why our company is not getting, have you thought about that?

Ketan Patel: See first our target is our business and you are good people and they will join then automatically it will happen. Normally what happens first comes business. If business is not there and PE goes away and we think that if one time PE goes then it does not come back.

Amit Bhatt: The problem is that because lot of investors are associated with us so from our recommendation so we have taken and they have also taken because we do the postmartem of our company from 25 years we are doing the business, we know everything. So Ketan bhai the problem is that in our company the person who has invested in the first day they are not making the money, but the other solar companies are running at 60,70,80 PE. So sir I have one request that by doing the conference call you have communicated with people and in future also after every 3 months please give update once then the confidence will rise of people that is one request?

Ketan Patel: Thank you, sir. As you requested, we will definitely make time and focus on marketing. Since we are entering the private sector, our marketing efforts will expand there as well. Your words are 110% correct. When the results are good, people often get excited. However, even with good results, there's always potential for things to grow even bigger. What you're saying is right, and we will also aim to attract strong investors like you. Additionally, when companies go for an IPO, the investors carefully look at the balance sheet. This is why investors will certainly get involved, and with anchor investors, we already have a solid foundation. The anchor investors know that the company has doubled in a single day. You might not always understand why companies take certain steps, but our goal is to take the company to greater heights. We've had significant backing from institutions like JP Morgan and HDFC Bank. HDFC Bank has maintained a hold, and in the last three months, the anchor investors have already seen their investments double. As a result, 95% of the anchor investors have exited with substantial gains from HDFC Bank

. **Amit Bhatt:** Ketan Patel we know the market from last 25 years. So just one small advice that you are very good in business, but not good in marketing. In market there is one saying that more than numbers story works.

Ketan Patel: Hello.

Moderator: Yes sir the participant has left sir. Ladies and gentlemen due to time constraints we will take that as the last question for today. I would now like to hand the conference over to the management for closing comments. Over to you sir. Sir any closing comments. You want to say anything to participants.

Management: Hello.

Moderator: Yes, sir you are audible. Please proceed.

Management: Now it is just that good investors get associated with us and join us for long term. Many people do not know what the company is doing. So we will try that we will meet more and more and try to make the company more profitable. We have a thinking that the way the balance sheet is running it should be more beneficial than this and second thing is that we will try 100% whosoever investor is there they don't have to bear the losses in him. Today we can say that in today's date what is the share price, what it is not. We don't see much, but we have a thinking we give them get value of profit.

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